

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

R-798

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 13, 1941



Dear Sir:

Reference is made to the Board's circular letter R-708 dated September 27, 1940 regarding so-called "currency exchanges" which may be operating in violation of section 21(a)(2) of the Banking Act of 1933. In that letter you were advised that there was pending in one of the United States district courts in Illinois a case brought under the provision of law referred to above against a so-called "currency exchange" which the Department of Justice regarded as a test case; and that you would be advised of the outcome of this case upon receipt of such information from the Department of Justice.

Under date of March 4, 1941 the Director of the Federal Bureau of Investigation advised the Board of the outcome of such case and for your information the text of such advice is quoted below in full:

"With further reference to my letter of October 4, 1940, concerning the case involving Victor C. Singler, Owner, Nokomis Currency Exchange, Nokomis, Illinois, you are advised that Singler entered a plea of nolo contendere before United States District Judge Charles G. Briggie, Springfield, Illinois, on January 18, 1941.

"After presentation of the facts by an Assistant United States Attorney, the Court found Singler guilty, and thereafter imposition of sentence was suspended and he was placed on probation for a period of one year."

In view of the decision in this case your Bank should continue to report apparent violations of section 21 of the Banking Act of 1933 to the appropriate authorities.

Very truly yours,

L. P. Bethea,
Assistant Secretary.

TO THE PRESIDENTS OF
ALL FEDERAL RESERVE BANKS