

X-8092

F E D E R A L R E S E R V E B O A R D

## STATEMENT FOR THE PRESS

For immediate release.

October 23, 1934.

INDIVIDUAL'S PARTICIPATION IN A JOINT ACCOUNT NOT  
TO BE COMBINED WITH HIS INDIVIDUAL ACCOUNT.

Ruling No. 31 interpreting Regulation T. The Federal Reserve Board has been asked whether a certain individual's proportionate share of the excess loan value in a joint account carried for such individual and certain other persons jointly may be combined with the individual's personal account carried simultaneously with the same broker in order that such personal account may be considered as an unrestricted rather than a restricted account under Regulation T. In reply the Board points out that the individual in question is a "customer" within the meaning of the definition in section 2(m) of the regulation and that the parties to the joint account as a group constitute a separate and distinct "customer" within the meaning of such definition and accordingly advised that the individual's personal account may not be considered an unrestricted account because of the presence of excess loan value in the joint account unless the parties to the joint account acting jointly have, in writing, guaranteed the individual's personal account for an amount sufficient to make it an unrestricted account.