TO THE BANK OR TRUST COMPANY ADDRESSED:

A number of corporations doing an interstate business, whose head offices are located in other Federal Reserve Districts, are desirous of giving credit to agencies located in this Federal Reserve District for a portion of their subscription.

In such instances the subscription is placed with the Federal Reserve Bank of the District in which the head office of the interstate corporation is located, with instructions to that Federal Reserve Bank to allocate credit through the Federal Reserve Bank of Chicago to a bank in this District with which the agent of the corporation does business.

Therefore, on all subscriptions of this character coming to your attention, which are not accompanied by the 10% payment and on which it is not distinctly understood that the balance of the payments will be made direct to you, you will please communicate with us at once, giving us full particulars. On receipt of such advice we will immediately get in touch with the Federal Reserve Bank of the District receiving the subscription and payments and on advice from them, will instruct you how to proceed.

Great care must be used in handling this class of subscriptions in order to avoid duplication.

We have had brought to our notice a number of letters received by agents of interstate corporations relative to the subscriptions for which they are to receive credit, in which the corporation does not make it clear to the agent that he is merely to receive credit for a subscription and not to enter one. Therefore, we urge that in any instance where such a subscription comes to your notice and there is any doubt in your mind as to the intention of the corporation making the subscription, you communicate with us before accepting a subscription from the agent.

FEDERAL RESERVE BANK OF CHICAGO
Government Bond Department