



FEDERAL RESERVE BANK
OF DALLAS

WILLIAM H. WALLACE
FIRST VICE PRESIDENT

August 14, 1985

DALLAS, TEXAS 75222

Circular 85-110

TO: All nonmember depository institutions
in the Eleventh Federal Reserve District

SUBJECT

**Reserve requirements of depository institutions (transitional
phase-in for reserve requirement)**

DETAILS

This circular is simply a reminder of the continuing phase-in regarding transition adjustment for computing Federal Reserve requirements provided for under the Monetary Control Act of 1980.

As you know, Section 204.4 (a), Transitional Adjustments for Nonmembers, specifies a definite phase-in schedule for non-member depository institutions. Specifically, this section covers the required reserves of a depository institution that was engaged in business on July 1, 1979, but was not a member of the Federal Reserve System on or after that date.

For your information, the next one-year interval of the transitional adjustment schedule for nonmember depository institutions begins with the reserve maintenance period September 12, 1985, and continues through September 10, 1986. The percentage that computed reserve will be reduced is 25 percent. This is down from the 37.5 percent transitional adjustment which was applied to the reserve maintenance periods occurring between September 13, 1984, through September 11, 1985.

MORE INFORMATION

For further information, please call Robert Feil, at (214) 651-6690 or Evelyn Thomas, at (214) 651-6132.

Sincerely yours,

A handwritten signature in cursive script that reads "William H. Wallace".