

FEDERAL RESERVE BANK  
OF NEW YORK

Circular No. 6849  
December 1, 1971

MARGIN REGULATIONS G, T, AND U

Effective Date of Proposed Amendments on Loans to Provide  
Capital to Broker-Dealer Firms Postponed to March 1, 1972

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

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

To allow additional time for consideration of the proposals, the Board of Governors of the Federal Reserve System has postponed until March 1, 1972, 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.

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.

Printed below is the text of the notice of postponement filed for publication in the Federal Register.

Alfred Hayes,  
President.

(Regs. G, T, and U)  
Notice postponing effective date of  
proposed amendments in regard to Credit  
to Contribute Capital to Brokers and Dealers

1. Pursuant to the authority contained in the Securities Exchange Act of 1934 (15 U.S.C. 78g), the Board of Governors, on July 9, 1971 (36 Federal Register 13218), published revisions to its proposals to amend Parts 207, 220, and 221 (Regulations G, T, and U), to become effective October 1, 1971, but postponed to December 1, 1971 by Notice (36 Federal Register 19515).

2. In order to permit further consideration of the proposals in the light of proposed rules on the same subject matter by other regulatory bodies, the Board hereby announces that it will postpone the proposed effective date to March 1, 1972.

3. In view of the postponement of the proposed effective date to March 1, 1972, 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 March 1, 1972, 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 March 1, 1972, and to renewals after that date of such credit extended after July 9, 1971.

By order of the Board of Governors,  
November 26, 1971.