

STATEMENT FOR THE PRESS.

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Restrictions placed upon foreign trade by reason of war conditions are being raised from time to time as fast as compatible with the best interests of the Nation. Acting upon advice from the State Department, the Federal Reserve Board, the War Trade Board and the cable and postal censors, acting simultaneously, announce the raising of restrictions affecting foreign exchange transactions, foreign trade and commercial and financial cables and communications. The Federal Reserve Board announces that dealers (in foreign exchange) as defined under the Executive Order of the President of January 26, 1918, may now, and until otherwise instructed, make transfers of funds to persons, not enemies or allies of enemies, resident as follows:

Roumania,
Serbia,
Syria,
Mesopotamia,
Finland,
Bulgaria,
Turkey in Asia,
Turkey in Europe,
All Black Sea Ports,
Bohemia and Moravia (as existing August 1, 1914).
Within territory included in the line set out in Article 3
of the Military clause of the Armistice Protocol of
November 3, 1918 (part of the Trentino)
Those portions of Palestine extending as far north as the
line from Alexandretta to Aleppo, inclusive, and as far
east as the Hedjaz Railway.

The Board also announces that foreign exchange dealers in future need not present for approval to it applications for travelers' letters of credit in excess of \$5,000, instructions to open Commercial letters of credit or to make transfers of funds for the purpose of purchasing commodities to be warehoused, or applications to open commercial credits for the purpose of exporting goods from one foreign country to another foreign country.

In making this announcement, the Board says:

"The withdrawal of these requirements does not remove the responsibility from dealers of taking proper declarations of non-enemy interest, nor from reporting to the Division of Foreign Exchange before taking any action in case they have reason to believe that any transaction requested of them would, if carried out, be detrimental to the interests of the United States."

The Board has also rescinded its regulation of June 11, 1918, in so far as it applies to advice to it of deposits by "dealers" for account of foreign

correspondents but still requires that dealers accepting such deposits demand from those making the deposits who may not be dealers, customers' statements describing the transactions. The Board calls the attention of dealers to the following facts:

1. The "Trading with the Enemy Act" is still law:
2. The Executive Order of The President of January 26, 1918, must be obeyed, together with the regulations which have been issued under it;
3. It is still against the law to make remittances to "enemy" territory without regard to whether it is at present within Allied control or not, except as permission is extended through the Division of Foreign Exchange.

As rapidly as it is found possible the Board will authorize transfers of funds to portions of enemy territory under Allied control.

It is interesting in this connection to read the following order issued by the Board.

"Until otherwise instructed the exportation or importation of Russian rubles, or the transfer of funds for their purchase by persons and dealers in the United States is prohibited."

Great Britain, Canada and France are acting coincidentally with the United States in the measures outlined.