

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

S-470

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



May 6, 1942

Dear Sir:

In connection with the execution of guarantees under Regulation V, the question has arisen whether final consummation of a loan which is to be guaranteed and which is to be secured by assignments of contracts should be deferred until receipt by the assignee of accepted notices of assignment or until notices of such assignment have been delivered to the proper officers in accordance with Treasury Department Procurement Division Circular No. 447, of December 3, 1940.

For your information, there is quoted below an excerpt from a memorandum regarding this question which has been received by the Board of Governors from the War Department:

"Please be advised that where loans guaranteed under Regulation V are to be secured by assignment of contracts the funds may be released in so far as the War Department is concerned immediately upon execution of the assignment by the contractor even though that assignment is not perfected by proper filing until later."

Very truly yours,

L. P. Bethea,
Assistant Secretary.

FOR VICTORY



BUY
UNITED
STATES
DEFENSE
BONDS
AND
STAMPS

LETTER TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS