

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, November 10, 1944

SIXTH WAR LOAN DRIVE

Subscriptions by Dealers and Brokers

To All Dealers and Brokers in the
Eleventh Federal Reserve District:

As previously announced, the Sixth War Loan drive will start on November 20 and will close on December 16, 1944. The goal will be \$14,000,000,000. It is the aim of the Treasury to sell as many securities as possible to investors other than commercial banks and to obtain the maximum investment of funds which are currently available or shortly to become available to such investors.

In order to help in achieving this objective, all banking institutions have been asked to cooperate by declining to make speculative loans for the purchase of Government securities. As a further aid, dealers and brokers are requested to limit the amount of subscriptions for their own account during the drive to (a) an amount not in excess of 50 per cent of the net worth of the dealer or broker, or (b) an amount not in excess of the amount of securities included in the Fifth War Loan drive sold by such dealer or broker directly to customers, other than commercial banks and other dealers and brokers, during the first thirty days following the close of the Fifth War Loan drive, whichever is greater.

Generally speaking, the volume of purchases for subsequent resale to customers should be small regardless of the size of the investment firm, as most of the customers will have ample opportunity to subscribe during the drive. Dealers and brokers are requested to discourage subscriptions by their customers for the purpose of resale in the market. Such speculative subscriptions ordinarily involve bank loans and the Treasury wishes to discourage loans for other than investment purposes on securities offered in the drive. The Treasury also desires to avoid an unnecessary redistribution of securities in the Government security market following the close of the drive.

There is enclosed a form of certificate which dealers and brokers should execute and attach to subscriptions entered for their own account during the drive.

Yours very truly,

R. R. GILBERT

President

**CERTIFICATE TO ACCOMPANY EACH SUBSCRIPTION ENTERED BY
A DEALER OR BROKER DURING SIXTH WAR LOAN DRIVE**

(Date)

TO:

- Federal Reserve Bank
Dallas 13, Texas
- Federal Reserve Bank Branch
El Paso, Texas
- Federal Reserve Bank Branch
Houston 1, Texas
- Federal Reserve Bank Branch
San Antonio 6, Texas

For your confidential use in considering subscriptions entered by us during the Sixth War Loan Drive, we give you the following information to be used as a basis for our subscriptions, in accordance with the formula prescribed by the Treasury.

We certify that:

(A) 50 per cent of our net worth is \$_____

Or

(B) During the period July 9, 1944 to August 7, 1944, inclusive, we made sales of Government securities* included in the Fifth War Loan Drive to customers, other than commercial banks and other dealers and brokers, in the total amount of \$_____

(Name of dealer or broker)

By _____
(Official signature and title)

Address _____

* $\frac{7}{8}$ % Treasury Certificates of Indebtedness of Series C-1945 due June 1, 1945; $1\frac{1}{4}$ % Treasury Notes of Series B-1947 due March 15, 1947; 2% Treasury Bonds of 1952-54 due June 15, 1954; and $2\frac{1}{2}$ % Treasury Bonds of 1965-70; Additional Issue, due March 15, 1970.