

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 2687, September 3, 1943
Reference to Circulars Nos. 2684 and 2686.]

FOREIGN FUNDS CONTROL

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

For your information we quote below the text of General Ruling No. 5, as amended, dated September 3, 1943, issued by the Treasury Department:

TREASURY DEPARTMENT
Foreign Funds Control
September 3, 1943

GENERAL RULING NO. 5, AS AMENDED,
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.*

General Ruling No. 5, as amended, is hereby further amended to read as follows:

REGULATIONS RELATING TO IMPORTATION OF SECURITIES AND CURRENCY

(1) Prohibition With Respect to Importation of Securities or Currency. Except as authorized herein, or as authorized by a license or other authorization of the Secretary of the Treasury, the sending, mailing, importing, or otherwise bringing into the United States from any foreign country of any securities or currency, or the receiving or holding in the United States of any securities or currency sent, mailed, imported, or otherwise brought into the United States from any foreign country is prohibited.

(2) Declaration and Surrender of Securities and Currency by Persons Entering the United States. Any individual entering the United States from any foreign country shall declare and surrender to the collector of customs or his representative at the port of entry, before the examination of his baggage or effects has begun (or, if his baggage is not subject to examination, before customs clearance), all securities and currency which he has on his person or in any of his baggage or effects. If the port of entry is in the Panama Canal Zone, such securities and currency shall be declared and surrendered to the customs officer

* Appendix A;—Sec. 3(a), 40 Stat. 412; Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; 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, Dec. 9, 1941, and Ex. Order 8998, Dec. 26, 1941; Ex. Order 9193, July 6, 1942; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

or other representative of the Governor of the Panama Canal Zone at such port. Securities and currency so declared and surrendered shall not be deemed to have been imported or brought into the United States in violation of this general ruling, but nevertheless shall be subject to all other provisions hereof.

(3) Inspection by Customs Officers and Postal Employees. Any articles sent, mailed, imported, or otherwise brought into the United States from any foreign country which, in the opinion of customs officers or postal employees contain any securities or currency, shall be subjected to customs inspection in accordance with the Customs Regulations of 1943 (or, if arriving in the Panama Canal Zone, in accordance with customs regulations in effect in the Panama Canal Zone) and the Postal Laws and Regulations of 1940. Any securities or currency found in any article opened by, or under the supervision of, a customs officer or postal employee shall be taken up by or surrendered forthwith to such customs officer or postal employee. Any securities or currency contained in any article sent or mailed to the United States, otherwise than as baggage, shall not be deemed to have been sent or mailed in violation of this general ruling if the outermost wrapper or container in which they are enclosed is labeled in such a manner as to notify the customs officers or postal employees of its contents, or if the attendant circumstances otherwise disclose or indicate that no attempt has been made to avoid customs inspection of such securities or currency. Such securities and currency nevertheless shall be subject to all other provisions hereof.

(4) Delivery of Imported Securities and Currency to Federal Reserve Bank or Governor of Territory or Possession of the United States: Duty of Federal Reserve Bank or Governor.

(a) Customs officers and postal employees shall deliver any securities or currency taken up by or surrendered to them pursuant to this general ruling to a Federal Reserve Bank or to the governor of a territory or possession of the United States. Except as otherwise instructed by the Treasury Department, any Federal Reserve Bank to which, or governor of a territory or possession of the United States to whom, securities or currency are delivered pursuant to this general ruling shall hold such securities and currency until the Treasury Department is satisfied that no blocked country or national thereof has, at any time on or since the effective date of the Order, had any interest therein. Applications for release of securities or currency so held may be filed with the Federal Reserve Bank or the governor of the territory or possession of the United States holding such securities or currency.

(b) The Federal Reserve Banks shall act only as fiscal agents of the United States hereunder, and shall receive and hold securities and currency delivered to them pursuant to this general ruling as such fiscal agents, subject to the further order of the Secretary of the Treasury.

The governors of the territories and possessions of the United States shall act as the agents of the Secretary of the Treasury in receiving and holding, subject to the further order of the Secretary of the Treasury, securities and currency delivered to them pursuant to this general ruling, and are authorized to take appropriate measures, by rules, regulations, or otherwise, for the enforcement of the general ruling in their respective jurisdictions.

(5) Duty of Persons Receiving Imported Securities or Currency. Securities or currency sent, mailed, imported, or otherwise brought from a foreign country to the United States and delivered to any person in the United States under circumstances which do not clearly disclose or indicate that such securities or currency have been delivered for examination, pursuant to this general ruling, to a Federal Reserve Bank or governor of a territory or possession of the United States shall be forwarded by the person receiving them,

within five days after receipt thereof, to a Federal Reserve Bank or governor of a territory or possession of the United States, together with a statement in triplicate setting forth:

- (a) His name and address;
- (b) A complete description of the securities and currency;
- (c) The name and address of the person from whom he received the securities or currency; and
- (d) The reasons why the provisions of General Ruling No. 5 are considered applicable to such securities or currency.

Securities or currency forwarded to a Federal Reserve Bank or governor of a territory or possession of the United States in compliance with this paragraph shall not be deemed to have been received or held in violation of this general ruling by the person forwarding such securities or currency. Such securities or currency nevertheless shall be subject to all other provisions hereof.

(6) Exceptions. The provisions of this general ruling shall not apply to:

- (a) Securities or currency sent or mailed to the United States from Great Britain, Canada, Newfoundland, or Bermuda;
- (b) Securities or currency carried on the person or in the baggage or effects of any individual arriving in the United States from Great Britain, Canada, Newfoundland, or Bermuda who has not passed through any other foreign country en route to the United States.

This exception shall not apply to any securities or currency which there is reasonable cause to believe were sent, mailed, exported, or otherwise brought from Great Britain, Canada, Newfoundland, or Bermuda in violation of the laws thereof.

(7) Definitions. As used herein:

- (a) The term "securities" shall include all securities and evidences thereof;
- (b) The term "currency" shall include United States and foreign currency, including coins (other than gold coins).

RANDOLPH PAUL

Acting Secretary of the Treasury.

Additional copies of this circular will be furnished upon request.

ALLAN SPROUL,

President.