

**FEDERAL RESERVE BANK  
OF NEW YORK**

[Circular No. 1334]  
January 15, 1934]

**Executive Order Regulating Transactions in Foreign Exchange, Transfers  
of Credit, and the Export of Coin and Currency  
and related**

**Executive Order Amending the Executive Order of March 10, 1933,  
and the Proclamation of December 30, 1933,  
Concerning the Operation of Banks**

**To all Banking Institutions in the  
Second Federal Reserve District:**

At the request of the Secretary of the Treasury we transmit to you herewith, printed on the following pages, a copy of an executive order issued by the President of the United States under date of January 15, 1934 regulating transactions in foreign exchange, transfers of credit, and the export of coin and currency; and a copy of a related executive order issued by the President of the United States under date of January 15, 1934 amending the executive order of March 10, 1933 and the proclamation of December 30, 1933, concerning the operation of banks. On the last page of this circular will be found a copy of the Proclamation of the President of the United States, dated December 30, 1933. A copy of the executive order of March 10, 1933 was transmitted with our circular No. 1173, dated March 10, 1933.

**GEORGE L. HARRISON,  
Governor.**

# EXECUTIVE ORDER

## Regulating Transactions in Foreign Exchange, Transfers of Credit, and the Export of Coin and Currency

By virtue of the authority vested in me by Section 5(b) of the Act of October 6, 1917 (40 Stat. L., 411) as amended by Section 2 of the Act of March 9, 1933, entitled "An Act to provide relief in the existing national emergency in banking and for other purposes", I, FRANKLIN D. ROOSEVELT, PRESIDENT OF THE UNITED STATES OF AMERICA, do declare that a period of national emergency continues to exist, and by virtue of said authority and of all other authority vested in me, do hereby prescribe the following regulations for the investigation, regulation, and prohibition of transactions in foreign exchange, transfers of credit between or payments by banking institutions as herein defined, and export of currency or silver coin, by any person within the United States or any place subject to the jurisdiction thereof:

SECTION 1. Every transaction in foreign exchange, transfer of credit between any banking institution within the United States and any banking institution outside of the United States (including any principal, agent, home office, branch, or correspondent outside of the United States of a banking institution within the United States), and the export or withdrawal from the United States of any currency or silver coin which is legal tender in the United States, by any person within the United States, is hereby prohibited, except under license therefor issued pursuant to this executive order: *Provided, however*, that, except as prohibited under regulations prescribed by the Secretary of the Treasury, foreign exchange transactions and transfers of credit may be carried out without a license for (a) normal commercial or business requirements, (b) reasonable traveling and other personal requirements, or (c) the fulfillment of legally enforceable obligations incurred prior to March 9, 1933.

SECTION 2. *Possessions of the United States.* Except as prohibited in regulations prescribed by the Secretary of the Treasury, transfers of credit between banking institutions in the continental United States and banking institutions in other places subject to the jurisdiction of the United States (including principals, agents, home offices, branches, or correspondents in such other places, of banking institutions within the continental United States), may be carried out without a license.

SECTION 3. *Licenses.* The Secretary of the Treasury, acting directly or through any agencies that he may designate, and the Federal Reserve banks acting in accordance with such rules and regulations as the Secretary of the Treasury may from time to time prescribe, are hereby designated as agencies for the granting of licenses as hereinafter provided. Licenses may be granted authorizing such transactions in foreign exchange, transfers of credit and exports of currency (other than gold certificates) or silver coin in such specific cases or classes of cases as the Secretary of the Treasury may determine in regulations prescribed hereunder and rulings made pursuant thereto.

SECTION 4. *Reports.* The Federal Reserve banks shall keep themselves currently informed as to foreign exchange transactions entered into or consummated, and transfers of credit made between banking institutions outside of the continental United States and banking institutions in their districts, and report to the Secretary of the Treasury all transactions in foreign exchange and all such transfers of credit not permitted under Sections 1 or 2 hereof which are effected or attempted in their districts without a license.

SECTION 5. *Regulations.* The Secretary of the Treasury is authorized and empowered to prescribe from time to time regulations to carry out the purposes of this order, and to provide in such regulations or by rulings made pursuant thereto, the conditions under which licenses may be granted by the Federal Reserve banks and by such other agencies as the Secretary of the Treasury may designate; and the Secretary of the Treasury may require any person engaged in any transaction, transfer, export, or withdrawal referred to in this executive order to furnish under oath complete information relative thereto, including the production of any books of account, contracts, letters, or other papers, in connection therewith in the custody or control of such person either before or after such transaction, transfer, export, or withdrawal is completed.

SECTION 6. *Penalties.* Whoever willfully violates or knowingly participates in the violation of any provision of this executive order or of any license, order, rule, or regulation issued or prescribed hereunder, shall be subject to the penalties provided in Section 5 (b) of the Act of October 6, 1917, as amended by Section 2 of the Act of March 9, 1933.

SECTION 7. *Definitions.* As used in this executive order the term "United States" means the United States and any place subject to the jurisdiction thereof; the term "continental United States" means the states of the United States, the District of Columbia, and the Territory of Alaska; the term "person" means an individual, partnership, association, or corporation; and the term "banking institution" includes any person engaged primarily or incidentally in the business of banking, of granting or transferring credits, or of purchasing and selling foreign exchange or procuring purchasers and sellers thereof, as principal or agent; and, for the purposes of this order, each home office, branch, principal, agent, or correspondent of any person so engaged shall be regarded as a separate "banking institution".

