

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. 1397]
July 6, 1934.]

**DISCOUNTS, PURCHASES, LOANS AND COMMITMENTS BY FEDERAL RESERVE BANKS TO
PROVIDE WORKING CAPITAL FOR ESTABLISHED INDUSTRIAL OR
COMMERCIAL BUSINESSES.**

*To all Banks, Financing Institutions and others concerned
in the Second Federal Reserve District:*

We transmit herewith, printed on the following pages, a copy of the Federal Reserve Board Regulation S, Series of 1934, pertaining to loans, discounts, purchases, and commitments by Federal Reserve Banks to provide working capital for established industrial or commercial businesses under the provisions of Section 13b of the Federal Reserve Act, as amended by the Act of June 19, 1934. Preceding Regulation S there is also printed an introductory statement by the Federal Reserve Board.

This bank is now prepared to receive applications for such discounts, purchases, loans and commitments. Application forms are being prepared and will be furnished upon request.

Section 13b of the Federal Reserve Act authorizes Federal Reserve Banks to grant accommodations, for the purpose of providing working capital to established industrial and commercial businesses, as follows:

1. *Accommodations Through Banks and Other Financing Institutions.* Federal Reserve Banks are authorized to discount for, or purchase from, any bank, trust company, mortgage company, credit corporation for industry, or other financing institution, obligations entered into for the purpose of obtaining working capital for established industrial or commercial businesses; to make loans and advances to any bank or other financing institution on the security of such obligations; and to make commitments with respect to such discounts, purchases, loans and advances.

2. *Direct Loans.* In exceptional circumstances, when it appears that established industrial or commercial businesses are unable to obtain requisite financial assistance on a reasonable basis from the usual sources, Federal Reserve Banks are authorized to make loans to, or purchase obligations of, such businesses, or make commitments thereto, on a reasonable and sound basis, for the purpose of furnishing working capital.

With respect to both kinds of accommodations, (i. e., accommodations through banks and other financing institutions and direct loans) the obligations acquired, or the commitments made, by Federal Reserve Banks may not have a maturity in excess of five years.

As indicated above, the Federal Reserve Banks may make the direct loans only in exceptional circumstances and when requisite financial assistance is not obtainable on a reasonable basis from the usual sources. The established industrial and commercial businesses that desire to obtain accommodations from the Federal Reserve Bank of New York under Section 13b of the Federal Reserve Act will, therefore, be expected to make application for such accommodations through the banks and other financing institutions with which they have relationships; and any industrial or commercial business making application to the Federal Reserve Bank of New York for a direct loan under this section will be required to show that there are exceptional circumstances affecting its case and that it is not able to obtain requisite financial assistance on a reasonable basis from the usual sources.

Attention is also directed to the fact that Section 13b of the Federal Reserve Act authorizes Federal Reserve Banks not only to make loans and purchase obligations of the kinds specified in that section, but also "to make commitments with regard to such discount or purchase of obligations or with respect to such loans or advances on the security thereof, including commitments made in advance of the actual undertaking of such obligations." The Federal Reserve Bank of New York is now prepared to receive applications for such commitments. Such a commitment will permit a bank or other financing institution having idle funds to employ such funds in carrying loans of the kind specified in this section, for such period as may be convenient, with the assurance that it can at any time during its life be discounted at the Federal Reserve Bank.

GEORGE L. HARRISON,
Governor.

FEDERAL RESERVE BOARD.

WASHINGTON, June 26, 1934.

There is printed herewith the Federal Reserve Board's Regulation pertaining to loans, discounts, purchases and commitments by Federal reserve banks to provide working capital for established industrial or commercial businesses under the provisions of section 13b of the Federal Reserve Act as amended by the Act of June 19, 1934. After consultation with the Chairmen and Governors of the twelve Federal reserve banks, this regulation was adopted by the Federal Reserve Board on June 26, 1934 and became effective immediately.

Recognizing the need of many small and medium sized industrial and commercial businesses for additional working capital to enable them to continue or resume normal operations and to maintain employment or provide additional employment, Congress has granted the Federal reserve banks very broad powers to enable them to provide such working capital, either through the medium of other banks, trust companies and other financial institutions or, in exceptional circumstances, directly to such commercial and industrial businesses. It is believed that the facilities thus afforded will aid in the recovery of business, the increase of employment and the general betterment of conditions throughout the country.

In accordance with the policy of Congress and in order to facilitate as much as possible the performance of the new functions thus granted to the Federal reserve banks, the Federal Reserve Board's regulation leaves the broad powers granted by Congress to the Federal reserve banks wholly unimpaired and prescribes no restrictions beyond those prescribed in the law itself. Any attempt to prescribe technical definitions of such terms as "working capital" "established commercial or industrial business" "financing institutions" has been avoided, lest it have the effect of restricting and hampering the operations of the Federal reserve banks under this statute. The regulations, therefore, contain practically nothing except an analysis of the law and an outline of the necessary procedure. The law permits Federal reserve banks to make direct loans to established industrial and commercial businesses only when authorized by the Federal Reserve Board; but, in order to avoid the necessity of having applications for such accommodations passed on in Washington, the Board has granted blanket authority to all Federal reserve banks to grant such accommodations directly on their own responsibility without reference to Washington.

In accordance with one of the principles of the Federal Reserve Act, which contemplates that the operations of each Federal reserve bank will be adapted to the peculiar needs of its own district and will be administered by persons residing in and familiar with the problems of such district, the Federal Reserve Board has not prescribed any uniform forms to be used in making application to Federal reserve banks for working capital but has left to each Federal reserve bank the task of preparing forms suitable to the needs of its district. Each applicant, therefore, should communicate directly with the Federal reserve bank of its district, which will supply the necessary forms and all necessary information.

The Industrial Advisory Committees, which are to be organized in each Federal Reserve District and which will consist of five members actively engaged in some industrial pursuit within the district, are being selected and the names of their members will be announced promptly by the Federal reserve banks.

EUGENE R. BLACK,
Governor.

CHESTER MORELL,
Secretary.

SCHEDULE A
OF
APPLICATION DATED, 193...
Under Section 13b of the Federal Reserve Act.
[To be submitted in Duplicate]

Name.....

Location.....

Business.....

HISTORY AND DESCRIPTION OF THE BUSINESS ORGANIZATION (Write fully)

State date of the original establishment of the business; trace its history briefly; give present form of organization, whether proprietorship, partnership, corporation, etc., and the date business was commenced in its present form. If there are subsidiary, affiliated or holding companies give a brief explanation of the entire set-up, including a description of intercompany relations. If there have been receiverships, compromise settlements with creditors, or bankruptcies, of predecessor interests or of the applicant or any related company or interest, or if any such action is pending or expected, give the details. If there have been important changes in the ownership of the capital stock (in the case of a corporation), or in the executive or managing personnel, give the details. If the applicant's activities include the sale and/or distribution of goods, describe the sales and/or distribution system and the method of compensating sales force. Advise whether the regular and normal activities of the business have been materially curtailed or suspended during recent years, and describe the present degree of activity. State to what extent, if any, operations and employment shall be increased if the loan is granted.

(The information requested in the foregoing may be set forth on separate blank sheets to be inserted immediately behind this page)

OFFICERS and DIRECTORS (For Corporate Applicants Only)

Name	Title	Other Business Interests

PARTNERS (For Applicants Operating as Partnerships or Firms)

Name	General or Special Partner	Share in Firm	Other Business Interests

FINANCIAL CONDITION

A. Financial Statements Required to be Submitted.

1. Balance sheets for last ten fiscal years.
2. Detailed (not condensed) operating statements (profit & loss) for same period.
3. Reconciliations of surplus (corporation), or net worth (individual or partnership) for each year.
4. A statement of assets and liabilities showing the condition of the business at a date not more than three months prior to the date of the application. (This will in some cases involve the preparation of interim figures).

NOTE A: In the event that the applicant has not been engaged in business for ten years, figures should be submitted from the time of inception.

NOTE B: If the applicant is a firm or partnership, there should also be submitted, in addition to the statements required above, a separate statement of each partner, of current date, reflecting completely each individual's financial condition including assets and liabilities outside of the business.

NOTE C: Whenever the applicant has closely affiliated or subsidiary corporations or firms, the applicant's separate financial statement shall be accompanied by separate financial statements of such affiliated or subsidiary corporations or firms.

NOTE D: Financial information prepared by certified public accountants is preferable, and required wherever available.

IMPORTANT: All balance sheets, operating statements and reconciliations of surplus submitted in pursuance of the above instructions are to be described in detail in the space below, are to be attached to this schedule, and shall constitute a part hereof. The applicant hereby certifies that to the best of the knowledge and information of the applicant each of such statements contains a true, complete and correct statement of the financial condition of the person, firm or corporation specified therein.

List below material submitted, using identifying descriptions such as dates:

1. Balance sheets.
2. Operating Statements.
3. Reconciliations of Surplus or Net Worth.
4. Statement of Assets and Liabilities.

B. The following additional information concerning the latest financial statement is to be submitted.

1. Receivables arising from the conduct of the regular business (not including due from officers, employees, stockholders, directors, affiliated or subsidiary companies, etc.), are to be segregated as indicated below:

	Accounts	Notes and Trade Acceptances	
		Not Renewed	Renewed
Not due on statement date			
Due within 90 days			
Due beyond 90 days			
Past due on statement date			
Less than 3 months			
3 to 6 months			
More than 6 months			
Sub-total			
Less Reserve for Loss			
Total			

2. Amount of receivables due from officers, employees, stockholders and directors.

Officers Stockholders
 Employees Directors

3. Amount of receivables due from affiliated or subsidiary companies.

4. Amount of other miscellaneous receivables. (Describe)

5. Inventories

	Basis of Valuation	Amount
Raw materials		
Goods in process		
Finished goods		
Total		

6.

SCHEDULE OF REAL ESTATE AND OTHER FIXED ASSETS

Gross Book Value	Depreciation	Net Value	Appraisal		Assessed *Value	Insurance	Mortgages
			Date	Valuation			
Land and buildings (Used in business)							
Machinery, Equipment, etc. (Used in business)							
Land, buildings & machinery (Not used in business)							
Leaseholds							

* Basis of Assessment _____ % of real value.

7. Investments in non-affiliated or non-subsiary companies.

No. of Shares (Stocks) Face Value (Bonds)	Name of Company and Description of Security	Maturity (Bonds)	Book Value	Market Value

8. Investments in affiliated or subsidiary companies.

(If securities are unlisted submit balance sheets for purpose of establishing book values).

No. of Shares (Stocks) Face Value (Bonds)	Name of Company and Description of Security	Maturity (Bonds)	Book Value	Market Value

9. Other assets (Describe).

10. Notes payable (Segregate as outlined below).

	Maturity	Amount	Collateral	Endorsers or Guarantors
Banks				
Trade Creditors				
Others				

11. Mortgage Debt—Real Estate and Chattel.

Names and Addresses of mortgage holders	Property covered by mortgage	Maturity Date	% Int.	Principal unpaid	Date to which interest is paid

12. Bond Issues Outstanding.

Describe briefly in the space below each bond issue outstanding, and also attach a copy of the indenture covering each issue which shall constitute a part of this schedule.

13. Contingent Liabilities (As detailed below).	Amount
Notes and accounts receivable discounted with banks	
Notes receivable sold with recourse to finance companies	
Accounts receivable sold with recourse to finance companies	
Conditional sales contracts sold with recourse	
Future sales or purchase contracts	
Liability in connection with leases	
Contingent liability in respect to lawsuits, including torts, injuries, etc.	
Patent, copyright and trademark claims	
Claims for Federal taxes	
Other guarantees or endorsements	
All others (Give details)	
Total	

14. Percentage of Sales for Cash during Last Fiscal Period.

15. Terms of Purchases.

16. Terms of Sales.

17. Principal Trade References.

Name and Address	Amount now owing	High credit received

18. Life Insurance.

Individual applicant should list insurance payable to his estate.

Partnership applicants should list insurance payable to the firm.

Corporate applicants should list insurance payable to the company.

Name of person insured	Face Amount of insurance	Present cash surrender value	Loans against insurance

BANKING RELATIONS DURING PAST FIVE YEARS (List all bank accounts)

Name and Location of Bank	Depositor or Borrower (Indicate D or B)	Maximum borrowed at any one time during 5 yr. period	If debt is paid give date of final payment	Amount now owing	State how secured, endorsed or guaranteed

RECENT EFFORTS TO OBTAIN BANKING ACCOMMODATION

State names and locations of banks where loans have been requested, on what basis, including term of loan and security offered, and the reasons given for refusal. State the date of application in each instance and when it was refused.

PURPOSES FOR WHICH PROCEEDS OF LOAN ARE TO BE USED
(Specific information should be given).

Nature of Expenditure	Amount
Total Amount	

More detailed comments should be made in the space below.

DESCRIPTION OF COLLATERAL OFFERED AS SECURITY TO LOAN

Give particulars in sufficient detail to allow an accurate appraisal of the value of the collateral. If there is more than one kind of collateral available, describe each separately. If mortgages or other liens are offered, describe in full detail the property covered, and state its present value; also assessed value, and the basis of assessed value in relation to actual value, in the case of real estate. It is important that all liens and mortgages already existing against the property be fully described. In the event that endorsements or guarantees are available, attach a detailed signed financial statement of each endorser or guarantor; these must be of current date.

PROPOSED PROGRAM FOR LIQUIDATION OF LOAN
Outline briefly your proposed program for the liquidation of the loan.

The undersigned delivers this "Schedule A" as part of the application pursuant to Section 13b of the Federal Reserve Act, by the undersigned, dated _____ 193 , with the same effect as though incorporated in such application at the time of the execution of such application; and the undersigned represents, warrants and agrees for the undersigned, and for the successors, executors, administrators and assigns of the undersigned, as the case may be, that all the statements and representations in the foregoing "Schedule A", are true, and agrees to use the whole advance made to the undersigned upon such application, for the purposes and only for the purposes hereinabove set forth.

By _____

(Same signature as on application)

SCHEDULE A
OF

APPLICATION DATED , 193...

Under Section 13b of the Federal Reserve Act.

[To be submitted in Duplicate]

Name.....

Location.....

Business.....

HISTORY AND DESCRIPTION OF THE BUSINESS ORGANIZATION (Write fully)

State date of the original establishment of the business; trace its history briefly; give present form of organization, whether proprietorship, partnership, corporation, etc., and the date business was commenced in its present form. If there are subsidiary, affiliated or holding companies give a brief explanation of the entire set-up, including a description of intercompany relations. If there have been receiverships, compromise settlements with creditors, or bankruptcies, of predecessor interests or of the applicant or any related company or interest, or if any such action is pending or expected, give the details. If there have been important changes in the ownership of the capital stock (in the case of a corporation), or in the executive or managing personnel, give the details. If the applicant's activities include the sale and/or distribution of goods, describe the sales and/or distribution system and the method of compensating sales force. Advise whether the regular and normal activities of the business have been materially curtailed or suspended during recent years, and describe the present degree of activity. State to what extent, if any, operations and employment shall be increased if the loan is granted.

(The information requested in the foregoing may be set forth on separate blank sheets to be inserted immediately behind this page)

OFFICERS and DIRECTORS (For Corporate Applicants Only)

Name	Title	Other Business Interests

PARTNERS (For Applicants Operating as Partnerships or Firms)

Name	General or Special Partner	Share in Firm	Other Business Interests

FINANCIAL CONDITION

A. Financial Statements Required to be Submitted.

1. Balance sheets for last ten fiscal years.
2. Detailed (not condensed) operating statements (profit & loss) for same period.
3. Reconciliations of surplus (corporation), or net worth (individual or partnership) for each year.
4. A statement of assets and liabilities showing the condition of the business at a date not more than three months prior to the date of the application. (This will in some cases involve the preparation of interim figures).

NOTE A: In the event that the applicant has not been engaged in business for ten years, figures should be submitted from the time of inception.

NOTE B: If the applicant is a firm or partnership, there should also be submitted, in addition to the statements required above, a separate statement of each partner, of current date, reflecting completely each individual's financial condition including assets and liabilities outside of the business.

NOTE C: Whenever the applicant has closely affiliated or subsidiary corporations or firms, the applicant's separate financial statement shall be accompanied by separate financial statements of such affiliated or subsidiary corporations or firms.

NOTE D: Financial information prepared by certified public accountants is preferable, and required wherever available.

IMPORTANT: All balance sheets, operating statements and reconciliations of surplus submitted in pursuance of the above instructions are to be described in detail in the space below, are to be attached to this schedule, and shall constitute a part hereof. The applicant hereby certifies that to the best of the knowledge and information of the applicant each of such statements contains a true, complete and correct statement of the financial condition of the person, firm or corporation specified therein.

List below material submitted, using identifying descriptions such as dates:

1. Balance sheets.
2. Operating Statements.
3. Reconciliations of Surplus or Net Worth.
4. Statement of Assets and Liabilities.

B. The following additional information concerning the latest financial statement is to be submitted.

1. Receivables arising from the conduct of the regular business (not including due from officers, employees, stockholders, directors, affiliated or subsidiary companies, etc.), are to be segregated as indicated below:

	Accounts	Notes and Trade Acceptances	
		Not Renewed	Renewed
Not due on statement date			
Due within 90 days			
Due beyond 90 days			
Past due on statement date			
Less than 3 months			
3 to 6 months			
More than 6 months			
Sub-total			
Less Reserve for Loss			
Total			

2. Amount of receivables due from officers, employees, stockholders and directors.

Officers Stockholders
 Employees Directors

3. Amount of receivables due from affiliated or subsidiary companies.

4. Amount of other miscellaneous receivables. (Describe)

5. Inventories

	Basis of Valuation	Amount
Raw materials		
Goods in process		
Finished goods		
Total		

6.

