

**FEDERAL RESERVE BANK  
OF DALLAS**

Dallas, Texas, October 16, 1940

**To the Member Banks of the  
Eleventh Federal Reserve District:**

Enclosed is a copy of revised Bulletin No. 1 (superseding Bulletin No. 1 dated September 16, 1939), relating to rates for discounts and advances under Sections 13, 13a, 13b and 10b of the Federal Reserve Act, which shows a reduction in interest rates for advances to established industrial or commercial businesses under Section 13b. Please substitute the enclosed bulletin for the one now contained in the ring binder previously furnished you.

Yours very truly,

**R. R. GILBERT**  
President

(Superseding Bulletin No. 1,  
dated September 16, 1939)

**RATES FOR DISCOUNTS AND ADVANCES  
Under Sections 13, 13a, 13b and 10b  
of the Federal Reserve Act**

To the Member Banks of the  
Eleventh Federal Reserve District:

The following rates with respect to discounts and advances under the Federal Reserve Act are now in effect at this bank:

Advances to member banks secured by direct and such fully guaranteed government obligations as are eligible for collateral purposes under the provisions of Section 13 .....	1%	per annum
Discounts and other advances to member banks under Sections 13 and 13a.....	1½%	per annum
Advances to member banks under Section 10b.....	2%	per annum
Advances to nonmember banks secured by direct obligations of the United States under Section 13.....	1%	per annum
Advances to individuals, partnerships, and corporations (other than banks), secured by direct obligations of the United States under Section 13.....	2½%	per annum
Advances direct to established industrial or commercial businesses under Section 13b.....	4% to 6%	per annum
Advances to banks or other financing institutions with respect to loans to established industrial or commercial businesses under Section 13b—		
On the portion for which a bank or other financing institution is obligated.....	*4%	per annum
On the remaining portion.....	*4% to 6%	per annum
Commitments to banks or other financing institutions to discount, purchase, or make advances under Section 13b .....	1%	per annum

Rebates of unearned discount on member bank notes and rediscounts anticipated before maturity will, as heretofore, until further notice, be made at the discount rate in effect at the time such paper is rebated, but in no case at a rate greater than that at which the paper was originally discounted.

Respectfully,

R. R. GILBERT

President

\*Except that in those cases where a bank or other financing institution charges less than 4%, the rate may be the same as that charged by such bank or other financing institution.