



FEDERAL RESERVE BANK
OF DALLAS

R. L. VAN ZANDT, GOVERNOR
J. W. HOOPES, DEPUTY GOVERNOR
LYNN P. TALLEY, CASHIER
SAM R. LAWDER, ASST. CASHIER
R. R. GILBERT, ASST. CASHIER

February 6, 1918.

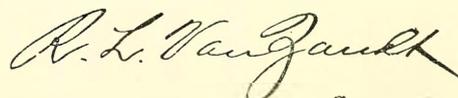
TO ALL BANKS AND BANKERS OF THE ELEVENTH DISTRICT:

In connection with the offering of Treasury Certificates of Indebtedness dated February 8, 1918, and maturing May 9, formal announcement of which is being mailed you, Secretary McAdoo is tonight sending the following telegram to every National Bank, State Bank and Trust Company in the United States:

"Between now and the time for making the next Liberty Loan I shall offer for subscription Treasury Certificates of Indebtedness in amounts of Five Hundred Million Dollars, or more, every two weeks. I desire to postpone the next Liberty Loan issue until conditions will insure a wide distribution of the bonds throughout the country. In order to successfully carry through this program and to provide for the expenditures for the military operations of the United States and the Allies, I must have the whole-hearted co-operation of the bankers of the United States and to that end I request the Board of Directors or Trustees of each Bank and every Trust Company to reserve each week out of its loanable funds for the use of the Government of the United States about one percent of the gross resources of their institution, not to exceed in the aggregate ten percent, and to invest that amount in Treasury Certificates of Indebtedness. The exact amount, interest rate, date and maturity (not exceeding ninety days) of each issue of Certificates will be announced from time to time by me through the Federal Reserve Banks. There is a steady growth in the movement for economy. Banks should be able by participating in the campaign for economy, which means economy of credit as well as of expenditure, to teach their customers to save and accumulate the means to buy the Government Certificates and Bonds. By this method a distribution of Treasury Certificates of Indebtedness should become possible which will relieve the subscribing banks of at least a part of their purchases and furnish the means of making payments for the next issue of Liberty Bonds without undue strain. The needs of the Government for the War are great and imperative. The resources of the Country are ample to meet these needs if every bank will do its share. I know that once it is realized that by complete co-operation all around and by everyone doing his part this vital and patriotic service can be performed and every bank will do its share. We are approaching a critical test on the battlefronts in Europe. America's sons are now actually shedding their blood in the trenches. If the banks, which are the first line of financial defense, fail to support the Government fully in its necessary operations we shall imperil America's Army and America's safety. I know that I have only to state the case to command the support of every patriotic bank and banker. This is a supreme duty of patriotism. May I count upon you to do your part and to telegraph me immediately at my expense that you will. I am sending this telegram to every Bank and Trust Company in the United States."

We hope and believe that the banks and bankers in this District will liberally respond to this appeal of the Secretary and come to the relief of our Country in its hour of need.

Yours very earnestly.


Governor.