SCHEDULE OF REAL ESTATE AND OTHER FIXED ASSETS

Gross Book Value	Depreciation	Net Value	Appraisal		Assessed *Value	Insurance	Mortgages
			Date	Valuation			
Land and buildings (Used in business)							
Machinery, Equipment, etc. (Used in business)							
Land, buildings & machinery (Not used in business)							
Leaseholds							

* Basis of Assessment _____ % of real value.

7. Investments in non-affiliated or non-subsidary companies.

No. of Shares (Stocks) Face Value (Bonds)	Name of Company and Description of Security	Maturity (Bonds)	Book Value	Market Value

8. Investments in affiliated or subsidiary companies.

(If securities are unlisted submit balance sheets for purpose of establishing book values).

No. of Shares (Stocks) Face Value (Bonds)	Name of Company and Description of Security	Maturity (Bonds)	Book Value	Market Value

9. Other assets (Describe).

10. Notes payable (Segregate as outlined below).

	Maturity	Amount	Collateral	Endorsers or Guarantors
Banks				
Trade Creditors				
Others				

11. Mortgage Debt—Real Estate and Chattel.

Names and Addresses of mortgage holders	Property covered by mortgage	Maturity Date	% Int.	Principal unpaid	Date to which interest is paid

12. Bond Issues Outstanding.

Describe briefly in the space below each bond issue outstanding, and also attach a copy of the indenture covering each issue which shall constitute a part of this schedule.

13. Contingent Liabilities (As detailed below).	Amount
Notes and accounts receivable discounted with banks Notes receivable sold with recourse to finance companies Accounts receivable sold with recourse to finance companies Conditional sales contracts sold with recourse Future sales or purchase contracts Liability in connection with leases Contingent liability in respect to lawsuits, including torts, injuries, etc. Patent, copyright and trademark claims Claims for Federal taxes Other guarantees or endorsements All others (Give details)	
Total	

14. Percentage of Sales for Cash during Last Fiscal Period.

15. Terms of Purchases.

16. Terms of Sales.

17. Principal Trade References.

Name and Address	Amount now owing	High credit received

18. Life Insurance.

Individual applicant should list insurance payable to his estate.

Partnership applicants should list insurance payable to the firm.

Corporate applicants should list insurance payable to the company.

Name of person insured	Face Amount of insurance	Present cash surrender value	Loans against insurance

RECENT SALES VOLUME

List below your net sales, each month, for the last 24 months. (If you have not been in business 24 months, list your net sales each month since you commenced.)

ORDERS ON HAND

State the dollar value of orders to be filled by you, now on hand.

1. Orders received on firm basis, which cannot be cancelled by the purchaser. \$.....
2. Orders which are subject to cancellation at the option of the purchaser. \$.....

EXPECTED SALES

State below, the dollar volume of sales you expect to make during the next twelve months, and the basis you have used in determining the figure.

BANKING RELATIONS DURING PAST FIVE YEARS (List all bank accounts)

Name and Location of Bank	Depositor or Borrower (Indicate D or B)	Maximum borrowed at any one time during 5 yr. period	If debt is paid give date of final payment	Amount now owing	State how secured, endorsed or guaranteed

RECENT EFFORTS TO OBTAIN BANKING ACCOMMODATION

State names and locations of banks where loans have been requested, on what basis, including term of loan and security offered, and the reasons given for refusal. State the date of application in each instance and when it was refused.

PURPOSES FOR WHICH PROCEEDS OF LOAN ARE TO BE USED
(Specific information should be given).

Nature of Expenditure	Amount
Total Amount	

More detailed comments should be made in the space below.

DESCRIPTION OF COLLATERAL OFFERED AS SECURITY TO LOAN

Give particulars in sufficient detail to allow an accurate appraisal of the value of the collateral. If there is more than one kind of collateral available, describe each separately. If mortgages or other liens are offered, describe in full detail the property covered, and state its present value; also assessed value, and the basis of assessed value in relation to actual value, in the case of real estate. It is important that all liens and mortgages already existing against the property be fully described. In the event that endorsements or guarantees are available, attach a detailed signed financial statement of each endorser or guarantor; these must be of current date.

PROPOSED PROGRAM FOR LIQUIDATION OF LOAN
Outline briefly your proposed program for the liquidation of the loan.

The undersigned delivers this "Schedule A" as part of the application pursuant to Section 13b of the Federal Reserve Act, by the undersigned, dated _____ 193 , with the same effect as though incorporated in such application at the time of the execution of such application; and the undersigned represents, warrants and agrees for the undersigned, and for the successors, executors, administrators and assigns of the undersigned, as the case may be, that all the statements and representations in the foregoing "Schedule A", are true, and agrees to use the whole advance made to the undersigned upon such application, for the purposes and only for the purposes hereinabove set forth.

By _____

(Same signature as on application)

APPLICATION FOR LOAN FOR WORKING CAPITAL

Pursuant to Section 13b of the Federal Reserve Act

[To be submitted in Duplicate]

....., 193.....
(Date)

TO FEDERAL RESERVE BANK OF NEW YORK,
FEDERAL RESERVE P. O. STATION,
NEW YORK, N. Y.

The undersigned, (hereinafter referred
(Name of Applicant)
to as the "Applicant"), a organized under the laws of the State of
(Corporation, Copartnership, Individual, or otherwise) resident
(If an individual, strike out top line)
....., with principal place of business at
(Number, Street, City and State)

.....
(If the statutory office of a corporate Applicant is other than its principal business office, state both)
and carrying on the business of
(State nature of business fully)

which was established....., hereby applies to the above-named Federal
(Date of commencement of business)
Reserve bank (hereinafter referred to as the "Reserve Bank") for an advance of \$.....
to be furnished to the Applicant as follows:

and to be repaid in accordance with the following schedule:

the proceeds of which advance are to be used for requisite working capital of such business as follows:
(State in detail)

Description	Face Amount
and carrying on the business of (State nature of business fully) (If the company office is other than the principal business office, state both) with principal place of business at (Number, Street, City and State)	

(If employment will not be increased, insert "none")

(NOTE: Indicate which applications were made in contemplation of Section 13b of the Federal Reserve Act)

Financial statements of the makers and endorsers of any and all obligations to evidence the advance

The Applicant will furnish, in such detail and in such form as the Reserve Bank may prescribe:

- I. General information as to the history and operations of the business of the Applicant, including management, personnel and products dealt in;

also such appraisals, audits and further information as may be pertinent, in the judgment of the Reserve Bank,

Any information, statements, representations, agreements, appraisals, certificates and audits, herewith or heretofore or hereafter furnished by the Applicant to the Banker or the Federal Reserve Bank of New

The Applicant agrees to submit to such further audits, credit investigations and examinations by representatives of the Reserve Bank as the Reserve Bank shall request.

All statements, reports, appraisals, security, information, assurances, audits, credit investigations and examinations herein referred to shall be furnished or made at the expense of the Applicant.

To induce the Reserve Bank to make loans to, or to discount or purchase obligations of, the Applicant, pursuant to this application, or to make commitments with respect thereto, the Applicant represents, warrants and agrees, for the Applicant and for the successors, executors, administrators and assigns of the Applicant, as the case may be, that all statements contained in this application or in any part hereof or in any exhibit or schedule which is or may hereafter be annexed to this application or which is or may hereafter be a part of this application are true.

The Applicant certifies that no person has stipulated for, or given or received, or consented or agreed to give or receive, any fee, commission, bonus, or thing of value for procuring or endeavoring to procure from any Federal Reserve bank any advance, loan, extension of credit or discount or purchase of any obligation, or commitment with respect thereto, either directly from such Federal Reserve bank or indirectly through any bank, trust company, mortgage company, credit corporation for industry, or other financing institution, except as specifically stated as follows:

The foregoing statement fully discloses all material facts with respect to the arrangement or understanding for any such fee, commission, bonus or thing of value.

IN WITNESS WHEREOF this application has been duly executed by the above-named Applicant.

Witness:

(Full name of Applicant, if an individual)

residing at -----

[CORPORATE SEAL]

(Full corporate name of Applicant, if a corporation)

Attest:

By -----

Secretary

(Official title)

Witness:

(Full name of firm, if a partnership)

By -----

(Authorized Partner or Partners)

NOTE: When made by an individual, the application should be signed by the individual.

When made by a partnership, the application should be signed in the firm name, and with his own name, by one of the general partners of the partnership. A certified copy of the partnership agreement, if any, as amended to the date of the application, and specimen signatures of all members of the partnership, must be filed before the advance is approved.

When made by a corporation, the application should be signed by an authorized officer and the corporate seal should be affixed. There must be filed before the advance is approved (1) a copy of the resolution of the board of directors of the Applicant authorizing its officers to make the application on behalf of the corporation, certified by the secretary of the Applicant, (2) a certified copy of the Applicant's certificate of incorporation, articles of association or charter, and of its by-laws, as amended to the date of the application, and (3) certificate of election to and incumbency in office of the officers of the Applicant so authorized by such resolution with specimen signatures.

CERTIFIED COPY OF RESOLUTIONS OF BOARD OF DIRECTORS

of

(Name of Corporate Applicant)

authorizing application for loan under subsection (a) of Section 13b of the Federal Reserve Act

and

CERTIFICATE OF INCUMBENCY AND SIGNATURES OF OFFICERS.

"RESOLVED, that this corporation make application to Federal Reserve Bank of New York for an advance, in an amount not to exceed \$....., under the provisions of Section 13b of the Federal Reserve Act and the Regulations of the Federal Reserve Board; and

FURTHER RESOLVED, that

(Name)

the

(Title)

and

(Name)

the

(Title)

of this corporation be, and each of them hereby is, authorized and empowered in the name and on behalf of this corporation, and under its corporate seal,

1. To execute and deliver to Federal Reserve Bank of New York in connection with such advance (a) an application, in the form which has been submitted to this meeting, for such advance, to be repaid on such date or dates and at such rates of interest or discount as may be prescribed by Federal Reserve Bank of New York, and (b) the promissory note or notes, and other written obligations of this corporation, evidencing such advance or any renewals or extensions thereof, in form required by Federal Reserve Bank of New York; and

2. In order to secure the repayment of such advance, and the payment of any and all notes and other obligations of this corporation given to Federal Reserve Bank of New York in connection therewith, and to guarantee the faithful performance of any agreement, instrument or obligation entered into with Federal Reserve Bank of New York in connection with such advance, to pledge and hypothecate with Federal Reserve Bank of New York any collateral or property belonging to this corporation and any collateral or property which any such officer may, in his discretion, from time to time, substitute therefor, and any additional collateral or property which may be required from time to time as additional security for the payment of any such obligations incurred in connection with such advance; and to do such acts and things and to execute and deliver such agreements, pledges, mortgages, instruments and obligations as, in the judgment of any such officer, may be necessary or proper to carry out the terms and provisions of such application and of any such note or other obligation or agreement, and the intent of these resolutions, or as may be required by Federal Reserve Bank of New York; and

3. To receive on behalf of this corporation the proceeds of such advance, or any part thereof, and to endorse in the name and on behalf of this corporation any checks or drafts representing the proceeds of such advance; and

FURTHER RESOLVED, that the foregoing powers shall continue until Federal Reserve Bank of New York shall have received written notice of their revocation; and

FURTHER RESOLVED, that the proceeds of such advance shall be used as working capital of the business of this corporation and for no other purpose; and

FURTHER RESOLVED, that any and all action of any of the officers or agents of this corporation heretofore taken or authorized in the name or on behalf of this corporation, in negotiating for any advance under Section 13b of the Federal Reserve Act, in executing and delivering any application therefor, and in taking any other action in connection with any such application be, and it hereby is, in all things authorized, approved, ratified and confirmed."

CERTIFICATE OF INCUMBENCY AND SIGNATURES OF OFFICERS

..... (Typewrite Name)	 (Office)	 (Signature)
..... (Typewrite Name)	 (Office)	 (Signature)
..... (Typewrite Name)	 (Office)	 (Signature)
..... (Name)	 (Name)	 (Name)
..... (Name)	 (Name)	 (Name)

I, the undersigned, Secretary of.....
a corporation duly organized and existing under the laws of the State of.....
DO HEREBY CERTIFY that the foregoing resolutions are true and correct copies of resolutions duly adopted at a meeting of the Board of Directors of said corporation duly called and held on the..... day of....., 193....., a quorum being present and acting throughout, and of the whole of said resolutions, duly recorded in the minute book of said corporation, and that the same have not been rescinded or modified and are in accordance with the provisions of the certificate of incorporation and by-laws of said corporation; and that the application hereto attached is in the form submitted to said meeting; and

I Do HEREBY FURTHER CERTIFY that the persons whose signatures appear above are officers of said corporation, holding as such the offices set opposite their names, respectively; that said persons have been duly elected to said offices, respectively, and that they are the duly authorized and present incumbents of said offices, respectively; and that the signatures set opposite their names, respectively, are their true and genuine signatures.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation, this day of, 193.....

[Corporate Seal] Secretary.

The above are authentic signatures of the above named persons.

Dated:

.....
(Signature of Signing Officer of any Bank or Trust Company)

.....
(Name of Bank or Trust Company)

.....
(Title of Signing Officer)

APPLICATION FOR LOAN FOR WORKING CAPITAL
(Pursuant to Section 13b of the Federal Reserve Act)
[To be submitted in Triplicate]

....., 193.....
(Date)

To
(Name of Bank or other Financing Institution)
.....
.....
(Post Office address)

The undersigned, (hereinafter referred
(Name of Applicant)

to as the "Applicant"), a organized under the laws of the State of
(Corporation, Copartnership, Individual, or otherwise) resident
(If an individual, strike out top line)

....., with principal place of business at
(Number, Street, City and State)

.....
(If the statutory office of a corporate Applicant is other than its principal business office, state both)
and carrying on the business of
(State nature of business fully)

which was established....., hereby applies to the above-named financing
(Date of commencement of business)
institution (hereinafter referred to as the "Banker") for an advance of \$.....
to be furnished to the Applicant as follows:

and to be repaid in accordance with the following schedule:

the proceeds of which advance are to be used for requisite working capital of such business as follows:
(State in detail)

The Applicant offers the following described collateral as security for the repayment of such advance:

(NOTE: All security offered should be described in detail and should be supported by balance sheets, operating statements, appraisals, abstracts, certificates of title and other evidences of value, sufficient to make possible prompt determination of value. In listing notes, state maturities, names of makers and endorsers, and itemize collateral thereto.)

Description	Face Amount

The number of present employees in the Applicant's business is, and the Applicant estimates the advance applied for would result in the employment of additional.

(If employment will not be increased, insert "none")

The Applicant, when requested by the Banker or the Federal Reserve Bank of New York, will execute and deliver a Loan Agreement, and promissory note or notes, or other obligations of the Applicant, covering the advance herein applied for, or any part thereof, in form approved by the Federal Reserve Bank of New York.

Financial statements of the makers and endorsers of any and all obligations to evidence the advance herein applied for (including the financial statements of each of the partners, if the Applicant is a partnership), are annexed hereto and made a part hereof. The Applicant certifies that to the best of the knowledge and information of the Applicant each of such statements contains a true, complete and correct statement of the financial condition of the respective maker or endorser.

The Applicant will furnish, in such detail and in such form as the Federal Reserve Bank of New York may prescribe:

- I. General information as to the history and operations of the business of the Applicant, including management, personnel and products dealt in;
- II. Statement and agreement as to the purposes for which the Applicant will expend the proceeds of the advance herein applied for;
- III. Detailed descriptions of, and representations as to, the collateral offered as security for such advance;
- IV. Balance sheets, operating statements and reconciliations of surplus, for the ten years immediately preceding the date of this application, or for the number of years since the establishment of the business, if less, including statements and supporting documents dated not more than three months prior to the date hereof;
- V. Certified copies of certificate of incorporation and by-laws of the Applicant and resolution of its board of directors authorizing this application and action contemplated thereby, if the Applicant is a corporation; or partnership agreement, if the Applicant is a partnership; or similar documents appropriate to any other form of organization of the applicant;

also such appraisals, audits and further information as may be pertinent, in the judgment of the Banker or the Federal Reserve Bank of New York, to the business of the Applicant and the consideration of this application.

Any information, statements, representations, agreements, appraisals, certificates and audits, herewith or heretofore or hereafter furnished by the Applicant to the Banker or the Federal Reserve Bank of New York, shall constitute exhibits or schedules of this application, and shall be part of this application as though hereto annexed and made a part hereof at the time of the execution of this application.

The Applicant agrees to submit to such further audits, credit investigations and examinations by representatives of the Banker, or of the Federal Reserve Bank of New York, as either shall request.

All statements, reports, appraisals, security, information, assurances, audits, credit investigations and examinations herein referred to shall be furnished or made at the expense of the Applicant.

To induce the Banker to make the advance hereby applied for, and the Federal Reserve Bank of New York to discount for, or purchase from, the Banker obligations of the Applicant executed pursuant to this application, or to make loans or advances to the Banker on security of such obligations, or to make commitments with regard

to any such discount or purchase of obligations, or with respect to such loans or advances on the security thereof, the Applicant represents, warrants and agrees, for the Applicant and for the successors, executors, administrators and assigns of the Applicant, as the case may be, that all statements contained in this application or in any part hereof or in any exhibit or schedule which is or may hereafter be annexed to this application or which is or may hereafter be a part of this application are true.

