

**FEDERAL RESERVE BANK OF DALLAS**  
**DALLAS, TEXAS 75222**

**Circular No. 68-45**  
**February 16, 1968**

**PURPOSE STATEMENT (FEDERAL RESERVE FORM U-1)**

**To All Banks in the**  
**Eleventh Federal Reserve District:**

For your initial use in connection with the requirements of Regulation U, Credit by Banks for the Purpose of Purchasing or Carrying Registered Stocks, as amended effective March 11, 1968, we are enclosing a supply of Form U-1, "Statement of Purpose of the Proceeds of a Stock-Secured Extension of Credit by a Bank".

It is expected that for your future use you will reproduce or obtain from private printers copies of the form in exact duplicate.

If you have any questions concerning the form, we shall be glad to answer them.

Yours very truly,

**P. E. Coldwell**  
**President**

**Enclosures**

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

STATEMENT OF PURPOSE OF THE PROCEEDS OF A STOCK-SECURED  
EXTENSION OF CREDIT BY A BANK. (FEDERAL RESERVE FORM U-1)

**A FALSE OR DISHONEST STATEMENT BY THE CUSTOMER OR THE OFFICER OF THE BANK ON  
THIS FORM MAY BE PUNISHABLE BY FINE OR IMPRISONMENT (U.S. CODE, TITLE 15, SECTION  
78ff, AND TITLE 18, SECTION 1001).**

Please print or type (if space is inadequate attach separate sheet).

I (we), \_\_\_\_\_, have applied for an extension of credit from  
(name(s))

\_\_\_\_\_ in the amount of \$ \_\_\_\_\_ secured in whole  
(name of bank)  
 or in part by stock as follows:

Part I. Stock Collateral

Stock (list separately by issue)	Number of shares	Source of valuation	Market value (in \$)	TO BE COMPLETED BY THE BANK	
				Source of valuation	Market value (in \$)
				Maximum loan value under Regulation U \$ _____	Total: \$ _____

Part II. Other Collateral

List collateral (Itemize where 10 per cent or more)	Source of valuation	Market value (in \$)	Source of valuation	Market value (in \$)	Good faith loan value (in \$)
		Total: \$ _____			Total: \$ _____
					Total: \$ _____

Total amount of credit granted \$ \_\_\_\_\_.

Part III.

1. The proceeds of this credit are to be used for \_\_\_\_\_  
(describe in detail)

2. I (we) have owned the stock collateral securing this credit continuously for (check one)

six months or more  less than six months.

I (WE) HAVE READ THIS FORM AND HEREBY CERTIFY AND AFFIRM THAT TO THE BEST OF MY (OUR) KNOWLEDGE AND BELIEF THE STATEMENTS REQUIRED OF ME (US) ARE TRUE, ACCURATE, AND COMPLETE.

Manual signature of customer (s):

DATE \_\_\_\_\_ (SIGNED) \_\_\_\_\_

(Print name under each signature)

(Street address)

(City, state)

Part IV.

TO BE COMPLETED BY BANK

1. State amount of any other credit extended to the customer(s) (a) secured in whole or in part, directly or indirectly, by any portion of collateral listed in Parts I and II: \$\_\_\_\_\_ and (b) unsecured credit in excess of \$5,000 in the aggregate \$\_\_\_\_\_.
2. Is the collateral listed in Part I to be delivered or has the collateral been delivered from a bank, broker, dealer, or a person other than the customer?\_\_\_\_\_. Against payment?\_\_\_\_\_.

I HAVE SUPPLIED THE INFORMATION REQUIRED OF THE BANK AND ACCEPT THE CUSTOMER'S STATEMENT ON THIS FORM IN GOOD FAITH AS DEFINED BELOW.\* I AM FAMILIAR WITH THE PROVISIONS OF REGULATION U.

DATE \_\_\_\_\_ (SIGNED) \_\_\_\_\_

(Print name and title of signing officer under signature)

(Name of bank)

\* Regulation U requires that the customer's statement on this form be accepted by an officer of the bank acting in good faith. Good faith requires that such officer (1) must be alert to the circumstances surrounding the credit, and (2) if he has any information which would cause a prudent man not to accept the statement without inquiry, has investigated and is satisfied that the statement is truthful.

This form must be retained by the bank for at least six years after the termination of the credit.