

FEDERAL RESERVE BANK  
OF NEW YORK

Circular No. 2070, June 3, 1940  
[Reference to Circulars Nos. 2044, 2046, 2050, 2053, 2056,  
2057, 2058, 2059, 2060, 2062, 2063, 2064, 2065 and 2069.]

Executive Order No. 8389, April 10, 1940, as Amended by Executive Order  
No. 8405, May 10, 1940, and Regulations Issued Pursuant Thereto  
Relating to Transactions in Foreign Exchange, Etc.

To all Banking Institutions, and Others Concerned,  
in the Second Federal Reserve District:

For your information we quote below the text of a telegram received today from the  
Treasury Department:

The following amendment of General License No. 4 and new general rulings have been issued  
today pursuant to Executive Order No. 8389 of April 10, 1940, as amended, and the Regulations  
issued thereunder:

Code of Federal Regulations  
Title 31—Money and Finance: Treasury  
Chapter I—Monetary Offices, Department of the Treasury  
Part 134

TREASURY DEPARTMENT  
OFFICE OF THE SECRETARY

Amendment to General License No. 4 under Executive Order No. 8389, April 10, 1940, as  
amended, and Regulations issued pursuant thereto, relating to trans-  
actions in foreign exchange, etc.\*

General License No. 4 is hereby amended to read as follows:

"A general license is hereby granted authorizing the bona fide sale of securities on a  
national securities exchange by banking institutions within the United States for the account,  
and pursuant to the authorization, of nationals of Norway, Denmark, the Netherlands,  
Belgium or Luxembourg, and the making and receipt of payments, transfers of credit  
and transfers of such securities which are necessary incidents of any such sale, provided that:

(A) The proceeds of the sale are credited to an account in the name of the  
national for whose account the sale was made and in the banking institution within  
the United States which held the securities for such national; and

(B) This general license shall not be deemed to authorize (1) the sale of any  
security registered or inscribed in the name of Norway, Denmark, the Netherlands,  
Belgium or Luxembourg, or any national thereof, irrespective of the fact that at any  
time (whether prior to, on, or subsequent to April 10, 1940) the registered or inscribed  
owner thereof may have, or appears to have, assigned, transferred or otherwise dis-  
posed of the security; or (2) the sale of any securities not physically situated in the  
United States on June 1, 1940.

"Each banking institution making any sales herein authorized is required to file  
promptly with the appropriate Federal Reserve bank weekly reports showing the details  
of the transactions, including a description of the securities sold, the dates of sales, the  
persons for whose account the sales were made, and the prices obtained.

"This amendment of General License No. 4 shall not be deemed to prevent the com-  
pletion on or prior to June 6, 1940 of purchases and sales, which were made prior to  
June 4, 1940 pursuant to General License No. 4, of securities other than securities regis-  
tered or inscribed in the name of Norway, Denmark, the Netherlands, Belgium or Luxem-  
bourg, or any national thereof."

D. W. BELL,  
*Acting Secretary of the Treasury.*

June 3, 1940.

\* Part 134:—Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Con-  
gress; 12 U. S. C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405,  
May 10, 1940; Regulations, April 10, 1940, as amended May 10, 1940.

General Ruling No. 4 under Executive Order No. 8389, April 10, 1940, as amended,  
and Regulations issued pursuant thereto, relating to trans-  
actions in foreign exchange, etc.

Except as otherwise specifically indicated, all definitions appearing in Executive Order No. 8389, of April 10, 1940, as amended, and the Regulations issued thereunder, shall apply to the terms employed in all rulings, licenses, instructions, etc., issued pursuant to such Executive Order and Regulations.

Dated: June 3, 1940.

D. W. BELL,  
*Acting Secretary of the Treasury.*

General Ruling No. 3 under Executive Order No. 8389, April 10, 1940, as amended,  
and Regulations issued pursuant thereto, relating to trans-  
actions in foreign exchange, etc.

The attention of banks, brokers, transfer agents, registrars and all other persons and banking institutions in the United States is invited to the fact that the Treasury Department construes Executive Order No. 8389, April 10, 1940, as amended, and the Regulations issued pursuant thereto as prohibiting the acquisition, transfer, disposition, transportation, importation, exportation, or withdrawal of, or the endorsement or guarantee of signatures on, or otherwise dealing in, or with respect to, any security (or evidence thereof) registered or inscribed in the name of Norway, Denmark, the Netherlands, Belgium or Luxembourg or any national thereof, except pursuant to a specific license, irrespective of the fact that at any time (either prior to, on, or subsequent to April 10, 1940) the registered or inscribed owner thereof may have, or appears to have, assigned, transferred or otherwise disposed of any such security. Applications for licenses should be made in the manner provided in the Regulations issued under the Executive Order of April 10, 1940, as amended.

Dated: June 3, 1940.

D. W. BELL,  
*Acting Secretary of the Treasury.*

Additional copies of this circular will be furnished upon request.

GEORGE L. HARRISON,  
*President.*