

TRANSFERS OF PROPERTY OR OF EVIDENCES OF INDEBTEDNESS.Sale or pledge of securities or other property.

No person in the United States shall sell, hypothecate, deliver or transfer, or cause to be sold, hypothecated, delivered or transferred, any shares of stock or other form of property, real, personal or mixed, or any bonds, securities or other evidences of indebtedness for or on behalf of, or for the benefit of any foreign government or resident of any foreign country without first making a declaration to the effect that no enemy or ally of an enemy has any interest directly or indirectly in the property or evidence of indebtedness sold, hypothecated, transferred or delivered, and will not be benefitted directly or indirectly by such transaction.

Sale of Collateral.

In the case of collateral held as security for existing loans and sold for the liquidation of such loans the pledgee or seller, at his option, may make a declaration showing for whose account such sale is made in lieu of the declaration hereinbefore described. In such case the proceeds of the sale may be used in the liquidation of the loan but no part of such proceeds shall be paid over or delivered to the owner of the equity in such collateral until the person making such payment has been furnished with a declaration to the effect . . . that no enemy or ally of an enemy is interested in or will be benefitted by such payment.

Filing of Declarations.

All declarations made as provided in these regulations shall be filed with the Federal Reserve Board through the Federal reserve bank of the district in which such declarations are made.

License to deal with or for an Enemy.

If any person in the United States desires to sell, hypothecate, transfer or deliver any stocks, bonds or other securities, or other evidences of indebtedness, or any property of any kind whether real, personal or mixed, and has reasonable cause to believe that the person to or with whom such sale, hypothecation, transfer or sale is to be made is an enemy or an ally of an enemy, or is acting for or on behalf of or for the benefit of an enemy or an ally of an enemy, he shall first procure from the War Trade Board a license to engage in such transaction.