



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

S-85
Reg. T-74
399

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 8, 1938.

Dear Sir:

For your information there is inclosed herewith a copy of a telegram recently received by the Board from one of the Federal Reserve banks, together with a copy of the Board's reply thereto, with regard to the interpretation of the word "committee" as used in sections 3(f) and 4(c) of Regulation T.

Very truly yours,

L. P. Bethea,
Assistant Secretary.

Inclosures.

TO PRESIDENTS OF ALL FEDERAL RESERVE BANKS

S-85-a
Reg. T-74

April 2, 1938.

SIHLER
CHICAGO

Referring your telegram April 1. An individual as well as a group of individuals may be a "regularly constituted committee of a national securities exchange having jurisdiction over the business conduct of its members". On the basis of your telegram indicating that the relevant functions are now properly vested in Smith, he is appropriate "committee" within meaning of Regulation T for extensions of time under sections 3(f) and 4(c).

BETHEA

S-85-b
Reg. T-74

TELEGRAM

1938 APR 1 PM 3 59

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CHICAGO APR 1-38-254P

PARRY
BOARD WASHINGTON

Under new constitution Chicago Stock Exchange now effective no provision made for business conduct committee but this function vested in president of exchange or such other officer or officers as he may designate. This function presently delegated to Smith Assistant Secretary thereby continuing function same channels as before but in view of word "committee" in section 3(f) officers of exchange would like to have approval of Board and they also suggest amendment in due course section 3(f) substituting word "authority" in place of "committee". Understand situation is similar connection with new setup New York exchange.

SIHLER

3P