The Applicant certifies that no person has stipulated for, or given or received, or consented or agreed to give or receive, any fee, commission, bonus, or thing of value for procuring or endeavoring to procure from any Federal Reserve bank any advance, loan, extension of credit or discount or purchase of any obligation, or commitment with respect thereto, either directly from such Federal Reserve bank or indirectly through any bank, trust company, mortgage company, credit corporation for industry, or other financing institution, except as specifically stated as follows:

The foregoing statement fully discloses all material facts with respect to the arrangement or understanding for any such fee, commission, bonus or thing of value.

The Banker may transfer any or all of the obligations of the Applicant at any time evidencing the advance hereby applied for, and any and all security therefor, to the Federal Reserve Bank of New York, and, in that event, the Federal Reserve Bank of New York shall forthwith become vested with, and entitled to exercise, all the powers, rights and remedies given to the Banker by, or pursuant to, this application, including the right to require additional security.

IN WITNESS WHEREOF this application has been duly executed by the above-named Applicant.

Witness:

(Full name of Applicant, if an individual)

residing at -----

[CORPORATE SEAL]

(Full corporate name of Applicant, if a corporation)

Attest:

By -----

Secretary

(Official title)

Witness:

(Full name of firm, if a partnership)

By -----

(Authorized Partner or Partners)

NOTE: *When made by an individual*, the application should be signed by the individual.

When made by a partnership, the application should be signed in the firm name, and with his own name, by one of the general partners of the partnership. A certified copy of the partnership agreement, if any, as amended to the date of the application, and specimen signatures of all members of the partnership, must be filed before the advance is approved.

When made by a corporation, the application should be signed by an authorized officer, and the corporate seal should be affixed. There must be filed before the advance is approved (1) a copy of the resolution of the board of directors of the Applicant authorizing its officers to make the application on behalf of the corporation, certified by the secretary of the Applicant, (2) a certified copy of the Applicant's certificate of incorporation, articles of association or charter, and of its by-laws, as amended to the date of the application, and (3) certificate of election to and incumbency in office of the officers of the Applicant so authorized by such resolution, with specimen signatures.

CERTIFIED COPY OF RESOLUTIONS OF BOARD OF DIRECTORS

has received written notice of their resolutions, and Federal Reserve Bank of New York shall have received notice of their resolutions, and

of

(Name of Corporate Applicant)

authorizing application for loan for working capital,

and

CERTIFICATE OF INCUMBENCY AND SIGNATURES OF OFFICERS.

“RESOLVED, that this corporation make application to the financing institution,

(Name of Bank, Trust Company, Mortgage Company, Credit Corporation for Industry or other Financing Institution)

for an advance, in an amount not to exceed \$.....; and

FURTHER RESOLVED, that

(Name)

the

(Title)

and

(Name)

the

(Title)

of this corporation be, and each of them hereby is, authorized and empowered in the name and on behalf of this corporation, and under its corporate seal,

1. To execute and deliver to such financing institution in connection with such advance (a) an application, in the form which has been submitted to this meeting, for such advance, to be repaid on such date or dates and at such rates of interest or discount as may be prescribed by such financing institution, and (b) the promissory note or notes, and other written obligations of this corporation, evidencing such advance or any renewals or extensions thereof, in form required by such financing institution or Federal Reserve Bank of New York; and

2. In order to secure the repayment of such advance, and the payment of any and all notes and other obligations of this corporation given to such financing institution in connection therewith, and to guarantee the faithful performance of any agreement, instrument or obligation entered into with such financing institution or Federal Reserve Bank of New York in connection with such advance, to pledge and hypothecate with such financing institution any collateral or property belonging to this corporation and any collateral or property which any such officer may, in his discretion, from time to time, substitute therefor, and any additional collateral or property which may be required from time to time as additional security for the payment of any such obligations incurred in connection with such advance; and to do such acts and things and to execute and deliver such agreements, pledges, mortgages, instruments and obligations as, in the judgment of any such officer, may be necessary or proper to carry out the terms and provisions of such application and of any such note or other obligation or agreement, and the intent of these resolutions, or as may be required by such financing institution or Federal Reserve Bank of New York; and

3. To receive on behalf of this corporation the proceeds of such advance, or any part thereof, and to endorse in the name and on behalf of this corporation any checks or drafts representing the proceeds of such advance; and

FURTHER RESOLVED, that the foregoing powers shall continue until such financing institution and Federal Reserve Bank of New York shall have received written notice of their revocation; and

FURTHER RESOLVED, that the proceeds of such advance shall be used as working capital of the business of this corporation and for no other purpose; and

FURTHER RESOLVED, that any and all action of any of the officers or agents of this corporation heretofore taken or authorized in the name or on behalf of this corporation, in negotiating with such financing institution or Federal Reserve Bank of New York for any advance for working capital, in executing and delivering any application therefor, and in taking any other action in connection with any such application be, and it hereby is, in all things authorized, approved, ratified and confirmed."

• • •

RESOLVED, that this corporation make application to the financing institution

..... (Type Name)	 (Office)	 (Signature)
..... (Type Name)	 (Office)	 (Signature)
..... (Type Name)	 (Office)	 (Signature)
..... (Type Name)	 (Office)	 (Signature)

I, the undersigned, Secretary of.....
a corporation duly organized and existing under the laws of the State of.....
DO HEREBY CERTIFY that the foregoing resolutions are true and correct copies of resolutions duly adopted at a meeting of the Board of Directors of said corporation duly called and held on the day of....., 193..., a quorum being present and acting throughout, and of the whole of said resolutions, duly recorded in the minute book of said corporation, and that the same have not been rescinded or modified and are in accordance with the provisions of the certificate of incorporation and by-laws of said corporation; and that the application hereto attached is in the form submitted to said meeting; and

I DO HEREBY FURTHER CERTIFY that the persons whose signatures appear above are officers of said corporation, holding as such the offices set opposite their names, respectively; that said persons have been duly elected to said offices, respectively, and that they are the duly authorized and present incumbents of said offices, respectively; and that the signatures set opposite their names, respectively, are their true and genuine signatures.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation, this day of....., 193...

[Corporate Seal] Secretary.

The above are authentic signatures of the above named persons.

Dated:

.....
(Signature of Signing Officer of any Bank or Trust Company)
.....
(Name of Bank or Trust Company)
.....
(Title of Signing Officer)

CERTIFIED COPY OF RESOLUTIONS OF BOARD OF DIRECTORS

of

(Name of Bank or Other Financing Institution)

authorizing transactions with the Federal Reserve Bank of New York under subsection (b) of Section 13b of the Federal Reserve Act,

and

CERTIFICATE OF INCUMBENCY AND SIGNATURES OF OFFICERS.

“RESOLVED, that the president, any vice-president and the....., of this corporation, and their successors in office, be, and each of them hereby is, authorized and empowered, in the name and on behalf of this corporation, from time to time,

1. To make application to Federal Reserve Bank of New York, pursuant to subsection (b) of Section 13b of the Federal Reserve Act and the Regulations of the Federal Reserve Board, for the discount for, or purchase from, this corporation of obligations of industrial or commercial businesses, or for a loan or advance to this corporation on the security of such obligations, or for a commitment with respect to any such discount, purchase, loan or advance, any such discount, purchase, loan, advance or commitment to be upon the terms prescribed by Federal Reserve Bank of New York; to indemnify, and keep indemnified, Federal Reserve Bank of New York, and enter into agreements to indemnify it and keep it indemnified, against, and save it harmless from, any and all loss incurred or sustained by it upon, or in any way arising out of, any such discount, purchase, loan, advance or commitment, or any or all such obligations, or against or from such part of such loss as may be agreed upon by any such officer and Federal Reserve Bank of New York; to participate, and enter into agreements to participate, with Federal Reserve Bank of New York in the making of loans or advances to any such businesses, to such extent as may be agreed upon by any such officer and Federal Reserve Bank of New York; to assign, transfer, endorse and deliver to Federal Reserve Bank of New York any such obligations of industrial or commercial businesses, and any and all property held as security for the payment thereof, and, as Federal Reserve Bank of New York may authorize, to hold and administer any or all of such security for the account of Federal Reserve Bank of New York; and

2. To execute and deliver the promissory note or notes or other written obligations of this corporation evidencing any loan or advance from, or guarantee, commitment or other obligation of this corporation to, Federal Reserve Bank of New York, or any renewals or extensions thereof, in such form as may be requested by Federal Reserve Bank of New York; and

3. In order to secure the payment of any liability or the fulfillment of any obligation of this corporation to Federal Reserve Bank of New York in connection with any such discount, purchase, loan, advance or commitment, to pledge as security any collateral or property now or hereafter belonging to this corporation, and any collateral or property which any such officer may in his discretion substitute therefor, and any additional collateral or property which may be required from time to time as additional security for the payment of any such liability or the fulfillment of any such obligation of this corporation, and for the purpose of any such pledge to endorse, assign, transfer and deliver any such collateral or property; and

4. In connection with any of the foregoing, to do such acts and things and to execute and deliver such agreements, pledges, instruments and obligations, and to affix the seal of this corporation to any thereof, as in the judgment of any such officer may be necessary or proper or as may be required by Federal Reserve Bank of New York; and

5. To receive on behalf of this corporation the proceeds of any such discount, purchase, loan, advance or commitment or any part thereof and to endorse any checks or drafts representing the proceeds thereof; and

FURTHER RESOLVED, that the foregoing powers shall continue until Federal Reserve Bank of New York shall have received written notice of their revocation; and

FURTHER RESOLVED, that any and all action of any of the officers or agents of this corporation heretofore taken or authorized in the name or on behalf of this corporation in connection with any transactions with regard to subsection (b) of Section 13b of the Federal Reserve Act, and in executing and delivering any application or other document and in taking any other action in connection therewith be, and it hereby is, in all respects authorized, approved, ratified and confirmed."

* * * *

----- (Typewrite Name)	----- (Office)	----- (Signature)
----- (Typewrite Name)	----- (Office)	----- (Signature)
----- (Typewrite Name)	----- (Office)	----- (Signature)

I, the undersigned, Cashier
Secretary of -----
a corporation duly organized and existing under the laws of the State of -----,
DO HEREBY CERTIFY that the foregoing resolutions are true and correct copies of resolutions duly
adopted at a meeting of the Board of Directors of said corporation duly called and held on the -----
day of -----, 193..., a quorum being present and acting throughout, and of the whole
of said resolutions, duly recorded in the minute book of said corporation, and that the same have not been
rescinded or modified and are in accordance with the provisions of the certificate of incorporation and
by-laws of said corporation; and

I DO HEREBY FURTHER CERTIFY that the persons whose signatures appear above are officers of said
corporation, holding as such the offices set opposite their names, respectively; that said persons have been
duly elected to said offices, respectively, and that they are the duly authorized and present incumbents of
said offices, respectively; and that the signatures set opposite their names, respectively, are their true and
genuine signatures.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation,
this ----- day of -----, 193....

[CORPORATE SEAL]

Cashier.
Secretary.

(The following is to be executed if the above named corporation is not a Bank or Trust Company.)

The above are authentic signatures of the above named persons.

Dated:

(Signature of Signing Officer of any Bank or Trust Company)

(Name of Bank or Trust Company)

(Title of Signing Officer)

PROMISSORY NOTE EVIDENCING LOAN
Pursuant to Section 13b of the Federal Reserve Act

FOR VALUE RECEIVED, the undersigned hereby and severally endorse the note on the reverse side hereof, and in addition to the obligations imposed by endorsement, hereby and severally become a party to, adopt, ratify, accept, guarantee and assume, all the terms, conditions and provisions contained in said note and hereby jointly and severally guarantee the payment of said note at maturity, without notice of any kind to any and all extensions of time, modification of the payee named in said note or by any other holder of said note, and hereby waive demand and presentment for payment of said note.

On _____, 19____, FOR VALUE RECEIVED, the undersigned promises to pay to _____

or order, at its office at _____

_____ Dollars (\$____),

with interest from the date hereof, at the rate of _____ per cent per annum, payable on the first days of January, April, July and October, in each year.

This is one of a series of _____ notes, numbered 1 to _____, inclusive, of the principal amounts and payable, respectively, as follows:

Note Numbered:	Principal Amount:	Due Date:
1	\$_____	_____, 19____
2	\$_____	_____, 19____

all equally secured as provided in a certain Loan Agreement executed by the undersigned to _____ of even date herewith.

Upon default in the payment, when due, of any principal of, or interest on, any of said notes, or upon said notes being declared, or becoming, due and payable before maturity in the manner provided in said Loan Agreement, all of said notes, and each of them, principal and interest, shall become at once due and payable, without presentation or demand or notice of protest, or other notice of any kind, all of which are hereby expressly waived.

No. _____

Signature _____

Address _____

(NOTE: The above signature should be the same as on the original application for the loan. If this note is executed by a corporation or partnership it should be signed in the corporate or firm name, followed by the word "By" and the signature of the officer or general partner signing. In the case of a corporation, the title of the signing officer should be stated and the corporate seal should be affixed and duly attested.)

PROMISSORY NOTE EVIDENCING LOAN
Pursuant to Section 108 of the Federal Reserve Act
ENDORSEMENT

FOR VALUE RECEIVED, the undersigned hereby jointly and severally endorse the note on the reverse side hereof, and, in addition to the obligations imposed by endorsement, hereby jointly and severally become a party to, adopt, agree to, accept, guarantee, and assume, all the terms, conditions and provisions contained in said note, and hereby jointly and severally guarantee the payment of said note at maturity, and hereby consent, without notice of any kind, to any and all extensions of time, modifications of the terms of said note, substitutions or releases of security, or other indulgences, made or granted by the payee named in said note or by any other holder of said note, and hereby waive demand and presentment for payment, notice of dishonor, protest and notice of protest, and notice of sale of any collateral held as security for said note. Nothing except cash payment to the holder of said note shall release the undersigned from liability hereunder. Each and every obligation and liability of the undersigned hereunder and each and every benefit hereunder, is intended to be, and shall be deemed to be, in favor of and for the benefit of the payee named in said note and every other holder of said note.

with interest from the date hereof, at the rate of _____ per cent per annum, payable on the first days of January, April, July and October, in each year.
This is one of a series of _____ notes, numbered 1 to _____ inclusive, of the principal amounts and payable, respectively, as follows:
Note Number: _____ Principal Amount: _____ Due Date: _____
\$ _____ 19____
\$ _____ 19____

Pay to Federal Reserve Bank of New York, or order, without recourse to the undersigned except in so far as provided in a certain Request and agreement executed by the undersigned to the Federal Reserve Bank of New York, dated _____, 19____.

all equally secured as provided in a certain Loan Agreement executed by the undersigned to _____
(Signature of Bank or other Financing Institution)

(The above endorsement is for use if the financing institution is obligated for any loss.)

Upon default in the payment, when due, of any principal of, or interest on, any of said notes, or upon said notes being declared, or becoming, due and payable before maturity in the manner provided in said Loan Agreement, all of said notes, and each of them, principal and interest, shall become at once due and payable, without presentation or demand or notice of protest, or other notice of any kind, all of which are hereby expressly waived.

Pay to Federal Reserve Bank of New York, or order, without recourse to the undersigned.

Signature _____
(Signature of Bank or other Financing Institution)

(The above endorsement is for use if the financing institution has advanced at least 20 per cent of the total advance to the maker of said note.)

(Note: The above signature should be the same as on the original application for the loan. If this note is executed by a corporation or partnership it should be signed in the corporate or firm name, followed by the word "by" and the signature of the officer or partner signing. In the case of a corporation, the title of the signatory should be stated and the corporate seal should be affixed and duly attested.)

CERTIFICATE AS TO PARTNERS

The Federal Reserve Bank of New York and any financing institution to which any such application shall have been made are authorized to rely upon the statements and representations until receipt by each

(Name of Firm)

with respect to application for loan under Section 13b of the Federal Reserve Act,
and

PARTNERS' SIGNATURES.

We, the undersigned, are general partners of the above named firm duly organized and doing business in,
and under the laws of, the State of.....

Acts done in the name or on behalf of said firm, or as a partner or partners of said firm, by any one or more of us shall be binding on said firm and each and every partner thereof.

This certificate is signed, and the representations herein are made, in order to induce the making of a loan or loans to said firm, under Section 13b of the Federal Reserve Act, for the purpose of providing said firm with working capital.

The undersigned, and each of us, is fully authorized and empowered in the name and on behalf of said firm:

To make application for any such loan or loans, to be repaid on such date or dates, and at such rates of interest, as may be agreed upon by any such partner with Federal Reserve Bank of New York or any financing institution to which such application shall be made; to execute a promissory note or notes and other written obligations evidencing such loan or any renewal or extension thereof; and, in order to secure the repayment of any such loan or loans and the faithful performance of any agreement, instrument or obligation entered into in connection therewith, to pledge and hypothecate collateral or property, and substitute collateral, and furnish any additional collateral that may be required from time to time; to negotiate any renewals or extensions of all or any part of any such loan or obligation; to receive the proceeds of any such loan, or any part thereof, and to indorse any checks, drafts or other instruments representing such proceeds; and to do all such other acts and things and execute and deliver such agreements, pledges, mortgages, instruments and obligations as in the judgment of any such partner may be necessary or proper in connection with any such loan or obligation or as may be required by the Federal Reserve Bank of New York or any financing institution making or participating in any such loan.

Any and all action of any of the partners of the above named firm, or of any agents of said firm or of any of its partners, heretofore taken or authorized in the name or on behalf of this firm in negotiating for any loan or advance under Section 13b of the Federal Reserve Act, in executing and delivering any application therefor, and in taking any other action in connection with any such application, is, in all things, hereby authorized, approved, adopted, ratified and confirmed.

