

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 2527, October 24, 1942
Reference to Circulars Nos. 2525 and 2526.]

FOREIGN FUNDS CONTROL

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

For your information we quote below from a telegram received on October 23, 1942, from the Treasury Department:

The following is the text of Public Circular No. 20 issued today:

CODE OF FEDERAL REGULATIONS
Title 31—Money and Finance: Treasury
Chapter I—Monetary Offices, Department of the Treasury
Parts 130 and 131
Appendix

TREASURY DEPARTMENT
Office of the Secretary
October 23, 1942

PUBLIC CIRCULAR NO. 20

UNDER EXECUTIVE ORDER NO. 8389, AS AMENDED, EXECUTIVE ORDER NO. 9193, SECTIONS 3(A) AND 5(B) OF THE TRADING WITH THE ENEMY ACT, AS AMENDED BY THE FIRST WAR POWERS ACT, 1941, RELATING TO FOREIGN FUNDS CONTROL.*

(1) Reference is made to General License No. 30A relative to the administration of estates of decedents.

(2) All transactions incident to the administration of a blocked estate, including the appointment and qualification of a personal representative, the collection and liquidation of assets, the payment of claims, and the distribution to the beneficiaries, may be effected only pursuant to license. As used herein, the term "blocked estate" shall have the meaning prescribed in General License No. 30A.

(3) Attention is directed to the fact that in instances where the decedent was not a national of a blocked country, or was a United States citizen and a national of a blocked country solely by reason of his presence in a blocked country as a result of his employment by or service with the United States Government, or whenever the gross value of the assets within the United States does not exceed \$5,000, such general license authorizes the complete administration of a blocked estate. This includes the appointment and qualification of a personal representative, the collection and liquidation of assets, the payment of debts and claims, and the distribution of the remaining assets to the persons entitled thereto. Property distributable to nationals of blocked countries must be distributed in accordance with the provisions of such general license.

(4) In instances where the decedent was a national of a blocked country (other than a United States citizen who was a national of a blocked country solely by reason of his presence in a blocked country as a result of his employment by or service with the United States Government) and the gross value of the assets situated within the United States of the estate of such decedent exceeds \$5,000, such general license permits certain limited acts of administration. These acts are confined to transactions incident to the appointment and qualification of a personal representative, the collection and preservation of the assets and the payment of all costs, fees and charges incident thereto, and the payment of funeral expenses and expenses of last illness. All other transactions incident to the administration of such estates, including the liquidation of assets, the payment of claims and the distribution of any of the assets, may be effected only pursuant to special license.

(OVER)

(5) Attention is directed to the fact that no national of a blocked country may, except pursuant to special license, act as personal representative of any estate, nor may he act as attorney or attorney in fact for or represent, directly or indirectly, any personal representative, creditor, heir, next of kin, legatee, devisee, distributee, or beneficiary therein.

(6) In any estate in which distribution is authorized under this general license, property may be transferred to the trustee of any testamentary trust or to the guardian of the estate of a minor or of an incompetent, provided such trustee or guardian is not a national of a blocked country. The administration of such testamentary trust or such estate of a minor or of an incompetent shall conform to all applicable provisions of the Order.

(7) General Licenses Nos. 30, 49, 50, 52, and 70 are amended so as to be inapplicable to the administration of decedents' estates.

(8) Application for special license authorizing any transaction, or series of transactions, in connection with any blocked estate not authorized by General License No. 30A may be made to the appropriate Federal Reserve Bank on license application Form TFE-1. Such application should contain a complete statement of all relevant facts, including, as accurately as possible, an inventory of the assets, the names and nationality of all persons who have an interest in, or have made any claim against, the estate, and the probable method of distribution.

(9) General License No. 30A authorizes all transactions incident to the collection, conservation, administration, liquidation, and distribution of any blocked estate engaged in since the effective date of the Order, provided such transactions comply with the terms and conditions of such general license.

(10) Attention is directed to the fact that General License No. 30A does not affect any orders, rules or regulations of the Alien Property Custodian relating to estates. In this connection, see General Orders 5 and 6 issued by the Alien Property Custodian.

RANDOLPH PAUL

Acting Secretary of the Treasury

* This public circular affects Parts 130 and 131 and will be included in the appendices to those parts. Section 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Public No. 354, 77th Congress, 55 Stat. 838; Ex. Order 8389, April 10, 1940, as amended by Ex. Order 8785, June 14, 1941; Ex. Order 8832, July 26, 1941; Ex. Order 8963, December 9, 1941, and Ex. Order 8998, December 26, 1941; Ex. Order 9193, July 6, 1942; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

Additional copies of this circular will be furnished upon request.

ALLAN SPROUL,

President.