

INTERPRETATION OF LAW OR REGULATION

(Copies to be sent to all Federal reserve banks)

April 24, 1937

Mr. \_\_\_\_\_,  
Assistant Vice President,  
Federal Reserve Bank of \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_.

Dear Mr. \_\_\_\_\_:

Reference is made to your letter of February 27, 1937, with respect to the distribution of X letters regarding Regulation T. In this connection you point out that the Board's Trans. No. 2102 of October 2, 1934 (X-8033) requested Federal Reserve Agents to see that certain rulings regarding Regulation T "are furnished promptly to appropriate officials of each securities exchange in his district", while the Board's letter (X-9673) of August 18, 1936 indicates that X letters should not be distributed as received but that the substance may be used in answering inquiries.

As you know, 48 rulings numbered consecutively from 1 through 48 were issued for public distribution as numbered rulings interpreting Regulation T, and all such numbered rulings were published in the Federal Reserve Bulletin. However, subsequent interpretations of Regulation T have not been in the form of such numbered rulings, but have been in the usual form of X letters similar to those relating to other matters. These subsequent X letters regarding Regulation T contain identifying serial numbers in accordance with X-9673; but, while these numbers were continued from the number 48, this was done merely as a matter of convenience and was not intended as a continuation of the numbered rulings interpreting Regulation T. Only one of these subsequent X letters has been published in the Bulletin.

It was intended that only the 48 rulings which were designated as numbered rulings interpreting Regulation T should be distributed in accordance with X-8033. Other X letters should be treated in accordance with X-9673, although rulings which are published from time to time in the Federal Reserve Bulletin may, of course, be referred to and given public distribution as such. The Board feels that national securities exchanges should not be treated differently from other persons with respect to the use of X letters in accordance with X-9673.

Very truly yours,

(Signed) Chester Morrill

Chester Morrill,  
Secretary.