This certificate and the statements and representations made herein are in no way intended to exclude the general authority of each partner of the above named firm as to any acts not specifically mentioned, or to limit the power of any one of us to bind said firm and each and every one of us and all the partners of said firm individually.

The undersigned are all of the partners of the above named firm except the following who have not signed this certificate for the reasons set opposite their names below, respectively:

Name	Kind of Partner (State terms of partnership if not a general partner)	Reason for not signing this certificate
------	---	---

CERTIFICATE AS TO PARTNERS

The Federal Reserve Bank of New York, and any financing institution to which any such application shall have been made, are authorized to rely upon the aforesaid statements and representations until receipt by each of them of written notice of any change.

Signed this _____ day of _____, 19____.

(Typewrite name)

(Signature)

(Typewrite name)

(Signature)

(Typewrite name)

(Signature)

(Typewrite name)

(Signature)

(Typewrite name)

(Signature)

The above are authentic signatures of the above named persons.

Dated: _____, 19____.

(Signature of Signing Officer of any Bank or Trust Company)

(Name of Bank or Trust Company)

(Title of Signing Officer)

REQUEST FOR ACCOMMODATION OR COMMITMENT

Pursuant to Subsection (b) of Section 13b of the Federal Reserve Act,
by a Bank, Trust Company, Mortgage Company, Credit Corporation for Industry, or Other
Financing Institution, Operating in the Second Federal Reserve District.

[To Be Submitted in Duplicate]

TO FEDERAL RESERVE BANK OF NEW YORK,
Federal Reserve P. O. Station,
New York, N. Y.

_____, 193_____
(Date)

The undersigned, _____,
(Name of Bank or other Financing Institution)

a _____ corporation duly organized and existing under and by
(Banking, Mortgage or other type of corporation)

virtue of the _____ law of the State of _____,
(Banking, Business corporation, or other law)

having its principal place of business at _____,
(Number, Street, City and State)

_____, and operating in the Second Federal Reserve District, submits to
you herewith, pursuant to subsection (b) of Section 13b of the Federal Reserve Act and to the regulations
of the Federal Reserve Board, the application to the undersigned, dated _____, 193_____,
together with all its schedules or exhibits, of _____,
(Name of Applicant)

(Number, Street, City and State)

(hereinafter referred to as the "Applicant") carrying on an established industrial or commercial business
located in the Second Federal Reserve District.

We have considered said application and investigated the business of the Applicant and to the best of
our knowledge and belief all statements in said application and its schedules or exhibits are true.

In view of the financial condition and credit standing of, and the security offered by, the Applicant,
we are prepared to make an advance to the Applicant of an aggregate amount of \$_____,
to be evidenced by obligations of the Applicant, in such form as you may prescribe, entered into for the
purpose of obtaining working capital for such business and bearing interest at the rate of _____
per cent per annum (which obligations are hereinafter referred to as the "Obligations").

The Obligations and the security therefor shall be in conformance with said application, except as
follows:

If you grant us the credit accommodation hereby requested, we will make such advance in accordance
with said application except as follows:

We hereby request you to purchase all or certain of the Obligations, or make a commitment to us
to do so, in accordance with the provisions of the next succeeding paragraph, designated by a Roman
numeral, and not stricken out, being paragraph numbered _____.

(NOTE: These paragraphs designated I, II, III and IV, respectively, are alternative paragraphs. Three of the four must be stricken out, leaving only the desired paragraph as part of this Request.)

Immediate Complete Purchase. I. You shall purchase from us, on the terms provided in this Request, all of the Obligations upon delivery of them to you promptly upon our receipt of them. We agree, in consideration of such purchase, to pay to you upon demand.....per cent of any and all loss which may be sustained by you upon any and all of the Obligations (together with interest at the rate of six per cent per annum from the date of demand to the date of payment); the existence and amount of any such loss to be determined by you in accordance with subsection (d) of Section II of Regulation S, Series of 1934, of the Federal Reserve Board. If, at any time, any recovery shall be realized by you or ourselves on the amount of any such loss after we shall have reimbursed you our proportionate share thereof, you and ourselves shall share the net amount so recovered pro rata according to our respective interests.

Immediate Partial Purchase. II. You shall purchase from us, on the terms provided in this Request, upon delivery of them to you promptly upon our receipt of them, such of the Obligations as shall evidence an aggregate principal amount equal to.....of the total advance to the Applicant and as shall have stated maturities of the same proportionate instalments of such aggregate principal amount, on the same date or dates, as the stated maturities of the instalments of the total advance to the Applicant; we being obligated to have each instalment of the advance maturing on any date (of stated maturity of any of the Obligations evidencing any part of the advance made to the Applicant) evidenced by two or more of the Obligations, so that there shall be a separate Obligation, or separate Obligations, evidencing the above stated percentage of the instalment, of the total advance, maturing on any such date. We agree, in consideration of such purchase by you, to supply and continue.....per cent of the aggregate amount of the advance to the Applicant and of any and all instalments thereof; the moneys supplied by you by any such purchase and the moneys supplied by ourselves to be considered as one advance to the Applicant and repayment to be made pro rata in accordance with regulations of the Federal Reserve Board. Any amounts received by you or ourselves in payment or liquidation of any of the Obligations, whether paid by the Applicant, endorsers or guarantors thereon, or derived from collateral security pledged therefor, and any payment of interest thereon in an amount less than the full amount of interest then due, shall (after deduction of your costs and expenses in preserving, enforcing or collecting the Obligations or collateral security, together with interest at the rate of six per cent per annum) be shared by you and ourselves (whether or not first received and held by either) pro rata in accordance with our respective proportions of the total advance to the Applicant.

Commitment for Complete Purchase. III. You shall make a commitment to us (continuing with respect to each of the Obligations until the expiration of fifteen days after the date of the stated maturity thereof) to purchase all of the Obligations, or any of them, from us on the terms provided in this Request. We will pay you for such commitment at the rate of.....per cent per annum, upon the maximum amount available under such commitment from time to time less the percentage thereof specified below in this paragraph (i.e. the same percentage as our percentage of any loss), from the date the above mentioned advance, or any part thereof, is first made, to the date the commitment shall have been completely availed of or surrendered by us, payable on the interest dates of the Obligations and the date the commitment shall have been so availed of or surrendered, except as may be noted at the end of this Request. We shall be entitled to tender to you, at any time and from time to time before the termination of such commitment in respect of any Obligation so tendered, any and all of the Obligations, and you shall purchase as herein provided such Obligations so tendered. In case we shall avail ourselves of such commitment or any part thereof, we agree, in consideration of any such purchase by you, to pay to you upon demand.....per cent of any and all loss which may be sustained by you upon any and all the Obligations (together with interest at the rate of six per cent per annum from the date of demand to the date of payment); the existence and amount of any such loss to be determined by you in accordance with subsection (d) of Section II of Regulation S, Series of 1934, of the Federal Reserve Board. If, at any time, any recovery shall be realized by you or ourselves on the amount of any such loss after we shall have reimbursed you our proportionate share thereof, you and ourselves shall share the net amount so recovered pro rata according to our respective interests.

Commitment for Partial Purchase. IV. You shall make a commitment to us (continuing with respect to each of the Obligations which we shall be entitled to tender to you for purchase, as hereinafter in this paragraph provided, until the expiration of fifteen days after the date of the stated maturity thereof) to purchase from us, on the terms provided in this Request, such of the Obligations as shall evidence an aggregate principal amount equal to.....of the total advance to the Applicant and as shall have stated maturities of the same proportionate instalments of such aggregate principal amount, on the same date or dates, as the stated maturities of the instalments of the total advance to the Applicant; we being obligated to have each instalment of the advance maturing on any date (of stated maturity of any of the Obligations evidencing any part of the advance made to the Applicant) evidenced by two or more of the Obligations, so that there shall be a separate Obligation, or separate Obligations, evidencing the above stated percentage of the instalment, of the total advance, maturing on any such date. We will pay you for such commitment at the rate of.....per cent per annum, upon the maximum amount available under such commitment from time to time less the percentage thereof specified below in this paragraph (i.e. the same percentage as our percentage of aggregate advance), from the date the above mentioned advance, or any part thereof, is first made, to the date the commitment shall have been completely availed of or surrendered by us, payable on the interest dates of the Obligations and the date the commitment shall have been so availed of or surrendered, except as may be noted at the end of this Request. We shall be entitled to tender to you, at any time and from time to time before the termination of such commitment in respect of any Obligation so tendered, any and all of such Obligations you shall have made a commitment to so purchase, and you shall purchase as herein provided such Obligations so tendered. In case we shall avail ourselves of such commitment or any part thereof, we agree, in consideration of any such purchase by you, to supply and continue.....per cent of the aggregate amount of the advance to the Applicant and of any and all instalments thereof; the moneys supplied by you by any such purchase and the moneys supplied by ourselves to be considered as one advance to the Applicant and repayment to be made pro rata in accordance with regulations of the Federal Reserve Board. Any amounts received by you or ourselves in payment or liquidation of any of the Obligations, whether paid by the Applicant, endorsers or guarantors thereon, or derived from collateral security pledged therefor, and any payment of interest thereon in an amount less than the full amount of interest then due, shall (after deduction of your costs and expenses in preserving, enforcing or collecting the Obligations or collateral security, together with interest at the rate of six per cent per annum) be shared by you and ourselves (whether or not first received and held by either) pro rata in accordance with our respective proportions of the total advance to the Applicant.

The provisions of the foregoing paragraphs designated with Roman numerals and struck out shall not be deemed part of this Request or of any agreement between you and ourselves.

If and when you purchase any of the Obligations pursuant hereto or pursuant to any commitment by you to us, we will endorse the Obligations so purchased by you, or transfer them if incapable of endorsement, to you without recourse upon us except as provided herein, and the purchase price of any obligations so purchased by you shall be their face amount, and, so long as there shall be no default in the payment of any sum when it shall have become, or been declared, due upon any of the Obligations evidencing any part of the advance made to the Applicant, you shall pay to us the interest received by you, on the Obligations so purchased by you, in excess of interest at the rate of.....per cent per annum.

In case you make a commitment to us in accordance with a request of ours above, then, until such time as you shall first purchase thereunder one or more of the Obligations or make a loan to us on the security thereof as hereinafter provided, or until there shall be a default in the payment of any sum when it shall have become, or been declared, due upon any of the Obligations, or until you shall have given us notice in writing that in your judgment such a default is liable to occur, we shall be entitled to retain all the Obligations and any and all security, for the Obligations, held by us. Upon your making any such purchase or loan, or upon any such default, or upon your giving us any such notice, we will set apart for your account all of the security for any and all the Obligations, now held or hereafter received by us, and we will hold and administer the same thereafter as your agent and for your account, but without charge to you for our services, subject to delivery of possession to you, of the whole or any part thereof, from time to time, upon your demand, except as may be noted at the end of this Request.

In case you make a commitment to us to purchase, or in case you purchase, any of the Obligations, we will exercise (at all times while any of the security, now or hereafter pledged to secure any or all of the Obligations, is held by us) due care and diligence in the handling, administration, preservation, enforcement and collection of any and all such security so held by us, and we will at no time extend, renew, assign, transfer, substitute, exchange, compromise, compound, surrender, release or discharge any of the Obligations or any of the collateral security pledged to secure any or all of the Obligations, or repledge or otherwise encumber any such collateral (whether or not we are entitled to retain such collateral) without obtaining your prior consent in writing in each case, and we shall be entitled only to receive payment of the Obligations held by us, and interest thereon, in cash, in accordance with their terms and subject to the provisions of this Request.

We will notify you promptly of any unfavorable change in the financial condition or in the business of the Applicant, or of the security pledged to secure the Obligations, which we may ascertain or of which we may be informed or have notice.

In case you make a commitment to us in accordance with a request of ours herein, then at any time and from time to time, so long as there shall be no default in the payment of any sum when it shall have become, or been declared, due upon any of the Obligations, you shall loan to us, on the security of such of the obligations as you shall have made a commitment to purchase and as we may pledge with you, such sum, not in excess of the principal amount of the Obligations so pledged, as we may request; any such loan shall be evidenced by our note or notes, in such form as you may prescribe, payable to you or your order, on such date or dates, prior to the earliest maturity of any of the Obligations so pledged, as we may specify, and payable also upon any such default, with interest at the rate of.....per cent per annum.

(The rate of interest inserted above must be the same as that inserted in the second paragraph on the third page hereof.)

If you purchase the Obligations, or any of them, or while any loan by you to us as hereinabove provided shall be outstanding, or upon any default or notice to us entitling you to take over the security for the Obligations as hereinabove provided, you shall have, and may exercise, all of the powers, rights and remedies vested in us by virtue of said application or any loan agreement or other document or paper executed in connection therewith as fully and with the same force and effect as though you had been named in said application, or such loan agreement or other document or paper, in place of the undersigned; and you shall be entitled, without in any manner limiting or affecting any rights which you might otherwise have, to extend, renew, repledge, transfer, substitute, exchange, compromise, compound, surrender, release, discharge or otherwise deal with any of the Obligations so purchased by you, or held by you as security, as the case may be, as well as with any and all collateral security now or hereafter pledged for the repayment of any or all of the Obligations whether or not purchased by you or pledged with you, without releasing, discharging or in any manner affecting any liability incurred by us hereunder, or any endorser or guarantor on any such Obligation, and without obtaining the prior consent or approval of us or of any such endorser or guarantor. We do hereby irrevocably make, constitute and appoint you our attorney and agent, in any such case, to take any and all action you may deem desirable, on our behalf, and in our name, or otherwise, with respect to each and every matter or transaction relating to or arising from the payment or enforcement of any of the Obligations, and the enforcement, administration, preservation, protection or collection of the collateral security now or hereafter pledged to secure the Obligations, or any thereof, and with respect to any and all of our powers, rights and privileges under said application or any loan agreement or other document or paper executed in connection therewith; we hereby ratifying and confirming each and every act or thing done by you in the premises. In case of any such purchase by you, any payments thereafter

received by us, and in case of any such loan by you, any payments received by us while such loan is outstanding, on account of the Obligations, whether principal or interest, shall be received and held by us in trust for you and we will immediately remit the entire amount thereof to you to be applied in accordance with our respective interests as herein provided.

Any and all expenses paid or incurred by you in connection with the enforcement, preservation or payment of the Obligations, and the handling, enforcement, protection, preservation or collection of any collateral security pledged to secure the same, or any thereof, shall be deductible, together with interest at the rate of six per cent per annum, from any proceeds of collection of the Obligations or collateral security, and you shall have a prior lien on all payments received on account of the Obligations, and upon any collateral security held by you, or for your account, and the proceeds thereof, until you shall have been fully reimbursed for any and all such costs and expenses. In case you shall not be so reimbursed the total amount of all such expenses, we will pay to you, on demand, our pro rata share, of any remaining balance of such expenses, in accordance with (1) the respective proportions, of you and ourselves, of the total advance made to the Applicant, if the advance shall have been made without our agreement herein to share any loss of yours in respect of any of the Obligations, or (2) our respective proportions of any such loss, if we shall have agreed herein to share it.

We will, whenever requested by you, deliver to you such collateral security as you may deem necessary properly to secure the payment to you of any and all of our obligations to you incurred by us hereby or in connection herewith.

We hereby certify that the present liability of the Applicant to us, direct or indirect, absolute or contingent, due or not due, is \$....., and agree that the Applicant shall not be permitted to become liable to us in excess of such amount with interest, except as herein provided, while any part of the aforesaid advance is unpaid by the Applicant; and we further certify that we have made, and agree that we will make, no charge to or against the Applicant, directly or indirectly, for service charges, interest, or otherwise in connection with the making of such advance, other than the interest, upon the Obligations, hereinabove specified.

We further certify that the recent statement of condition attached hereto contains a true, complete and correct statement of our financial condition; and that we have not, nor has any person on our behalf, stipulated for, or given or received, or consented or agreed to give or receive, any fee, commission, bonus or thing of value for procuring or endeavoring to procure from any Federal Reserve bank any advance, loan or extension of credit or discount or purchase of any obligation or commitment with respect thereto, either directly from such Federal Reserve bank or indirectly through any financing institution.

We will make, execute and deliver to you all such agreements, undertakings or further assurances as you may request in connection with the transactions referred to in this instrument.

This Request and the agreements therein contained, together with your commitment, if any, shall supersede all prior oral or written agreements or understandings between you and ourselves pertaining to said application or any loan or advance made in connection therewith, and shall bind, and the benefits thereof shall inure to, our respective successors and assigns, but we may not assign the same, or any of our rights thereunder, without your prior consent in writing.

By

.....
(Official Title)

(NOTE: The Request should be signed in the full corporate name by an officer authorized to sign the same by resolution of the board of directors (in case of a member of the Federal Reserve System, such officer should be one whose signature is on file with the Federal Reserve Bank of New York), and the corporate seal should be affixed. The Request should be accompanied by (1) a copy of such resolution certified by the cashier or secretary of the corporation and, also, in case the corporation is not a bank or trust company which is a member of the Federal Reserve System, by (2) a certified copy of its certificate of incorporation, articles of association or charter, and of its by-laws, as amended to the date of the Request, and (3) certificate of election to and incumbency in office of its officers so authorized by such resolution, with specimen signatures.)

