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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.

DEMAND FOR MARGIN INCLUDED IN CONFIRMATION OF TRANSACTION.

Ruling No. 32 interpreting Regulation T. The Federal Reserve Board has been asked whether, if a confirmation of a transaction has been sent by mail to a customer at his last known address, a demand for margin which appeared not on a separate piece of paper but on the confirmation itself may be considered as having been made in the manner specified in clause 8 of section 3(f) of Regulation T so that the amount of margin demanded may be deducted in computing the adjusted debit balance of the customer's account. In reply the Board advises that such a demand may be considered as a demand made in a "letter" within the meaning of clause 8 and that accordingly the question should be answered in the affirmative.