

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, March 23, 1943

To the Managing Officer of the Bank Addressed:

In view of the approaching April campaign to sell at least \$13,000,000,000 of United States Government securities to bank and nonbank investors, I am writing to urge that your bank give earnest consideration to applying to this bank for designation as a United States Government War Loan Depository.

In this connection, I am enclosing a copy of a circular letter sent to all incorporated banks and trust companies in this district under date of November 24, 1942. This circular furnishes important information relating to the advantages which a bank gains for itself and its community by qualifying as a War Loan Depository, and also furnishes information concerning the operation of a War Loan Deposit Account.

I am also enclosing two copies of the form of application to be used in applying for designation as a War Loan Depository. One copy of the form, properly executed, should be mailed to this bank, and the other copy retained by your bank.

In arriving at the amount of designation for which your bank should apply, you should be guided by the amount of payments which you expect to make for your bank and its customers on account of allotments of new issues of Government securities, as well as the amounts of Series E, F, and G War Savings Bonds and Tax Savings Notes which you anticipate selling. The designation constitutes the maximum amount which your bank may have in its War Loan Deposit Account at any one time, but collateral is required to be pledged only in an amount sufficient to cover the actual balance in the account.

There is now a bill before Congress which, if passed, would exempt War Loan deposits from Federal Deposit Insurance Corporation assessments and from the reserve requirements of the Federal Reserve Act, for the duration of the war and for six months after the cessation of hostilities. From the information I have been able to obtain, it is reasonable to assume that this bill will be passed within a short time. This should be another incentive for your bank to qualify as a War Loan Depository.

Designation of a bank carries no obligation to use the War Loan Deposit Account for the amount of the designation or to use it at all. It does, however, place a bank in a position to use the account immediately when it so desires.

Several hundred banks in this district are making active use of the War Loan Deposit Account, and found it particularly useful during the December financing. I sincerely hope that we may receive the application of your bank within the near future, so that its designation may be completed before the April financing.

Yours very truly,

R. R. GILBERT

President

**SIGN AND RETURN TO FEDERAL RESERVE BANK OF DALLAS,
DALLAS, TEXAS**

APPLICATION FOR DEPOSITS

Form H-5—Accounts and Deposits

.....
(Date)

**To the Federal Reserve Bank of Dallas, Dallas, Texas,
Fiscal Agent of the United States:**

The undersigned bank or trust company, in accordance with the provisions of Treasury Department Circular No. 92 (revised February 23, 1932), and pursuant to due action of its board of directors, hereby makes application for the deposit of public moneys, with it from time to time under the act of Congress approved September 24, 1917, as amended, the aggregate amount of such deposits not to exceed at any one time \$.....; and assigns and agrees to pledge, from time to time to and with the Federal Reserve Bank of Dallas, Dallas, Texas, as fiscal agent of the United States, as collateral security for such deposits as may be made from time to time pursuant to this application, securities of the character and amount required by said circular.

.....
By.....
President (Vice-President)
Street.....
City or Town.....
State.....

Form J-5—Accounts and Deposits

RESOLUTIONS AUTHORIZING APPLICATION FOR DEPOSITS

I hereby certify that the following resolutions were duly adopted at a meeting of the board of directors of the below-named bank (trust company), which meeting was duly called and duly held on the.....day of....., 194....., a quorum being present, and that the said resolutions were spread upon the minutes of said meeting:

Resolved, That in accordance with the provisions of Treasury Department Circular No. 92 (revised February 23, 1932), this bank (trust company) makes application for the deposit of public moneys with it from time to time under the act of Congress approved September 24, 1917, as amended, the aggregate amount of such deposits not to exceed at any one time \$.....; and assigns and agrees to pledge from time to time to and with the Federal Reserve Bank of Dallas, Dallas, Texas, as fiscal agent of the United States, as collateral security for such deposits as may be made from time to time, pursuant to such application, securities of the character and amount required by said circular; and

Resolved, That the president, or any vice president, or cashier, or assistant cashier, or secretary, or assistant secretary, or treasurer, or assistant treasurer, of the undersigned bank (trust company) is hereby authorized to make application, assignment, and agreement as aforesaid, and from time to time to deliver to and pledge with said Federal Reserve Bank, or any custodian or custodians appointed by it, securities of the undersigned bank (trust company) of a character and amount at least sufficient to secure such deposits according to the terms of said Treasury Department Circular, and from time to time to withdraw securities and to substitute other securities and to pledge and deposit additional securities.

IN WITNESS WHEREOF I have hereunto signed my name and affixed the seal of
the.....of.....

(SEAL)

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Cashier (Secretary)