(Attach recent Statement of Condition)

LOAN AGREEMENT

(Under Subsection (b) of Section 13b of the Federal Reserve Act)

19

To induce

(Name of Bank or other Financing Institution)
(hereinafter referred to as the "Financing Institution") to make, or participate in, the advance or loan, under Section 13b of the Federal Reserve Act, applied for by the application of the undersigned (or of one or more of them, if more than one) to the Financing Institution, dated _____, 19____; and to induce Federal Reserve Bank of New York to discount for, or purchase from, the Financing Institution, the obligations of the undersigned evidencing such advance or loan, or any of them, or to advance or loan to the Financing Institution on the security of such obligation, or any of them, or to make a commitment with respect to any such discount, purchase, advance, or loan, if, and as may be, requested by the Financing Institution; and in consideration of such advance or loan, or any part thereof, to the undersigned (or to one or more of them, if more than one), or other financial or credit accommodation given or to be given or continued, to the undersigned, by or through the Financing Institution, and in consideration of such discount, purchase, advance, loan or commitment by Federal Reserve Bank of New York, if any, and other good and valuable consideration, the undersigned (and each of them, if more than one), for the undersigned, and for the successors, executors, administrators, and assigns of the undersigned, as the case may be, hereby agrees with the Financing Institution and with Federal Reserve Bank of New York, their respective successors and assigns, as follows:

1. As security for any and all loans, advances, and credits of any kind by the Financing Institution to the undersigned (or any one or more of them, if more than one) pursuant to, or in any way connected with, said application, and for any and all indebtedness, obligations and liabilities of any kind of the undersigned, now or hereafter existing, whether absolute or contingent, due or to become due to, or held or to be held by, the Financing Institution in connection with, or in any manner whatsoever pertaining to, any such loan, advance or credit, or pursuant to, or in respect of, said application, including any liability of the undersigned to the Financing Institution as maker, drawer, acceptor, endorser, guarantor or surety of any negotiable or non-negotiable instrument, and whether created directly or acquired by assignment or otherwise (hereinafter collectively referred to as the "Liabilities"), the undersigned pledges to the Financing Institution (and gives it a lien on any thereof incapable of pledge) the collateral listed in Schedule A attached hereto and made a part hereof and all moneys, negotiable instruments, commercial paper, bonds, stocks, credits, liens, mortgages, choses in action, claims, demands, rights, interests, and property of every kind which have been, or at any time shall be, delivered to the Financing Institution, or any of its agents by, or for, or for account of, or subject to the order of, the undersigned, or which shall hereafter come into the possession, custody or control of the Financing Institution in any way for any purpose whatever, except as may be noted at the end of this Loan Agreement (all of which collateral is hereinafter collectively referred to as the "Security"). The Financing Institution may at any time and from time to time transfer into its own name or that of its nominee any or all of the Security.

2. The undersigned reaffirms the representations, warranties, statements, certifications and agreements set forth in said application and in all schedules thereof and exhibits thereto (whether or not the full amount of loan or advance therein applied for shall be made to the undersigned), except as may be noted at the end of this Loan Agreement; and the undersigned shall use the proceeds of any loan or advance or other financial or credit accommodation to the undersigned pursuant to, or in connection with, said application, only as working capital of the business of the undersigned described in said application, or for the purpose of providing working capital for such business, and shall use such proceeds only as set forth in said application, except as may be noted at the end of this Loan Agreement.

3. The undersigned shall, at all times and from time to time, whenever requested by the Financing Institution, deliver to the Financing Institution such additional and further collateral, rights and property as the Financing Institution in its discretion may deem necessary to secure properly the payment of the Liabilities.

4. The undersigned shall pay or cause to be paid to the Financing Institution all expense of every kind which the Financing Institution may pay or incur in connection with the collection or enforcement of any of the Liabilities, or the handling, enforcement, preservation or protection of any of the Security, whether or not foreclosure or other legal proceedings shall have been instituted, including the enforcement of any guaranty or other undertaking which the Financing Institution may hold in connection with any of the Liabilities, together with interest thereon at the rate of six per cent per annum. The undersigned shall also on demand reimburse the Financing Institution and Federal Reserve Bank of New York for any and all expenses paid or incurred by the Financing Institution or Federal Reserve Bank of New York in connection with or arising out of said application, or this Loan Agreement or any advance made pursuant thereto or in connection therewith, whether incident to the handling and preservation of any of the Security or the enforcement, protection or preservation of any right or claim of the Financing Institution or Federal Reserve Bank of New York in connection with such advance, including, without being limited to, telephone and telegraph charges, travel and subsistence expenses and fees of attorneys, accountants, engineers, appraisers, examiners or others, whose services may have been, or may be, deemed advisable or necessary by the Financing Institution or by Federal Reserve Bank of New York in creating or protecting its interests or in enforcing any claim made by it, in connection with any such advance, and including any sums paid or payable, from time to time, by the Financing Institution to Federal Reserve Bank of New York, as a fee or compensation for, or otherwise in connection with, any commitment given or made by Federal Reserve Bank of New York to the Financing Institution, to purchase or otherwise acquire, or otherwise in any way in connection with, any or all of the Liabilities.

5. The Financing Institution, in its discretion, whether or not the undersigned is then in default in the payment of any of the Liabilities, or in the performance of any term, provision or obligation of said application or of this Loan Agreement on the part of the undersigned to be performed, may, but is not obligated to, collect or enforce, at the expense and in the name of the undersigned, or otherwise, the payment when due of any or all of the Security, by suit or otherwise, may receive any money or property at any time due, payable or receivable on account of or in exchange for any or all of the Security, and may surrender, compromise, settle, release, renew, extend or otherwise change the terms of, exchange or substitute, all or any of the Security, all without prior notice to or consent of the undersigned, and without incurring responsibility to, or affecting any liability of, the undersigned, and may apply, in such manner as it may elect, the net proceeds thereof (after deducting all costs, attorneys' fees, and other expenses of collection or enforcement, together with interest thereon at the rate of six per cent per annum) in whole or in part, to the payment and extinguishment of any part of the Liabilities, whether then due or not and whether principal, interest or expenses.

6. Upon any default in the payment of any of the Liabilities, or upon the appointment of a receiver, conservator, or liquidator of or for the undersigned, or of for any of the property of the undersigned, whether voluntary or involuntary, or upon the making of an application for any such appointment, or upon the suspension or discontinuance of the business of the undersigned or the making of an assignment for the benefit of creditors or composition with creditors, or upon the adjudication of the undersigned as insolvent, or upon the filing of a voluntary or involuntary petition in bankruptcy, or for a bankruptcy composition or extension, or the approval of any other petition pursuant to the provisions of Section 77B of the Bankruptcy Act of the United

States as amended, by or against the undersigned, or upon any part of the business or property of the undersigned being taken possession of, or closed, by any authorized governmental agent or body, or by any procedure authorized by law, or upon the undersigned becoming the subject of liquidation or dissolution proceedings, or any proceedings permitting the filing of claims by creditors, then on the happening of any one or more of such events any and all of the Liabilities shall become immediately due and payable without presentation or demand or notice of protest, or other notice of any kind, all of which are hereby expressly waived, and notwithstanding any credit or time allowed to the undersigned by any instrument evidencing any of the Liabilities. Upon any failure of the undersigned at any time to deliver collateral as herein provided or faithfully and promptly to perform and observe, or cause to be performed and observed, any of the terms and provisions of said application or of this Loan Agreement or of any other undertaking of the undersigned to the Financing Institution, on the part of the undersigned to be performed or observed, or if any representation or warranty in said application or in its schedules or exhibits or in this Loan Agreement or otherwise made by the undersigned to the Financing Institution or to Federal Reserve Bank of New York is materially untrue, or if the undersigned has failed or hereafter fails to disclose any fact deemed by the Financing Institution or Federal Reserve Bank of New York to be material, or upon the death of the undersigned, if an individual, or death of a partner, if a partnership, or upon the issuance of any warrant of attachment, or an attachment, against any of the credits or property of the undersigned, or upon the entry of judgment against the undersigned or any partner of the undersigned, if a partnership, either separately or jointly with any other party, individual or corporate, or upon the commencement of any proceedings against the undersigned under Article 45 of the New York Civil Practice Act as amended, or the commencement of any similar creditors proceedings under the statutes of any other State, or upon the insolvency or an act of insolvency of the undersigned other than an adjudication of insolvency, or upon the appointment of a committee of creditors of the undersigned or upon the taking or suffering of any proceedings for the merger, consolidation, or sale or exchange of the assets and properties of the undersigned substantially as an entirety, or for the sale, lease, transfer or pledge of any part of the assets and property of the undersigned deemed by the Financing Institution or the Federal Reserve Bank of New York to be substantial, then on the happening of any one or more of such events, or upon the discovery of any such material untruth or failure to disclose a material fact, the Financing Institution is authorized in its discretion to declare any and all of the Liabilities immediately due and payable, and the same shall thereupon, without further action, become so due and payable, notwithstanding any credit or time allowed to the undersigned by any instrument evidencing any of the Liabilities. In case of any such default or failure or discovery, or upon the happening of any one or more of such events, hereinabove in this paragraph referred to, the Financing Institution is authorized to sell, assign, and deliver, in its discretion, the whole or, from time to time, any part of the Security (including any substitutions therefor and additions thereto and as well any guaranty or other obligation held by the Financing Institution in connection with any of the Liabilities), or any interest in any thereof, at any public or private sale, with or without demand, advertisement, or notice of the time or place of sale or adjournment thereof or otherwise, for cash, upon credit or for future delivery, and for such price or prices and upon such other terms as the Financing Institution may deem advisable, the undersigned hereby waiving and releasing any and all equity or right of redemption whether before or after sale hereunder, and, upon such sale, the Financing Institution may bid for, and may become the purchaser of, the whole or any part of the Security so sold free from any such right or equity of redemption. In case of any such sale on credit or for future delivery, the property sold may be retained by the Financing Institution until the selling price is paid in full by the purchaser, but the Financing Institution shall incur no liability in case of failure of the purchaser to take up and pay for the property so sold; and in case of any such failure the property may be again sold. In case of any such sale, after deducting all costs, attorneys' fees, and other expenses of collection, sale and delivery (as well as any and all other expense to which it shall be entitled under any of the provisions of this Loan Agreement), the Financing Institution may apply the residue of the proceeds of such sale or sales to the payment of any or all of the Liabilities, whether due or not, as the Financing Institution may deem proper, the undersigned remaining liable for any deficiency with legal interest, and the balance, if any, remaining after payment in full of all the Liabilities shall be paid to the undersigned.

7. From time to time the Financing Institution may assign or transfer or pledge to Federal Reserve Bank of New York, or any other assignee, transferee or pledgee, the whole or any part of the Liabilities and may, or may not, transfer or deliver therewith, or set apart as collateral security therefor, for account of any such assignee, transferee or pledgee, the whole or any part of the Security or any interest therein, or any guaranty or other document or writing held hereunder in connection with the Liabilities, and the assignee, transferee or pledgee shall thereupon become vested with all the powers, rights, and privileges herein, or by said application, given to the Financing Institution in respect thereof, including the right to require additional security, and shall have the same remedies as though originally named herein and in said application in respect thereof. The Financing Institution, at any time and whether or not it shall have made any assignment, transfer or pledge to Federal Reserve Bank of New York, may constitute and appoint the Federal Reserve Bank of New York the attorney or agent of the Financing Institution to take any and all action Federal Reserve Bank of New York may deem desirable, in the name and on behalf of the Financing Institution, or otherwise, with respect to each and every matter or transaction relating to or arising from the payment or enforcement of any of the Liabilities, and the enforcement, administration, preservation, protection or collection of the Security, or any thereof; and Federal Reserve Bank of New York shall thereupon be entitled to exercise all the powers, rights and privileges herein (or by said application or any other document or paper executed in connection therewith) given to the Financing Institution, with the same force and effect as though originally named in this Loan Agreement and in said application and in any such other document or paper, in the place and stead of the Financing Institution.

8. The undersigned waives notice of acceptance of any guaranty made by the undersigned and demand, presentment, protest, notice of dishonor and notice of protest, as to any and all instruments signed or endorsed by the undersigned.

9. The undersigned represents, warrants and agrees as follows:

(1) There are no suits or legal proceedings of any kind now pending against the undersigned, and the undersigned has no knowledge of any threatened suits or other legal proceedings except as may be noted at the end of this Loan Agreement;

(2) The undersigned has good and marketable title to, and is lawfully possessed of, all the Security, and the interest of the undersigned therein is not affected by any outstanding equity, trust, contract, set-off, claim, encumbrance or liability of any nature, whether fixed or contingent, except as created by this Loan Agreement and except as may be noted at the end thereof;

(3) The charter, certificate or articles of incorporation, or other similar instrument, and the by-laws of the undersigned (if undersigned is a corporation) and the laws and regulations governing the operations of the undersigned (whether or not the undersigned is a corporation) permit and authorize the undersigned (a) to incur the indebtedness in the manner and in the amount specified in said application and in the total amount which the undersigned will have outstanding upon the granting of the loan so applied for, and (b) to secure such indebtedness by collateral in the amount and of the character provided by this Loan Agreement; and all acts and things required by such laws, regulations, by-laws and certificate or other instrument, or otherwise, have been done and performed (including any and all necessary and proper action by the directors and stockholders of the undersigned, if a corporation) in order duly and effectively to vest in the Financing Institution the Security listed in Schedule A attached hereto.

10. The undersigned covenants and agrees that so long as any part of the Liabilities remains unpaid:

(a) The undersigned shall, upon the institution of any suit, at law or in equity, or of any other legal proceeding, or upon the service of any legal process upon the undersigned, forthwith give notice thereof in writing to the Financing Institution and Federal Reserve Bank of New York;

(b) The undersigned shall pay and discharge or cause to be paid and discharged all taxes, assessments, dues, and charges of every kind imposed or levied or that hereafter may be imposed or levied upon any and all real and personal property of the undersigned, prior to the date when such taxes, assessments, dues or charges shall become delinquent; and the undersigned shall insure and keep insured, or cause to be insured and to be kept insured, all real and personal property covered by any mortgage or deed of trust included in the Security, and all other real and personal property of the undersigned customarily insured in business similar to the business of the undersigned, or as may be required by the Financing Institution, for the full insurable value thereof, against such risks and in such companies as may be satisfactory to the Financing Institution, and shall pay or cause to be paid all fire, title and other insurance premiums and other costs of insurance, examination charges, warehouse charges, transportation costs, and all other expenses, advisable or necessary in the judgment of the Financing Institution for the preservation, protection or enforcement of any of the Security, including fees for filing and recording mortgages and other instruments of lien or pledge and the like, or assignments thereof, required by the Financing Institution;

(c) The undersigned shall furnish promptly to the Financing Institution and to Federal Reserve Bank of New York, at least quarterly, full and complete statements of the operations of the undersigned for the preceding quarter or other period, and of the financial condition of the undersigned as of the end of such quarterly or other period, and from time to time as and when required by the Financing Institution or Federal Reserve Bank of New York, additional financial statements, copies of auditor's reports and any and all other information pertaining to the business of the undersigned that the Financing Institution or the Federal Reserve Bank of New York in its discretion may request. The undersigned shall also submit to such audits, credit investigations or other examinations as the Financing Institution or the Federal Reserve Bank of New York may, from time to time request and shall permit the inspection of all accounts, books, correspondence, agreements, patents, and any and all other documents and records of the undersigned and the making of copies thereof and the taking of extracts therefrom, and the undersigned shall at all times in good faith disclose fully at the request of the Financing Institution or Federal Reserve Bank of New York any and all information concerning its business, past operations and prospects. The expense of preparing and furnishing any and all such statements, reports or any other information as well as the expense of any audits, investigations or examinations shall be borne solely by the undersigned;

(d) The undersigned shall not mortgage, pledge, hypothecate or otherwise encumber, any part of the assets of the undersigned (except to the Financing Institution or the Federal Reserve Bank of New York and except to create purchase money mortgages upon property acquired in the necessary course of business, and at the time acquired), and shall not make any capital expenditures which the Financing Institution may in its discretion deem to be substantial in amount, except with the prior consent in writing of the Financing Institution;

(e) The undersigned shall not borrow any money or incur any indebtedness other than in the ordinary course of business, except with the prior consent in writing of the Financing Institution;

(f) The undersigned shall at all times conduct the business of the undersigned in the ordinary course and with due economy and in such a way as not to impair any of the Security which shall have been pledged by, or on behalf of, the undersigned to the Financing Institution, or any of its agents, or on which the Financing Institution may have a lien, and in such a way as not to impair the business of the undersigned, and shall not sell, lease, transfer or pledge its interest or any part thereof in any of the Security, or make any agreement therefor, except with the prior consent in writing of the Financing Institution;

(g) The undersigned shall not increase any of the salaries or other compensation of any of its officers, directors or employees, or withdrawals from the business of the undersigned, or increase the expenses of the business within the control of the undersigned by engaging additional employees or otherwise, in an amount which the Financing Institution or Federal Reserve Bank of New York may in its discretion deem to be substantial, except with the prior consent in writing of the Financing Institution;

(h) The undersigned, if a corporation or similar organization, shall not increase its current rate of dividends, if any, and shall not declare or pay any dividends if it is not currently paying any dividends at the date hereof, upon any of its outstanding capital stock or other shares of stock or certificates of interest, and shall not otherwise distribute any of its assets to any of its stockholders, or holders of certificates of interest in the undersigned, in cash, stock, stock rights, or other property, or in any manner whatsoever, whether in the purchase or retirement of its stock or otherwise, except with the prior consent in writing of the Financing Institution.

