

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 1463]
[October 22, 1934]

INTERPRETATION OF REGULATION T

*To National Securities Exchanges in the
Second Federal Reserve District:*

For your information I quote below the text of a telegram which I have received today from the Federal Reserve Board:

Ruling No. 30 Interpreting Regulation T.

The Federal Reserve Board has been asked whether under Regulation T, a broker may permit a customer to withdraw cash dividends or interest received by the broker on securities carried for the customer in a restricted new account. In reply the Board advises that for the purposes of Regulation T such withdrawal of interest or dividends is to be considered as not different from any other withdrawal of cash and therefore may not be permitted in such account except in compliance with the provisions of section 4(d) of the regulation.

Additional copies of this circular will be furnished upon request.

J. H. CASE,
Federal Reserve Agent.