

FEDERAL RESERVE BANK  
OF NEW YORK

[ Circular No. 2898 ]  
February 3, 1945 ]

AMENDED SUPPLEMENT TO REGULATION U  
OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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*To All Banks, Members of National Securities Exchanges,  
and Other Interested Persons, in the  
Second Federal Reserve District:*

The Board of Governors of the Federal Reserve System has amended the Supplement to Regulation U, effective February 5, 1945.

For your information a copy of the amended supplement is sent to you herewith. Additional copies will be furnished upon request.

ALLAN SPROUL,  
*President.*

## AMENDED SUPPLEMENT TO REGULATION U

ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

The supplement to Regulation U is hereby amended effective February 5, 1945, by changing the maximum loan value figure "60 per cent" in the first paragraph to "50 per cent", and by changing the maximum loan value figure "75 per cent" in the second paragraph to "65 per cent", so that as thus amended the supplement will read as follows:

### "SUPPLEMENT TO REGULATION U

ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Effective February 5, 1945.

For the purpose of section 1 of Regulation U, the maximum loan value of any stock, whether or not registered on a national securities exchange, shall be 50 per cent of its current market value, as determined by any reasonable method.

**Loans to brokers and dealers.**—Notwithstanding the foregoing, a stock, if registered on a national securities exchange, shall have a special maximum loan value of 65 per cent of its current market value, as determined by any reasonable method, in the case of a loan to a broker or dealer from whom the bank (1) accepts in good faith a signed statement to the effect that he is subject to the provisions of Regulation T (or that he does not extend or maintain credit to or for customers except in accordance therewith as if he were subject thereto), and (2) receives written notice, pursuant to a rule of the Securities and Exchange Commission concerning the hypothecation of customers' securities by brokers or dealers (Rule X-8C-1 or Rule X-15C2-1), to the effect that the stock is a security carried for the account of a customer."

at 2898

**FEDERAL RESERVE BANK  
OF NEW YORK**

February 3, 1945

**AMENDED SUPPLEMENT TO REGULATION T  
OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM**

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*To Members of National Securities Exchanges  
and Brokers and Dealers in Securities in the  
Second Federal Reserve District:*

The Board of Governors of the Federal Reserve System has amended the Supplement to Regulation T, effective February 5, 1945.

For your information a copy of the amended supplement is sent to you herewith. Additional copies will be furnished upon request.

ALLAN SPROUL,  
*President.*

## AMENDED SUPPLEMENT TO REGULATION T

ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

The supplement to Regulation T is hereby amended effective February 5, 1945, by changing the maximum loan value figure "60 per cent" in the first paragraph to "50 per cent", and by changing the maximum loan value figure "75 per cent" in the second paragraph to "65 per cent", so that as thus amended the supplement will read as follows:

### "SUPPLEMENT TO REGULATION T

ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Effective February 5, 1945.

**Maximum loan value for general accounts.**—The maximum loan value of a registered security (other than an exempted security) in a general account, subject to section 3 of Regulation T, shall be 50 per cent of its current market value.

**Maximum loan value for special omnibus accounts.**—The maximum loan value of a registered security (other than an exempted security) in a special omnibus account, subject to section 4 of Regulation T, shall be 65 per cent of its current market value.

**Margin required for short sales.**—The amount to be included in the adjusted debit balance of a general account pursuant to section 3(d)(3) of Regulation T, as margin required for short sales of securities (other than exempted securities) shall be 50 per cent of the current market value of each such security, and in the case of a special omnibus account with another member, broker or dealer, such amount shall be 35 per cent of such current market value."