11. All constituted Federal, State, Municipal and other authorities (including the United States Treasury Department, the Bureau of Internal Revenue, the Bureau of Census, and the Bureau of Mines), the Reconstruction Finance Corporation, and all banks, trust companies and other banking or financial corporations or organizations, and all accountants, auditors, appraisers and examiners, with which the undersigned has heretofore, now has, or hereafter may have, banking or business relations, are hereby authorized and directed to furnish reports of examinations, records, and other information relating to the condition and affairs of the undersigned upon request therefor by the Financing Institution or Federal Reserve Bank of New York, and are authorized and directed to permit representatives of the Financing Institution or Federal Reserve Bank of New York to have full access from time to time to, and to make copies of and extracts from, all reports by or with respect to the undersigned and all information concerning the undersigned from time to time contained in their files and records.

12. If the undersigned fails to make any payment required under any of the provisions of said application or of this Loan Agreement, the Financing Institution is authorized to make any and all such payments, and any amounts so paid, together with interest thereon at the rate of six per cent per annum, shall be included in the Liabilities.

13. The undersigned shall be and remain bound for the payment of all of the Liabilities, and the lien thereof and any pledge or pledges hereunder shall remain undisturbed notwithstanding any delay, extension of time, substitution of security, renewal, compromise or other indulgence granted by the Financing Institution in connection with the Security or any note, draft, bill of exchange, or other instrument or obligation included in the Security, the undersigned hereby waiving all notice of any such delay, extension, substitution, renewal, compromise or other indulgence.

14. Wherever in this Loan Agreement an option, power or right is given to the Financing Institution, any such option, power or right may be exercised without notice to the undersigned. No delay on the part of the Financing Institution in exercising any option, power or right hereunder shall operate as a waiver of any option, power or right; nor shall any single or partial exercise of any option, power or right hereunder preclude other or further exercise thereof or the exercise of any other option, power or right. The rights and remedies herein expressly specified are cumulative and not exclusive of any other rights or remedies which the Financing Institution or its assigns, transferees, or pledgees may otherwise have, or would have by the law of pledge or lien or otherwise without such specification.

15. Any check or draft received by or for the Financing Institution or for the account of the undersigned may be presented for payment or forwarded for collection direct to the bank upon which drawn or at which payable. Cash, bank drafts, transfers of funds or bank credits, or any other forms of payment or remittance may be accepted by the Financing Institution in payment of or remittance for any such check or draft, but the undersigned shall not be entitled to credit on account of any such check or draft until the Financing Institution shall have received the amount thereof in actually and finally collected funds, and

LOAN AGREEMENT

(Under Subsection (a) of Section 13b of the Federal Reserve Act)

To induce Federal Reserve Bank of New York (hereinafter referred to as the "Reserve Bank") to make the advance or loan, under Section 13b of the Federal Reserve Act, applied for by the application of the undersigned (or of one or more

of them, if more than one) to the Reserve Bank, dated _____, 19____; and in consideration of such advance or loan, or any part thereof, to the undersigned (or to one or more of them, if more than one), or other financial or credit accommodation given or to be given or continued, to the undersigned, by or through the Reserve Bank, and other good and valuable consideration, the undersigned (and each of them, if more than one), for the undersigned, and for the successors, executors, administrators, and assigns of the undersigned, as the case may be, hereby agrees with the Reserve Bank, its successors and assigns, as follows:

1. As security for any and all loans, advances and credits of any kind by the Reserve Bank to the undersigned (or any one or more of them, if more than one) pursuant to, or in any way connected with, said application, and for any and all indebtedness, obligations and liabilities of any kind of the undersigned, now or hereafter existing, whether absolute or contingent, due or to become due to, or held or to be held by, the Reserve Bank in connection with, or in any manner whatsoever pertaining to, any such loan, advance or credit, or pursuant to, or in respect of, said application, including any liability of the undersigned to the Reserve Bank as maker, drawer, acceptor, endorser, guarantor or surety of any negotiable or non-negotiable instrument, and whether created directly or acquired by assignment or otherwise (hereinafter collectively referred to as the "Liabilities"), the undersigned pledges to the Reserve Bank (and gives it a lien on any thereof incapable of pledge) the collateral listed in Schedule A attached hereto and made a part hereof and all moneys, negotiable instruments, commercial paper, bonds, stocks, credits, liens, mortgages, choses in action, claims, demands, rights, interests, and property of every kind which have been, or at any time shall be, delivered to the Reserve Bank, or any of its agents by, or for, or for account of, or subject to the order of, the undersigned, or which shall hereafter come into the possession, custody or control of the Reserve Bank in any way for any purpose whatever, except as may be noted at the end of this Loan Agreement (all of which collateral is hereinafter collectively referred to as the "Security"). The Reserve Bank may at any time and from time to time transfer into its own name or that of its nominee any or all of the Security.

2. The undersigned reaffirms the representations, warranties, statements, certifications and agreements set forth in said application and in all schedules thereof and exhibits thereto (whether or not the full amount of loan or advance therein applied for shall be made to the undersigned), except as may be noted at the end of this Loan Agreement; and the undersigned shall use the proceeds of any loan or advance or other financial or credit accommodation to the undersigned pursuant to, or in connection with, said application, only as working capital of the business of the undersigned described in said application, or for the purpose of providing working capital for such business, and shall use such proceeds only as set forth in said application, except as may be noted at the end of this Loan Agreement.

3. The undersigned shall, at all times and from time to time, whenever requested by the Reserve Bank, deliver to the Reserve Bank such collateral and such additional and further collateral, rights and property as the Reserve Bank in its discretion may deem necessary to secure properly the payment of the Liabilities.

4. The undersigned shall pay or cause to be paid to the Reserve Bank all expense of every kind which the Reserve Bank may pay or incur in connection with the collection or enforcement of any of the Liabilities, or the handling, enforcement, preservation or protection of any of the Security, whether or not foreclosure or other legal proceedings shall have been instituted, including the enforcement of any guaranty or other undertaking which the Reserve Bank may hold in connection with any of the Liabilities, together with interest thereon at the rate of six per cent per annum. The undersigned shall also on demand reimburse the Reserve Bank for any and all expenses paid or incurred by the Reserve Bank in connection with or arising out of said application, or this Loan Agreement or any advance made pursuant thereto or in connection therewith, whether incident to the handling and preservation of any of the Security or the enforcement, protection or preservation of any right or claim of the Reserve Bank in connection with such advance, including, without being limited to, telephone and telegraph charges, travel and subsistence expenses and fees of attorneys, accountants, engineers, appraisers, examiners or others, whose services may have been, or may be, deemed advisable or necessary by the Reserve Bank in creating or protecting its interests or in enforcing any claim made by it, in connection with any such advance.

5. The Reserve Bank, in its discretion, whether or not the undersigned is then in default in the payment of any of the Liabilities, or in the performance of any term, provision or obligation of said application or of this Loan Agreement on the part of the undersigned to be performed, may, but is not obligated to, collect or enforce, at the expense and in the name of the undersigned, or otherwise, the payment when due of any or all of the Security, by suit or otherwise, may receive any money or property at any time due, payable or receivable on account of or in exchange for any or all of the Security, and may surrender, compromise, settle, release, renew, extend or otherwise change the terms of, exchange or substitute, all or any of the Security, all without prior notice to or consent of the undersigned, and without incurring responsibility to, or affecting any liability of, the undersigned, and may apply, in such manner as it may elect, the net proceeds thereof (after deducting all costs, attorneys' fees, and other expenses of collection or enforcement, together with interest thereon at the rate of six per cent per annum) in whole or in part, to the payment and extinguishment of any part of the Liabilities, whether then due or not and whether principal, interest or expenses.

6. Upon any default in the payment of any of the Liabilities, or upon the appointment of a receiver, conservator, or liquidator of or for the undersigned, or of or for any of the property of the undersigned, whether voluntary or involuntary, or upon the making of an application for any such appointment, or upon the suspension or discontinuance of the business of the undersigned or the making of an assignment for the benefit of creditors or composition with creditors, or upon the adjudication of the undersigned as insolvent, or upon the filing of a voluntary or involuntary petition in bankruptcy, or for a bankruptcy composition

or extension, or the approval of any other petition pursuant to the provisions of Section 77B of the Bankruptcy Act of the United States as amended, by or against the undersigned, or upon any part of the business or property of the undersigned being taken possession of, or closed, by any authorized governmental agent or body, or by any procedure authorized by law, or upon the undersigned becoming the subject of liquidation or dissolution proceedings, or any proceedings permitting the filing of claims by creditors, then on the happening of any one or more of such events any and all of the Liabilities shall become immediately due and payable without presentation or demand or notice of protest, or other notice of any kind, all of which are hereby expressly waived, and notwithstanding any credit or time allowed to the undersigned by any instrument evidencing any of the Liabilities. Upon any failure of the undersigned at any time to deliver collateral as herein provided or faithfully and promptly to perform and observe, or cause to be performed and observed, any of the terms and provisions of said application or of this Loan Agreement or of any other undertaking of the undersigned to the Reserve Bank, on the part of the undersigned to be performed or observed, or if any representation or warranty in said application or in its schedules or exhibits or in this Loan Agreement or otherwise made by the undersigned to the Reserve Bank is materially untrue, or if the undersigned has failed or hereafter fails to disclose any fact deemed by the Reserve Bank to be material, or upon the death of the undersigned, if an individual, or death of a partner, if a partnership, or upon the issuance of any warrant of attachment, or an attachment, against any of the credits or property of the undersigned, or upon the entry of judgment against the undersigned or any partner of the undersigned, if a partnership, either separately or jointly with any other party, individual or corporate, or upon the commencement of any proceedings against the undersigned under Article 45 of the New York Civil Practice Act as amended, or the commencement of any similar creditors proceedings under the statutes of any other State, or upon the insolvency or an act of insolvency of the undersigned other than an adjudication of insolvency, or upon the appointment of a committee of creditors of the undersigned or upon the taking or suffering of any proceedings for the merger, consolidation, or sale or exchange of the assets and properties of the undersigned substantially as an entirety, or for the sale, lease, transfer or pledge of any part of the assets and property of the undersigned deemed by the Reserve Bank to be substantial, then on the happening of any one or more of such events, or upon the discovery of any such material untruth or failure to disclose a material fact, the Reserve Bank is authorized in its discretion to declare any and all of the Liabilities immediately due and payable, and the same shall thereupon, without further action, become so due and payable, notwithstanding any credit or time allowed to the undersigned by any instrument evidencing any of the Liabilities. In case of any such default or failure or discovery, or upon the happening of any one or more of such events, hereinabove in this paragraph referred to, the Reserve Bank is authorized to sell, assign, and deliver, in its discretion, the whole or, from time to time, any part of the Security (including any substitutions therefor and additions thereto and as well any guaranty or other obligation held by the Reserve Bank in connection with any of the Liabilities), or any interest in any thereof, at any public or private sale, with or without demand, advertisement, or notice of the time or place of sale or adjournment thereof or otherwise, for cash, upon credit or for future delivery, and for such price or prices and upon such other terms as the Reserve Bank may deem advisable, the undersigned hereby waiving and releasing any and all equity or right of redemption whether before or after sale hereunder, and, upon such sale, the Reserve Bank may bid for, and may become the purchaser of, the whole or any part of the Security so sold free from any such right or equity of redemption. In case of any such sale on credit or for future delivery, the property sold may be retained by the Reserve Bank until the selling price is paid in full by the purchaser, but the Reserve Bank shall incur no liability in case of failure of the purchaser to take up and pay for the property so sold; and in case of any such failure the property may be again sold. In case of any such sale, after deducting all costs, attorneys' fees, and other expenses of collection, sale and delivery (as well as any and all other expense to which it shall be entitled under any of the provisions of this Loan Agreement), the Reserve Bank may apply the residue of the proceeds of such sale or sales to the payment of any or all of the Liabilities, whether due or not, as the Reserve Bank may deem proper, the undersigned remaining liable for any deficiency with legal interest, and the balance, if any, remaining after payment in full of all the Liabilities shall be paid to the undersigned.

7. From time to time the Reserve Bank may assign or transfer or pledge the whole or any part of the Liabilities and may, or may not, transfer or deliver therewith, or set apart as collateral security therefor, for account of any such assignee, transferee or pledgee, the whole or any part of the Security or any interest therein, or any guaranty or other document or writing held hereunder in connection with the Liabilities, and the assignee, transferee or pledgee shall thereupon become vested with all the powers, rights, and privileges herein, or by said application, given to the Reserve Bank in respect thereof, including the right to require additional security, and shall have the same remedies as though originally named herein and in said application in respect thereof.

8. The undersigned waives notice of acceptance of any guaranty made by the undersigned and demand, presentment, protest, notice of dishonor and notice of protest, as to any and all instruments signed or endorsed by the undersigned.

9. The undersigned represents, warrants and agrees as follows:

(1) There are no suits or legal proceedings of any kind now pending against the undersigned, and the undersigned has no knowledge of any threatened suits or other legal proceedings except as may be noted at the end of this Loan Agreement;

(2) The undersigned has good and marketable title to, and is lawfully possessed of, all the Security, and the interest of the undersigned therein is not affected by any outstanding equity, trust, contract, set-off, claim, encumbrance or liability of any nature, whether fixed or contingent, except as created by this Loan Agreement and except as may be noted at the end thereof;

(3) The charter, certificate or articles of incorporation, or other similar instrument, and the by-laws of the undersigned (if undersigned is a corporation) and the laws and regulations governing the operations of the undersigned (whether or not the undersigned is a corporation) permit and authorize the undersigned (a) to incur the indebtedness in the manner and in the amount specified in said application and in the total amount which the undersigned will have outstanding upon the granting of the loan so applied for, and (b) to secure such indebtedness by collateral in the amount and of the character provided by this Loan Agreement; and all acts and things required by such laws, regulations, by-laws and certificate or other instrument, or otherwise, have been done and performed (including any and all necessary and proper action by the directors and stockholders of the undersigned, if a corporation) in order duly and effectively to vest in the Reserve Bank the Security listed in Schedule A attached hereto.

10. The undersigned covenants and agrees that so long as any part of the Liabilities remains unpaid:

(a) The undersigned shall, upon the institution of any suit, at law or in equity, or of any other legal proceeding, or upon the service of any legal process upon the undersigned, forthwith give notice thereof in writing to the Reserve Bank;

(b) The undersigned shall pay and discharge or cause to be paid and discharged all taxes, assessments, dues, and charges of every kind imposed or levied or that hereafter may be imposed or levied upon any and all real and personal property of the undersigned, prior to the date when such taxes, assessments, dues or charges shall become delinquent; and

the undersigned shall insure and keep insured, or cause to be insured and to be kept insured, all real and personal property covered by any mortgage or deed of trust included in the Security, and all other real and personal property of the undersigned customarily insured in business similar to the business of the undersigned, or as may be required by the Reserve Bank, for the full insurable value thereof, against such risks and in such companies as may be satisfactory to the Reserve Bank, and shall pay or cause to be paid all fire, title and other insurance premiums (including life insurance premiums, if any life insurance policies are listed in Schedule A of this Loan Agreement) and other costs of insurance, examination charges, warehouse charges, transportation costs, and all other expenses, advisable or necessary in the judgment of the Reserve Bank for the preservation, protection or enforcement of any of the Security, including fees for filing and recording mortgages and other instruments of lien or pledge and the like, or assignments thereof, required by the Reserve Bank;

(c) The undersigned shall furnish promptly to the Reserve Bank, at least quarterly, full and complete statements of the operations of the undersigned for the preceding quarter or other period, and of the financial condition of the undersigned as of the end of such quarterly or other period, and, from time to time as and when required by the Reserve Bank, additional financial statements, copies of auditor's reports and any and all other information pertaining to the business of the undersigned that the Reserve Bank in its discretion may request. The undersigned shall also submit to such audits, credit investigations or other examinations as the Reserve Bank from time to time may request and shall permit the inspection of all accounts, books, correspondence, agreements, patents, and any and all other documents and records of the undersigned and the making of copies thereof and the taking of extracts therefrom, and the undersigned shall at all times in good faith disclose fully at the request of the Reserve Bank any and all information concerning its business, past operations and prospects. The expense of preparing and furnishing any and all such statements, reports or any other information as well as the expense of any audits, investigations or examinations shall be borne solely by the undersigned;

(d) The undersigned shall not mortgage, pledge, hypothecate or otherwise encumber, any part of the assets of the undersigned (except to the Reserve Bank and except to create purchase money mortgages upon property acquired in the necessary course of business, and at the time acquired), and shall not make any capital expenditures which the Reserve Bank may in its discretion deem to be substantial in amount, except with the prior consent in writing of the Reserve Bank;

(e) The undersigned shall not borrow any money or incur any indebtedness other than in the ordinary course of business, except with the prior consent in writing of the Reserve Bank;

(f) The undersigned shall at all times conduct the business of the undersigned in the ordinary course and with due economy and in such a way as not to impair any of the Security which shall have been pledged by, or on behalf of, the undersigned to the Reserve Bank, or any of its agents, or on which the Reserve Bank may have a lien, and in such a way as not to impair the business of the undersigned, and shall not sell, lease, transfer or pledge its interest or any part thereof in any of the Security, or make any agreement therefor, except with the prior consent in writing of the Reserve Bank;

(g) The undersigned shall not increase any of the salaries or other compensation of any of its officers, directors, partners or employees, or of himself, if an individual, or the withdrawals by any thereof from the business of the undersigned, or increase in any manner the expenses of the business within the control of the undersigned, in an amount which the Reserve Bank in its discretion may deem to be substantial, or contract to do so, except with the prior consent in writing of the Reserve Bank;

(h) The undersigned, if a corporation or similar organization, shall not increase its current rate of dividends, if any, and shall not declare or pay any dividends if it is not currently paying any dividends at the date hereof, upon any of its outstanding capital stock or other shares of stock or certificates of interest, and shall not otherwise distribute any of its assets to any of its stockholders, or holders of certificates of interest in the undersigned, in cash, stock, stock rights, or other property, or in any manner whatsoever, whether in the purchase or retirement of its stock or otherwise, except with the prior consent in writing of the Reserve Bank.

