

**FEDERAL RESERVE BANK
OF NEW YORK**

Circular No. 8711
December 19, 1979

**FEDERAL RESERVE POLICY REGARDING
IRANIAN-RELATED BANKERS ACCEPTANCES**

*To All Banks in the Second Federal
Reserve District, and Others Concerned:*

The following statement was issued by the Board of Governors of the Federal Reserve System:

After review within the U.S. Government of financial policy toward Iran, the Federal Reserve announced today it will no longer purchase bankers acceptances that indicate that the Iranian Government or any of its controlled entities is a party to the documents or to the underlying transactions.

Also, such acceptances may no longer be used as collateral at the Federal Reserve discount window.

These actions will apply to all such instruments accepted December 14 and thereafter.

Inquiries regarding this matter should be directed to Ernest T. Patrikis, Deputy General Counsel (Tel. No. 212-791-5022), Don N. Ringsmuth, Assistant General Counsel (Tel. No. 212-791-5007), or Edward J. Ozog, Manager, Securities Department (Tel. No. 212-791-5712).

THOMAS M. TIMLEN,
First Vice President.