SECTION 8. Section 8 of the executive order of August 28, 1933, relating to the hoarding, export, and earmarking of gold coin, bullion, or currency and to transactions in foreign exchange, is hereby revoked.

This executive order and any rules, regulations, or licenses prescribed or issued hereunder may be modified or revoked at any time.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,  
January 15, 1934.



**EXECUTIVE ORDER**  
**Amending the Executive Order of March 10, 1933, and the Proclamation**  
**of December 30, 1933, Concerning the Operation of Banks**

By virtue of the authority vested in me by Section 5 (b) of the Act of October 6, 1917 (40 Stat. L. 411), as amended by the Act of March 9, 1933, and by Section 4 of said Act of March 9, 1933, and by virtue of all other authority vested in me, I, FRANKLIN D. ROOSEVELT, PRESIDENT OF THE UNITED STATES OF AMERICA, do hereby issue the following executive order:

SECTION 1. The last two paragraphs of the executive order of March 10, 1933, concerning the operation of banks, are amended, effective from the date of this order, by striking out the following:

“nor 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.”

The Secretary of the Treasury is authorized to amend the licenses heretofore issued with his approval by the Federal Reserve banks under the executive order of March 10, 1933, by issuing through the Federal Reserve banks amendatory licenses removing the restriction upon transactions in foreign exchange contained in the licenses heretofore issued.

SECTION 2. The proclamation of December 30, 1933, relating to the licensing of banking institutions which are not members of the Federal Reserve system, is amended, effective from the date of this order, by striking out the following:

“nor 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.”

SECTION 3. The amendment of such executive order of March 10, 1933, or of any licenses issued thereunder, and the amendment of such proclamation of December 30, 1933, shall not affect any act done, or any order, decision, or finding made, or relieve any person from the consequences of any unauthorized act committed prior to the date of this executive order; nor shall the amendment of the executive order of March 10, 1933, or the proclamation of December 30, 1933, relieve any person from the obligation of complying with the terms of the executive order of January 15, 1934, relating to the export of coin and currency and transactions in foreign exchange, or the regulations or licenses issued thereunder, or of any other provisions of law affecting transactions in foreign exchange.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,  
January 15, 1934.

(Amending Proclamations of March 6 and March 9, 1933, and the Executive Order of March 10, 1933 and All Orders and Regulations Pursuant Thereto)

By the President of the United States of America

A PROCLAMATION

WHEREAS, on March 6, 1933, I, Franklin D. Roosevelt, President of the United States of America, by virtue of authority vested in me by Act of October 6, 1917 (40 Stat. L. 411), as amended, issued a Proclamation declaring that an emergency existed and that a National banking holiday be observed;

WHEREAS, on March 9, 1933, I issued a Proclamation continuing the terms and conditions of said Proclamation of March 6, 1933, in full force and effect until further proclamation by the President;

WHEREAS, on March 10, 1933, I issued an Executive order authorizing the appropriate authority having immediate supervision of banking institutions in each State or any place subject to the jurisdiction of the United States to permit any banking institution not a member of the Federal Reserve System to perform any or all of its usual banking functions except as otherwise provided;

WHEREAS, the Secretary of the Treasury, pursuant to authority granted by other provisions of the said Executive order of March 10, 1933, has acted upon all requests for licensing of banks members of the Federal Reserve System;

WHEREAS, the Federal Deposit Insurance Corporation has acted upon all applications to it for membership in the Temporary Federal Deposit Insurance Fund as provided for in Section 12B (y) of the Federal Reserve Act as amended by Section 8 of the Act of June 16, 1933, Public No. 66, Seventy-third Congress, and has admitted to the said Fund all applicant banks which are duly and properly qualified; and

WHEREAS, it is now appropriate that the banking authority in each State and any place subject to the jurisdiction of the United States should have and exercise the sole responsibility for, and control over, banking institutions not members of the Federal Reserve System;

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, PRESIDENT of the UNITED STATES, in order to assure that the banking authority in each State and in any place subject to the jurisdiction of the United States shall have and exercise the sole responsibility for, and control over, banking institutions which are not members of the Federal Reserve System, do hereby proclaim, order, direct, and declare that the Proclamations of March 6, 1933 and March 9, 1933, and the Executive order of March 10, 1933, and all orders and regulations pursuant thereto, are amended, effective the first day of January, nineteen hundred and thirty-four, to exclude from their scope banking institutions which are not members of the Federal Reserve System. PROVIDED, HOWEVER, That no banking institution shall pay out any gold coin, gold bullion, or gold certificates, except as authorized by the Secretary of the Treasury, nor allow the withdrawal of any currency for hoarding, nor engage in any transactions 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.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done in the City of Washington this 30th day of December in the year of our Lord one thousand nine hundred and thirty-three, and of the Independence of the United States the one hundred and fifty-eighth.

FRANKLIN D. ROOSEVELT.

By the President:

WILLIAM PHILLIPS,  
*Acting Secretary of State.*

(Copies of the Proclamations of March 6 and March 9, 1933, to which reference is made in the above proclamation, were transmitted with our circulars No. 1168, dated March 8, 1933 and No. 1172, dated March 9, 1933, respectively.)