

TELEGRAM

May 29, 1942

(Addressed to the Presidents of all Federal  
Reserve Banks)

An overdraft resulting from the  
drawing of a check is an extension of credit,  
but in the usual case it is not "in the form  
of a loan" within the meaning of section 2(i),  
and therefore is not subject to Regulation W  
unless used as a means of evasion.

(Signed) L. P. Bethea