

OFFICERS

R. L. VAN ZANDT, GOVERNOR  
J. W. HOOPES, DEPUTY GOVERNOR  
LYNN P. TALLEY, CASHIER  
R. R. GILBERT, ASSISTANT CASHIER  
PAUL G. TAYLOR, ASSISTANT CASHIER  
R. B. COLEMAN, ASSISTANT CASHIER  
FRED HARRIS, ASSISTANT CASHIER

EL PASO BRANCH

SAM R. LAWDER, MANAGER  
J. M. PROCTER, CASHIER  
PAUL S. MILLER, ASSISTANT  
FEDERAL RESERVE AGENT



FEDERAL RESERVE BANK  
OF DALLAS

DIRECTORS

W. F. RAMSEY, CHAIRMAN AND  
FEDERAL RESERVE AGENT  
W. B. NEWSOME, . . . DEPUTY CHAIRMAN  
J. J. CULBERTSON, . . . PARIS, TEXAS  
FRANK KELL, . . . WICHITA FALLS, TEXAS  
B. A. MCKINNEY, . . . DURANT, OKLA.  
MARION SANSOM, . . . FT. WORTH, TEXAS  
JNO. T. SCOTT, . . . HOUSTON, TEXAS  
E. K. SMITH, . . . SHREVEPORT, LA.  
H. O. WOOTEN, . . . ABILENE, TEXAS

CHARLES C. HALL, ASSISTANT  
FEDERAL RESERVE AGENT  
W. C. WEISS, . . . . . AUDITOR  
CHAS. C HUFF - - - - - COUNSEL

DALLAS, TEXAS, June 15, 1918.

TO THE MEMBER BANK ADDRESSED:

The indiscriminate offering of stock in new and untried companies, with offers to accept Liberty Bonds in payment thereof, and with glowing representations of immense and immediate profits, constitute a great and growing menace to the general welfare. As Mr. Austin, Bank Commissioner of Texas, well says, the public should remember that there is no necessity for the promotion of any business requiring the payment of heavy promotion commissions, and that almost invariably there is such a lack of raw material, skilled labor, marketing facilities and experience as doom these enterprises to failure from the beginning. Such new stock-selling schemes are the plainest disloyalty to the Government and the victims and dupes of these promoters are aiding the enemies of the Government. There is, and will continue to be, every opportunity for the citizen to invest his savings in Government securities, which are not only free from taxes, bear a fair rate of return, but aid to secure and establish our liberty.

**DO NOT LEND YOUR NAME** in any way in aid of these companies, as some bankers have unthinkingly done.

The Federal Government has made provision for companies desiring, and entitled, to offer and sell stocks and other securities, to secure permission so to do through the Capital Issues Committee. Any concern having a business proposition which is meritorious, and which desires to do so, should be able to secure permission to offer its securities, from this Committee.

**ADVISE YOUR CUSTOMERS** to require all concerns and salesmen offering stock for sale to produce such written authority. Their failure or inability to produce this authority should be a warning of "hands off" to any and all persons.

Again, in cases which seem to be unworthy, call the attention of same to the local members of the State Council of Defense. In extreme cases call on the United States District Attorney, especially when the mails are used. In cases of doubt advise your customers to consult Hon. Chas. O. Austin, Bank Commissioner of Texas, or myself. No honest business will be hurt by investigation.

Yours very truly,

Federal Reserve Agent.