

FEDERAL RESERVE BANK
OF DALLAS

Jan. 13th, 1915.

NUMBER '8'

TO THE MEMBER BANK ADDRESSED:

We have been pursuing the policy of allowing our member banks to send us for credit, not only the items drawn by member banks on member banks in the six reserve cities of our district, and checks drawn on other Federal Reserve Banks, as well as exchange on the central reserve cities, but all forms of money, including silver, small currency, and national bank bills. The result has been that we have accumulated a considerable amount of money, congesting our limited vault space, while our members have been using the balances thus created by drawing drafts against them in ~~making~~ eastern exchange.

We had hoped that it would not be necessary to ~~restrict~~ the character of the money which we could accept until after the whole problem of collections and domestic exchange could be settled in some way or other, but we find that we are unable to handle an accumulation of small bills and silver, and therefore, must ~~rule~~ against it.

Until further notice, therefore, we will not receive for credit national bank bills, silver coin, nor one and two dollar silver certificates. It is far better that the member banks should bear the burden of converting these forms of money into available exchange than for this bank to undertake to assume it.

Respectfully,

O S C A R W E L L S,

Governor.