

**FEDERAL RESERVE BANK
OF DALLAS**

Number 32.

PURCHASE OF UNITED STATES GOVERNMENT BONDS

February 10, 1916.

TO THE MEMBER BANK ADDRESSED:

You have already been advised of the provision of Section 18 of the Federal Reserve Act, under which any member bank desiring to retire the whole or any part of its circulating notes may file with the Treasurer of the United States an application to sell at par and accrued interest the United States bonds which secure such circulation.

The Federal Reserve Banks may be required by the Federal Reserve Board to purchase the bonds so offered to an amount not in excess of \$25,000,000, in any one year, such purchase to be made at quarterly periods, the first of which has been named by the Board as March 31, 1916.

In order that the member banks of the Eleventh District may realize on part of their Government bonds at once, should they so desire, this bank is prepared to buy at par and accrued interest \$1,500,000 in United States 2% bonds which are actually owned by the banks offering them, whether now securing circulation or not.

This amount is more than the portion which would be allotted to this bank by the Federal Reserve Board, under the terms of Section 18 of the Act, for the entire current year, and should the aggregate of bonds offered to us exceed \$1,500,000 this amount will be prorated to each bank according to the amount offered.

The result of this arrangement will be to accord the privilege to member banks of this district of selling their bonds direct to their own reserve bank and to obviate the necessity of having bonds offered by banks from other districts allotted to this bank by the Federal Reserve Board.

Offers of bonds will be received up to and including March 1st, and will be acted upon after the close of business on that date and each bank notified of the amount accepted, when payment will be made by arrangement with each member bank.

The blank at the bottom of this circular should be used for submitting offers.

Respectfully,

R. L. Van Zandt
Governor.

.....1916.

TO THE FEDERAL RESERVE BANK OF DALLAS:

On behalf of the..... National Bank of

....., I hereby offer to sell to you for its account, at par and accrued interest, United States 2% Bonds, now owned by the said bank, as listed below, this offer to remain good until March 1, 1916, in accordance with the terms of your circular letter of February 10, 1916.

DESCRIPTION OF BONDS

NUMBERS	RATE OF INTEREST	MATURITY	AMOUNT

Respectfully,

.....
Cashier.