



FEDERAL RESERVE BANK
OF DALLAS

Circular No. 33
Series of 1921

May 25, 1921.

BILL OF LADING DRAFTS FOR IMMEDIATE CREDIT

TO THE MEMBER BANK ADDRESSED:

Reference is made to our Circular No. 20, Series of 1918, on the subject of bill of lading drafts eligible for immediate credit. The circular referred to provides that drafts payable on or before some specific date, not exceeding ninety days, and accompanied by shipper's order negotiable bills of lading covering readily marketable products, will be discounted for the unexpired time to maturity, provided reference is made to the fact that immediate credit is desired under the terms of our circular above referred to.

It has been our observation that, owing to failure of our member banks to enclose drafts of this character in a special letter making reference to the circular mentioned, in numerous instances we have been in doubt as to their wishes, and have accordingly forwarded the drafts for collection and credit when paid. In order to obviate any possibility of a misunderstanding relative to the wishes of our member banks, the request is made that bill of lading drafts sent in for immediate credit be listed on regular "Application for Rediscount" (Form BD-29), and that they be addressed to the Credit Department of this bank, which will insure prompt handling, and will remove any doubt as to the wishes of the banks sending them to us.

The circular above referred to, in conjunction with pages 20 and 21 of our little booklet entitled "Facts," will give all essential information covering the handling of bill of lading drafts, and the request is made that when they are sent to us they be enclosed in the manner indicated.

Yours very truly,

A handwritten signature in cursive script, reading "R. L. Van Zandt".

Governor