

**FEDERAL RESERVE BANK
OF ST. LOUIS**

April 26, 1933.

To All Banking Institutions in District No. 8:
(Also for the information of others concerned)

The Executive order of March 10, 1933 provides in part as follows:

“No permission to any banking institution to perform any banking functions shall authorize such institution * * * to engage in any transaction in foreign exchange except such as may be undertaken

for legitimate and normal business requirements,
for reasonable traveling and other personal requirements, and
for the fulfillment of contracts entered into prior to March 6, 1933.

“Every Federal reserve bank is authorized and instructed to keep itself currently informed as to transactions in foreign exchange entered into or consummated within its district and shall report to the Secretary of the Treasury all transactions in foreign exchange which are prohibited.”

Forms have been prepared for the use of banks and others carrying balances in foreign currencies or dollar accounts for foreign banks, in making reports which will keep the Federal Reserve Bank of St. Louis currently informed and in position to submit reports to the Secretary of the Treasury as requested. These forms will be supplied upon request.

For the present at least, transactions coming clearly within the exceptions in the Executive order need not be reported to the Federal Reserve Bank of St. Louis. If there is any question as to whether any transaction is permissible within the exceptions, the Federal Reserve Bank of St. Louis will gladly assist you in determining the character of the classification. Please feel free to call upon us at any time for any information which will be of help to you.

If the business of any of your customers is known to fall within the scope of this circular, the names and addresses of such customers should be forwarded to the Federal Reserve Bank of St. Louis so that copies of this and any future circulars on this subject may be sent to them.

It is very important that the present foreign exchange regulations be so administered that they will not interfere with normal business nor cause depositors any uneasiness regarding the unrestricted use of their balances for reasonable, legitimate and normal transactions in foreign trade.

Respectfully,

WM. McC. MARTIN,

Governor.