11. All constituted Federal, State, Municipal and other authorities (including the United States Treasury Department, the Bureau of Internal Revenue, the Bureau of Census, and the Bureau of Mines), the Reconstruction Finance Corporation, and all banks, trust companies and other banking or financial corporations or organizations, and all accountants, auditors, appraisers and examiners, with which the undersigned has heretofore, now has, or hereafter may have, banking or business relations, are hereby authorized and directed to furnish reports of examinations, records, and other information relating to the condition and affairs of the undersigned upon request therefor by the Reserve Bank, and are authorized and directed to permit representatives of the Reserve Bank to have full access from time to time to, and to make copies of and extracts from, all reports by or with respect to the undersigned and all information concerning the undersigned from time to time contained in their files and records.

12. If the undersigned fails to make any payment required under any of the provisions of said application or of this Loan Agreement, the Reserve Bank is authorized to make any and all such payments, and any amounts so paid, together with interest thereon at the rate of six per cent per annum, shall be included in the Liabilities.

13. The undersigned shall be and remain bound for the payment of all of the Liabilities, and the lien thereof and any pledge or pledges hereunder shall remain undisturbed notwithstanding any delay, extension of time, substitution of security, renewal, compromise or other indulgence granted by the Reserve Bank in connection with the Security or any note, draft, bill of exchange, or other instrument or obligation included in the Security, the undersigned hereby waiving all notice of any such delay, extension, substitution, renewal, compromise or other indulgence.

14. Wherever in this Loan Agreement an option, power or right is given to the Reserve Bank, any such option, power or right may be exercised without notice to the undersigned. No delay on the part of the Reserve Bank in exercising any option, power or right hereunder shall operate as a waiver of any option, power or right; nor shall any single or partial exercise of any option, power or right hereunder preclude other or further exercise thereof or the exercise of any other option, power or right. The rights and remedies herein expressly specified are cumulative and not exclusive of any other rights or remedies which the Reserve Bank or its assigns, transferees, or pledgees may otherwise have, or would have by the law of pledge or lien or otherwise without such specification.

15. Any check or draft received by or for the Reserve Bank or for the account of the undersigned may be presented for payment or forwarded for collection direct to the bank upon which drawn or at which payable. Cash, bank drafts, transfers of funds or bank credits, or any other forms of payment or remittance may be accepted by the Reserve Bank in payment of or remittance for any such check or draft, but the undersigned shall not be entitled to credit on account of any such check or draft until the Reserve Bank shall have received the amount thereof in actually and finally collected funds, and the amount of any such check or draft credited by the Reserve Bank may be charged back to the undersigned notwithstanding the check or draft itself cannot be returned.

20. The undersigned, if more than one, shall be jointly and severally liable hereunder and each provision of this Loan Agreement shall apply to each, and all, of them.

DESCRIPTION	FACE AMOUNT
-------------	-------------

Digitized for FRASER
<http://fraser.stlouisfed.org/>
 Federal Reserve Bank of St. Louis

SUBORDINATION AGREEMENT
BY CREDITORS OF

.....
(Name of Borrower)

....., 193.....

FEDERAL RESERVE BANK OF NEW YORK (hereinafter referred to as the "Reserve Bank") is hereby requested by the undersigned to extend, from time to time at the option of the Reserve Bank, or to make a commitment to extend, under Section 13b of the Federal Reserve Act, financial accommodation

and credit to the borrower named above in the title of this Subordination Agreement, a

{organized under the laws} of the State of, with an office at
resident

....., (hereinafter referred to as the "Borrower") upon notes, drafts or other obligations made or endorsed by the Borrower (hereinafter called the Notes) to an

aggregate principal amount not in excess of Dollars

(\$.....) at any one time outstanding. In order to induce the Reserve Bank to do so and in consideration of such financial accommodation or credit, or any part thereof, or of any such commitment, to the Borrower, and other good and valuable consideration, the undersigned (and each of them, if more than one) for the undersigned, and for the successors, executors, administrators, and assigns of the undersigned, as the case may be, hereby agrees with the Reserve Bank and the Borrower, their respective successors, executors, administrators, and assigns, as follows:

1. Unless and until all the indebtedness of the Borrower on the Notes, whether now existing or hereafter incurred, shall have been fully paid with interest, the undersigned shall not ask, demand, sue for, take or receive from the Borrower the whole or any part of the moneys owing at the date hereof by the Borrower to the undersigned (or to any of them, if more than one) or interest due or to become due thereon, or assert, demand, present, collect or enforce any claim against the Borrower existing on the date hereof; and the undersigned shall promptly pay to the Reserve Bank, to be applied for the account of the Borrower, any sums received by the undersigned on account of any such moneys owing to, or of any such claim by, the undersigned, whether such sums shall be the proceeds of any security or collateral held or received by the undersigned or otherwise; and the undersigned hereby directs the Borrower to make such prior payment or payments on the Notes.

2. The undersigned shall not sell, assign, transfer or otherwise dispose of any claims the undersigned has or may have against the Borrower and hereby subordinated, while any part of the obligations and liabilities of the Borrower on the Notes remains unpaid, unless such sale, assignment, transfer, or other disposition, is made subject to this Agreement.

3. If, at any time while this Agreement is in force, a petition in bankruptcy shall be filed by or against the Borrower, or any petition by or against the Borrower pursuant to the provisions of Section 77B of the Bankruptcy Act of the United States shall be approved, or a receiver shall be appointed of or for the Borrower or of any of the property of the Borrower, or an assignment for the benefit of creditors, or composition with creditors, of the Borrower, shall be made, or any voluntary or involuntary liquidation of the business of the Borrower shall be decided upon or commenced, or any other event shall happen whereby it becomes necessary or desirable to file or present claims against the Borrower for the purpose of receiving payment thereof or on account thereof, the undersigned shall immediately assign to the holders of the Notes all the claim or claims of the undersigned against the Borrower on account of indebtedness hereby subordinated, in order that the holders of the Notes may collect and receive any and all dividends and/or other payments which may become payable thereon up to, but not in excess of, the amount of the indebtedness then existing of the Borrower on the Notes, whether then due or not, and to return to the undersigned all proceeds, over and above such amount, together with an assignment of the claims of the holders of the Notes against the Borrower to the extent of the amount of such proceeds so received by the holders of the Notes; and the undersigned hereby irrevocably appoints the Reserve Bank the attorney of the undersigned (and each of them, if more than one) with full power and authority in the name of the undersigned, or otherwise, upon the happening of any of the events hereinbefore in this paragraph referred to, to file or present such claims of the undersigned against the Borrower and to receive and collect any and all dividends thereon for the purposes aforesaid.

4. The Reserve Bank may enter into such agreement or agreements with the Borrower as the Reserve Bank may deem proper, extending the time of payment of, or renewing, any or all of the obligations of the Borrower to the Reserve Bank which the Reserve Bank may now have or may hereafter have, either in whole or in part, or affecting the security underlying any or all of such obligations, without notice to the undersigned, and without in any way impairing or affecting this Agreement thereby. All obligations and liabilities of the Borrower made or to be made on the Notes shall be deemed to be made at the request of the undersigned and in reliance upon this Agreement, and in the event that the Borrower is a partnership this Agreement shall not be affected by any change which shall arise from accession of one or more partners to the Borrower or from the death or retirement of any partner or partners of the Borrower.

5. This instrument is made and given not only for the use and benefit of the Reserve Bank, but also for the use and benefit of every person, firm, and corporation that may, from, by or through the Reserve Bank, or otherwise, become the pledgee, assignee, owner or holder of the Notes, or of any part thereof, and every such pledgee, assignee, owner or holder shall have the right to enforce for his, its or their benefit, by suit or otherwise, this instrument as fully and to the same effect as if such pledgee, assignee, owner or holder were herein named.

6. In any suit, action or proceeding against the Borrower by, or participated in by, the undersigned in violation of this Agreement, the Borrower may interpose, as a defense or dilatory plea or otherwise therein or thereto, and the Reserve Bank may intervene or interplead and so interpose, this Agreement and the making thereof.

7. At the close of business on the date of this Agreement, the Borrower owed the undersigned (or the undersigned, respectively, if more than one) the aggregate principal amount set opposite the signa-

ture (or respective signatures, if more than one) of the undersigned below, which amount includes all indebtedness, obligations and liabilities of the Borrower to, and all claims against the Borrower by, the undersigned, respectively, on such date. No part of such amount is evidenced by a promissory note or any negotiable instrument except as may be noted opposite the signature of the undersigned below; and any such note or other negotiable instrument has been clearly stamped so that its enforcement or collection is subject to all the terms and provisions of this Agreement.

8. Notice of acceptance of this Agreement is hereby waived, and it shall be immediately binding upon the undersigned. The undersigned, if more than one, shall be jointly and severally bound by this Agreement, and each provision thereof shall apply to each, and all, of them.

9. The Reserve Bank in its uncontrolled discretion may waive or release any right or option under this Agreement without the consent of the Borrower or the undersigned and without otherwise in any way affecting the obligations of the undersigned under this Agreement.

10. This Agreement shall be construed according to the laws of the State of New York.

IN WITNESS WHEREOF, this Agreement has been signed by the undersigned as of the day and year first above written.

Signature (and address) of Creditor:

Amount of Indebtedness:

[The following is to be signed by the Borrower at the closing with the Reserve Bank.]

The undersigned, the Borrower referred to in the foregoing Subordination Agreement, represents, warrants and agrees to and with Federal Reserve Bank of New York, that the above signatures to said Agreement are the authentic and duly affixed signatures, respectively, of such creditors, that the respective amounts of the indebtedness of the Borrower to each of such creditors at the close of business on the date of said Agreement did not exceed the respective amounts set opposite such signatures; that since the date of said Agreement the undersigned has not paid any sum on account of, or given any collateral or security for, or delivered any negotiable instrument evidencing, any of such indebtedness; that the undersigned will not pay any sum on account of, or give any collateral or security for, or deliver any negotiable instrument evidencing, any of such indebtedness without the prior consent in writing of said Reserve Bank, while any part of the obligations, of the undersigned to said Reserve Bank, referred to in said Agreement, remains unpaid; and that the undersigned will, upon the institution of any suit at law or in equity, or of any other legal proceeding, by any such creditor in violation of said Agreement, forthwith give notice thereof in writing to said Reserve Bank, and the undersigned will promptly and diligently defend such suit or proceeding and will plead the execution of said Agreement as a defense or plea therein, and at the request of said Reserve Bank interplead said Reserve Bank therein.

CREDIT DEPARTMENT TICKLER

Present Date _____ Date Wanted _____

Refer Tickler to _____

Subject: _____

Remarks & Instructions:

REQUEST FOR COMMITMENT

Pursuant to Subsection (b) of Section 13b of the Federal Reserve Act

To FEDERAL RESERVE BANK OF NEW YORK,
Federal Reserve P. O. Station,
New York, N. Y.

_____, 193_____
(Date)

The undersigned, _____
(Name of Bank or other Financing Institution)

a _____ corporation duly organized and existing under and by
(Banking, Mortgage or other type of Corporation)

virtue of the _____ law of the _____
(Banking, Business corporation, or other law)

having its principal place of business at _____
(Number, Street, City and State)

_____, and operating in the Second Federal Reserve District, submits to you herewith, pursuant to subsection (b) of Section 13b of the Federal Reserve Act and to the regulations of the Federal Reserve Board, the application to the undersigned, dated _____, 193_____, together with all its schedules or exhibits, of _____
(Name of Applicant)

(Number, Street, City and State)

(hereinafter referred to as the "Applicant") carrying on an established industrial or commercial business located in the Second Federal Reserve District.

We have considered said application and investigated the business of the Applicant and to the best of our knowledge and belief all statements in said application and its schedules or exhibits are true.

We are prepared, upon receipt of your commitment as herein requested, to make an advance to the Applicant of an aggregate amount of \$_____, to be evidenced by obligations of the Applicant, in such form as you may prescribe, entered into for the purpose of obtaining working capital for such business and bearing interest at the rate of _____ per cent per annum (which obligations are hereinafter referred to as the "Obligations").

The Obligations and the security therefor shall be in conformance with said application, except as follows:

We will make such advance in accordance with said application except as follows:

We hereby request you to make a commitment to us (continuing with respect to each of the Obligations until the expiration of fifteen days after the date of the stated maturity thereof) to purchase all of the Obligations, or any of them, from us on the terms provided in this Request. We will pay you for such commitment at the rate of _____ per cent per annum, upon the amount available under such commitment from time to time less the percentage thereof specified below in this paragraph (i.e. the same percentage as our percentage of any loss), from the date of such commitment to the date the commitment shall have been completely availed of or surrendered by us, payable on the interest dates

of the Obligations and the date the commitment shall have been so availed of or surrendered. We shall be entitled to tender any and all of the Obligations to you, at any time and from time to time before the termination of such commitment in respect of any Obligation so tendered, and you shall purchase as herein provided such Obligations so tendered. In case we shall avail ourselves of such commitment or any part thereof, we agree, in consideration of any such purchase by you, to pay to you upon demand.....

(Note less than 20 %)

per cent of any and all loss which may be sustained by you upon any and all the Obligations (together with interest at the rate of six per cent per annum from the date of demand to the date of payment); the existence and amount of any such loss to be determined by you in accordance with regulations of the Federal Reserve Board. If, at any time, any recovery shall be realized by you or ourselves on the amount of any such loss after we shall have reimbursed you our proportionate share thereof, you and ourselves shall share the net amount so recovered pro rata according to our respective interests.

If and when you purchase any of the Obligations pursuant to any commitment by you to us, we will endorse to you, the Obligations so purchased by you, without recourse upon us except as provided herein, or in any such commitment, and will deliver such Obligations to you; and the purchase price of any Obligations so purchased by you shall be their face amount, and, so long as there shall be no default in the payment of any sum when it shall have become, or been declared, due upon any of the Obligations evidencing any part of the advance made to the Applicant, you shall pay to us the interest received by you, on the Obligations so purchased by you, in excess of interest at the rate of.....per cent per annum (i.e. in excess of interest (a) at the rate of.....per cent annum on% of the aggregate principal amount of all Obligations so purchased by you—being the proportion of the loss which we have agreed to pay as above—and (b) at the rate of.....per cent per annum on the remaining% of the aggregate principal amount of all Obligations so purchased by you).

Until such time as you shall first purchase one or more of the Obligations or make a loan to us on the security thereof as hereinafter provided, or until there shall be a default in the payment of any sum when it shall have become, or been declared, due upon any of the Obligations, or until you shall have given us notice in writing that in your judgment such a default is liable to occur, we shall be entitled to retain all the Obligations and any and all security, for the Obligations, held by us. Upon your making any such purchase or loan, or upon any such default, or upon your giving us any such notice, we will set apart for your account all of the security for any and all the Obligations, now held or hereafter received by us, and we will hold and administer the same thereafter as your agent and for your account, but without charge to you for our services, subject to delivery of possession to you, of the whole or any part thereof, from time to time, upon your demand.

We will exercise (at all times while any of the security, now or hereafter pledged to secure any or all of the Obligations, is held by us) due care and diligence in the handling, administration, preservation, enforcement and collection of any and all such security so held by us, and we will at no time extend, renew, assign, transfer, substitute, exchange, compromise, compound, surrender, release or discharge any of the Obligations or any of the collateral security pledged to secure any or all of the Obligations, or repledge or otherwise encumber any such collateral (whether or not we are entitled to retain such collateral) without obtaining your prior consent in writing in each case, and we shall be entitled only to receive payment of the Obligations held by us, and interest thereon, in cash, in accordance with their terms and subject to the provisions of this Request.

We will notify you promptly of any unfavorable change in the financial condition or in the business of the Applicant, or of the security pledged to secure the Obligations, which we may ascertain or of which we may be informed or have notice.

At any time and from time to time, so long as there shall be no default in the payment of any sum when it shall have become, or been declared, due upon any of the Obligations, you shall loan to us, on the security of such of the Obligations as you shall have made a commitment to purchase and as we may pledge with you, such sum, not in excess of the principal amount of the Obligations so pledged, as we may request; any such loan shall be evidenced by our note or notes, in such form as you may prescribe, payable to you or your order, on such date or dates, prior to the earliest maturity of any of the Obligations so pledged, as we may specify, and payable also upon any such default, with interest at the rate of

.....per cent per annum.

(The rate of interest inserted here must be the same as that inserted in the first space in the fourth preceding paragraph.)

