

FEDERAL RESERVE BANK
OF NEW YORK

Circular No. 6810
October 1, 1971

MARGIN REGULATIONS G, T AND U
Effective Date of Proposed Amendments on Loans to Provide
Capital to Broker-Dealer Firms Postponed to December 1

*To All Persons Extending Securities Credit
in the Second Federal Reserve District:*

Following is the text of a statement issued September 29 by the Board of Governors of the Federal Reserve System:

To allow additional time for considering comments, the Board of Governors of the Federal Reserve System has postponed until December 1 the effective date of proposed regulatory amendments setting forth the conditions under which credit may be obtained without regard to initial margin requirements for the purpose of providing capital to broker-dealer firms.

On July 9, the Board issued in revised form proposed amendments to margin Regulations G, T, and U setting forth these provisions. Under that proposal, the amendments would have become effective on October 1.

The text of the revised proposals referred to in the above statement is contained in our Circular No. 6764, which was sent to you on July 19, 1971.

In its notice of postponement filed for publication in the Federal Register, the Board of Governors issued the following additional statement:

In view of the postponement of the effective date to December 1, 1971, the proposed changes to Regulations G, T, and U will apply to credit extended by banks, broker/dealers, and persons subject to Regulation G after December 1, 1971, and to renewals after such date of credit extended by banks after April 16, 1971, except in the case of credit extended by banks directly to broker/dealers where the restrictions would apply to such credit extended after December 1, 1971, and to renewals after that date of such credit extended after July 9, 1971.

Alfred Hayes,
President.