

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 77-24

February 14, 1977

SEASONAL BORROWING PRIVILEGE

TO THE CHIEF EXECUTIVE OFFICER
OF THE MEMBER BANK ADDRESSED IN THE
ELEVENTH FEDERAL RESERVE DISTRICT:

Our analysis of your bank, which measures past movements in deposits and loans, indicates that you may qualify for seasonal credit.

The seasonal borrowing privilege is designed to assist banks that have recurring problems of fund availability for four or more consecutive weeks. Eligible banks are required to provide a portion of seasonal needs from other resources. But this is a nominal amount, only 4 percent of the first \$100 million of deposits, 7 percent of the second \$100 million of deposits, and 10 percent of any deposits over \$200 million. Seasonal needs beyond the deductible amount may be met by borrowing from this Reserve Bank.

We would like the opportunity to discuss this matter with you, and we suggest that you contact the officer in charge of the Loan function at the Head Office or Branch of this Bank serving the territory in which your bank is located. In order that we may make necessary arrangements, we suggest that discussions covering your use of the seasonal borrowing privilege take place several weeks before the time the funds will be needed.

Bulletin 2 provides additional information covering all of the credit facilities of this Reserve Bank, and we always welcome your questions concerning any aspects of our operation.

Sincerely yours,

Robert H. Boykin

First Vice President