If you purchase the Obligations, or any of them, or while any loan by you to us as hereinabove provided shall be outstanding, or upon any default or notice to us entitling you to take over the security for the Obligations as hereinabove provided, you shall have, and may exercise, all of the powers, rights and remedies vested in us by virtue of said application or any loan agreement or other document or paper executed in connection therewith as fully and with the same force and effect as though you had been named in said application, or such loan agreement or other document or paper, in place of the undersigned, and you also shall be entitled, without in any manner limiting or affecting any rights which you might otherwise have, to extend, renew, repledge, transfer, substitute, exchange, compromise, compound, surrender, release, discharge or otherwise deal with any of the Obligations so purchased by you, or held by you as security, as the case may be, as well as with any and all collateral security now or hereafter pledged for the repayment of any or all of the Obligations whether or not held by you, without releasing, discharging or in any manner affecting any liability incurred by us hereunder, or any endorser or guarantor on any such Obligation, and without obtaining the prior consent or approval of us or of any such endorser or guarantor. We do hereby irrevocably make, constitute and appoint you our attorney and agent, in any such case, with full power of substitution and resubstitution, to take any and all action you may deem desirable, on our behalf, and in our name, or otherwise, with respect to each and every matter or transaction relating to or arising from the payment or enforcement or collection of any or all of the Obligations, and the enforcement, administration, preservation, protection or collection of the collateral security now or hereafter pledged to secure the Obligations, or any thereof, and with respect to any and all of our powers, rights and privileges under said application or any loan agreement or other document or paper executed in connection therewith; we hereby ratifying and confirming each and every act or thing done by you, or your substitutes, in the premises. In case of any such purchase by you, any payments thereafter received by us, and in case of any such loan by you, any payments received by us while such loan is outstanding, on account of the Obligations, whether principal or interest, shall be received and held by us in trust for you and we will immediately remit the entire amount thereof to you to be applied in accordance with our respective interests as herein provided.

Any and all expenses paid or incurred by you in connection with the enforcement, preservation or payment of the Obligations, and the handling, enforcement, protection, preservation or collection of any collateral security pledged to secure the same, or any thereof, shall be deductible, together with interest on such expenses at the rate of six per cent per annum, from any proceeds of collection of the Obligations or collateral security, and you shall have a prior lien on all payments received on account of the Obligations, and upon any collateral security held by you, or for your account, and the proceeds thereof, until you shall have been fully reimbursed for any and all such costs and expenses. In case you shall not be so reimbursed the total amount of all such expenses, we will pay to you, on demand, our pro rata share, of any remaining balance of such expenses, in accordance with the respective proportions, of you and ourselves, of any loss of yours in respect of the Obligations, in accordance with our agreement herein.

We will, whenever requested by you, deliver to you such collateral security as you may deem necessary properly to secure the payment to you of any and all of our Obligations to you incurred by us hereby or in connection herewith.

We hereby certify that the present liability of the Applicant to us, direct or indirect, absolute or contingent, due or not due, is \$....., (of which \$..... is direct indebtedness), and that, other than security pledged to secure the Obligations, we hold no moneys, negotiable instruments, commercial paper, bonds, stocks, credits, liens, mortgages, choses in action, claims, demands, rights, interests or property of, or for the account of, the Applicant, and no guaranty, indemnity, or other agreement in any way pertaining to the Obligations or any other liability of the Applicant, except as may be noted at the end of this Request, and we agree that any thereof at any time hereafter received by us, while any part of the aforesaid advance, or liability of the Applicant in connection therewith, is unpaid by the Applicant, shall be held by us, together with all other collateral security for the Obligations, to secure, equally and ratably, all of the Obligations subject to the terms of this Request; and we further agree that, without your prior consent in writing, the Applicant shall not be permitted to become liable to us in excess of the aforesaid amount with interest, and for the aforesaid advance as herein provided, while any part of such advance, or liability of the Applicant in connection therewith, is unpaid by the Applicant; and we further certify that we have made, and agree that we will make, no charge to or against the Applicant, directly or indirectly, for service charges, interest, or otherwise in connection with the making of such advance, other than the interest, upon the Obligations, hereinabove specified and other than your

commitment charge, in respect of any installment of the aforesaid advance, up to the time such installment shall have been actually advanced to the Applicant, except as may be noted at the end of this Request.

We further certify that we have not, nor has any person on our behalf, stipulated for, or given or received, or consented or agreed to give or receive, any fee, commission, bonus or thing of value for procuring or endeavoring to procure from any Federal Reserve bank any advance, loan or extension of credit or discount or purchase of any obligation or commitment with respect thereto, either directly from such Federal Reserve bank or indirectly through any financing institution.

We will make, execute and deliver to you all such agreements, undertakings or further assurances as you may request in connection with the transactions referred to in this instrument.

This Request and the agreements therein contained, together with your commitment, shall supersede all prior oral or written agreements or understandings between you and ourselves pertaining to said application or any loan or advance made in connection therewith, and shall bind, and the benefits thereof shall inure to, our respective successors and assigns, but we may not assign the same, or any of our rights thereunder, without your prior consent in writing.

By _____

(Official Title)

(NOTE: The Request should be signed in the full corporate name by an officer authorized to sign the same by resolution of the board of directors, and the corporate seal should be affixed. The Request should be accompanied by (1) a copy of such resolution certified by the cashier or secretary of the corporation and, also, in case the corporation is not a bank or trust company which is a member of the Federal Reserve System, by (2) a certified copy of its certificate of incorporation, articles of association or charter, and of its by-laws, as amended to the date of the Request, and (3) certificate of election to and incumbency in office of its officers so authorized by such resolution, with specimen signatures.)

**DISCOUNTS, PURCHASES, LOANS AND COMMITMENTS BY FEDERAL RESERVE BANKS
TO PROVIDE WORKING CAPITAL FOR ESTABLISHED INDUSTRIAL
OR COMMERCIAL BUSINESSES.**

SECTION I. STATUTORY PROVISIONS.

Section 13b of the Federal Reserve Act as amended by the Act of June 19, 1934, reads in part as follows:

"Sec. 13b. (a) In exceptional circumstances, when it appears to the satisfaction of a Federal Reserve bank that an established industrial or commercial business located in its district is unable to obtain requisite financial assistance on a reasonable basis from the usual sources, the Federal Reserve bank, pursuant to authority granted by the Federal Reserve Board, may make loans to, or purchase obligations of, such business, or may make commitments with respect thereto, on a reasonable and sound basis, for the purpose of providing it with working capital, but no obligation shall be acquired or commitment made hereunder with a maturity exceeding five years.

"(b) Each Federal Reserve bank shall also have power to discount for, or purchase from, any bank, trust company, mortgage company, credit corporation for industry, or other financing institution operating in its district, obligations having maturities not exceeding five years, entered into for the purpose of obtaining working capital for any such established industrial or commercial business; to make loans or advances direct to any such financing institution on the security of such obligations; and to make commitments with regard to such discount or purchase of obligations or with respect to such loans or advances on the security thereof, including commitments made in advance of the actual undertaking of such obligations. Each such financing institution shall obligate itself to the satisfaction of the Federal Reserve bank for at least 20 per centum of any loss which may be sustained by such bank upon any of the obligations acquired from such financing institution, the existence and amount of any such loss to be determined in accordance with regulations of the Federal Reserve Board: Provided, That in lieu of such obligation against loss any such financing institution may advance at least 20 per centum of such working capital for any established industrial or commercial business without obligating itself to the Federal Reserve bank against loss on the amount advanced by the Federal Reserve bank: Provided, however, That such advances by the financing institution and the Federal Reserve bank shall be considered as one advance, and repayment shall be made pro rata under such regulations as the Federal Reserve Board may prescribe.

"(c) The aggregate amount of loans, advances, and commitments of the Federal Reserve banks outstanding under this section at any one time, plus the amount of purchases and discounts under this section held at the same time, shall not exceed the combined surplus of the Federal Reserve banks as of July 1, 1934, plus all amounts paid to the Federal Reserve banks by the Secretary of the Treasury under subsection (e) of this section, and all operations of the Federal Reserve banks under this section shall be subject to such regulations as the Federal Reserve Board may prescribe.

"(d) For the purpose of aiding the Federal Reserve banks in carrying out the provisions of this section, there is hereby established in each Federal Reserve district an industrial advisory committee, to be appointed by the Federal Reserve bank subject to

FEDERAL RESERVE BOARD
REGULATION 8

the approval and regulations of the Federal Reserve Board, and to be composed of not less than three nor more than five members as determined by the Federal Reserve Board. Each member of such committee shall be actively engaged in some industrial pursuit within the Federal Reserve district in which the committee is established, and each such member shall serve without compensation but shall be entitled to receive from the Federal Reserve bank of such district his necessary expenses while engaged in the business of the committee, or a per diem allowance in lieu thereof to be fixed by the Federal Reserve Board. Each application for any such loan, advance, purchase, discount, or commitment shall be submitted to the appropriate committee and, after an examination by it of the business with respect to which the application is made, the application shall be transmitted to the Federal Reserve bank, together with the recommendation of the committee."

SECTION II. TRANSACTIONS BY FEDERAL RESERVE BANKS WITH FINANCING INSTITUTIONS.

(a) **Legal Requirements.**—Under the provisions of subsection (b) of section 13b of the Federal Reserve Act, a Federal reserve bank is authorized to discount obligations for, purchase obligations from, and make loans or advances on the security of such obligations direct to, any bank, trust company, mortgage company, credit corporation for industry or other financing institution (hereinafter referred to as "financing institution") operating in its district and to make commitments with regard to such discounts, purchases, loans or advances, subject to the following requirements:

(1) Obligations which are the subject of such discounts, purchases, loans, advances or commitments must have been or must be entered into for the purpose of obtaining working capital for an established industrial or commercial business;

(2) Such obligations must have a maturity of not exceeding five years;

(3) Each such financing institution shall

A. Obligate itself to the satisfaction of the Federal reserve bank for at least 20 per centum of any loss which may be sustained by such reserve bank upon any such obligation acquired from such financing institution, the existence and amount of any such loss to be determined in accordance with subsection (d) of section II of this regulation; or

B. In lieu thereof, advance at least 20 per centum of such working capital and in such event the advances by both such financing institution and the Federal reserve bank shall be considered as one advance and repayment shall be made on a pro rata basis.

(b) **Applications by Financing Institutions for Discounts, Purchases, Loans, Advances, or Commitments with Respect Thereto.**—Each application* by a financing institution to a Federal reserve bank for the discount or purchase of an obligation entered into for the purpose of obtaining working capital for an established industrial or commercial business or for a loan or advance on the security of such an obligation or for a commitment with regard to such discount, purchase, loan or advance, must be transmitted to the Federal reserve bank of the district in which the principal place of business of the applicant is located and shall be sub-

* Attention is invited to the requirements of subsections (h) and (k) of section 22 of the Federal Reserve Act quoted in the appendix to this regulation, with regard to material statements or overvaluation of security in connection with applications of this kind and with regard to the giving or receiving of fees, commissions, bonuses or things of value for procuring or endeavoring to procure from a Federal reserve bank any credit accommodation, either directly from such Federal reserve bank or indirectly through any financing institution.

mitted by such Federal reserve bank to the Industrial Advisory Committee of such district. Such application must be made in writing on a form furnished for that purpose by the Federal reserve bank and must contain or be accompanied by such information, agreements and documents as the Federal reserve bank may require.

(c) **Grant or Refusal of Application.**—In making any discount for or purchase from any financing institution of obligations entered into for the purpose of obtaining working capital for any established industrial or commercial business or making any loan or advance on the security thereof or any commitment with regard to such discount, purchase, loan or advance, the Federal reserve bank shall ascertain to its satisfaction:

(1) that such obligations have been or will be entered into for the purpose of obtaining working capital for an established industrial or commercial business located in its district;

(2) that the financial condition and credit standing of the obligor and indorsers, if any, upon such obligations and of such financing institution and the value of the security offered, if any, justify the granting of such accommodation; and

(3) that the transaction will comply with the requirements of the law and of this regulation with regard thereto and, in so far as such reserve bank may be able to ascertain, does not involve a violation by any person of the provisions of section 22 of the Federal Reserve Act.

(d) **Existence and Amount of Losses.**—The Federal Reserve bank shall be deemed to have sustained a loss upon any obligation acquired from a financing institution in accordance with the provisions of this section of this regulation whenever the board of directors of such reserve bank, after investigation, shall have determined that such obligation or any part thereof is a loss and such reserve bank, after having obtained the approval of the Federal Reserve Board, shall have charged off of the books of the reserve bank the amount so determined to be a loss. The amount of loss in any such case shall be deemed to be the amount so charged off, together with unpaid interest thereon. Such financing institution shall reimburse the Federal reserve bank for the portion of such loss for which such financing institution shall have obligated itself, with interest on such portion of such loss until the date of such reimbursement. If any recovery be realized on the amount of the loss ascertained in accordance with this subsection, such financing institution and the Federal reserve bank shall be entitled to share pro rata in the amount so recovered.

SECTION III. DIRECT TRANSACTIONS IN EXCEPTIONAL CIRCUMSTANCES BY FEDERAL RESERVE BANKS WITH ESTABLISHED INDUSTRIAL OR COMMERCIAL BUSINESSES.

(a) **Legal Requirements.**—A Federal reserve bank may exercise its authority to make loans to or purchase obligations of an established industrial or commercial business located in its district or to make commitments with respect thereto under subsection (a) of Section 13b of the Federal Reserve Act: (1) in exceptional circumstances; (2) when it appears to the satisfaction of the Federal reserve bank that such established industrial or commercial business is unable to obtain requisite financial assistance on a reasonable basis from the usual sources; (3) pursuant to the authority hereinafter granted by the Federal Reserve Board;

(4) for the purpose of providing such established industrial or commercial business with working capital; (5) on a reasonable and sound basis; and (6) with respect to obligations which have maturities not exceeding five years.

(b) **Authorization by Federal Reserve Board.**—The Federal Reserve Board, pursuant to the provisions of subsection (a) of Section 13b of the Federal Reserve Act, hereby authorizes every Federal reserve bank, in exceptional circumstances, until such time as the Federal Reserve Board may revoke or modify such authority, to make loans to and purchase obligations of an established industrial or commercial business in its district, and to make commitments with respect thereto, subject to the provisions of the law and this regulation.

(c) **Applications by Established Industrial or Commercial Businesses for Loans, Purchases, or Commitments with Respect Thereto.**—Each application* by an established industrial or commercial business to a Federal Reserve bank for a loan to, or the purchase of the obligations of, such business, or a commitment with respect to such a loan or purchase, must be transmitted to the Federal reserve bank of the district in which the principal place of business of the applicant is located and shall be submitted by such Federal reserve bank to the Industrial Advisory Committee of such district. Such application must be made in writing on a form furnished for that purpose by the Federal reserve bank and must contain or be accompanied by such information, agreements and documents as the Federal reserve bank may require.

(d) **Grant or Refusal of Application.**—In making any loan to or purchasing the obligations of any established industrial or commercial business or making any commitment with respect to such a loan or purchase, the Federal reserve bank shall ascertain to its satisfaction:

- (1) That the circumstances are exceptional;
- (2) That the obligor upon the obligation to be purchased or to evidence such loan is an established industrial or commercial business located in its district;
- (3) That the proceeds of such loan or purchase are to be used to provide working capital for such business;
- (4) That such obligor is unable to obtain requisite financial assistance on a reasonable basis from the usual sources;
- (5) That the financial condition and credit standing of the obligor and indorsers, if any, upon such obligations, and the value of the security offered, if any, justify the granting of such accommodation on a reasonable and sound basis; and

(6) That the transaction will comply with the requirements of the law and of this regulation with regard thereto and, in so far as such reserve bank may be able to ascertain, does not involve a violation by any person of the provisions of section 22 of the Federal Reserve Act.

* Attention is invited to the requirements of subsections (h) and (k) of section 22 of the Federal Reserve Act quoted in the appendix to this regulation, with regard to material statements or overvaluation of security in connection with applications of this kind and with regard to the giving or receiving of fees, commissions, bonuses or things of value for procuring or endeavoring to procure from a Federal reserve bank any credit accommodation, either directly from such Federal reserve bank or indirectly through any financing institution.

SECTION IV. INDUSTRIAL ADVISORY COMMITTEES

(a) **Membership of Committees.**—The Industrial Advisory Committee established in each Federal reserve district under the provisions of subsection (d) of Section 13b of the Federal Reserve Act shall consist of five members actively engaged in some industrial pursuit within the Federal Reserve district in which the Committee is established and it shall be the duty of such Committee to consider all applications made to the Federal reserve bank for discounts, purchases, loans, advances and commitments pursuant to the provisions of Section 13b of the Federal Reserve Act and to make recommendations to the Federal reserve bank with respect thereto. The membership of such committee shall consist of persons who are familiar with the problems and needs of industry and commerce in such district.

As soon as practicable, the board of directors of each Federal reserve bank shall submit for the approval of the Federal Reserve Board the names of the persons in the district of such Federal reserve bank selected by such board of directors for service on such committee and, if approved by the Federal Reserve Board, such persons shall serve as members of said committee until March 1, 1935.

On or before February 15, 1935, and on or before the fifteenth day of February of each year thereafter, the board of directors of each Federal reserve bank shall submit to the Federal Reserve Board for its consideration the names of the persons selected to serve for the ensuing year as members of the Industrial Advisory Committee of the district of such Federal reserve bank and, if approved by the Federal Reserve Board, such persons shall serve for terms of one year commencing on the first day of March of such year. Vacancies that may occur in the membership of such committees shall be filled in like manner and persons appointed to fill such vacancies shall hold office for the unexpired terms of their predecessors.

(b) **Recommendations of Committees.**—The Industrial Advisory Committee to which an application for any such discount, purchase, loan, advance or commitment by the Federal reserve bank of the district shall have been submitted, after an examination by it of the business with respect to which the application is made and a consideration of the necessity and advisability of granting the application and of such other factors as it may deem appropriate, shall transmit the application to the Federal reserve bank together with the recommendation of the Committee.

SECTION V. AGGREGATE AMOUNT OF ACCOMMODATIONS WHICH MAY BE EXTENDED BY A FEDERAL RESERVE BANK.

Except with the permission of the Federal Reserve Board, the aggregate amount of loans, advances and commitments of each Federal reserve bank made pursuant to the provisions of Section 13b of the Federal Reserve Act and outstanding, plus the amount of purchases and discounts acquired under that section and held at the same time, shall not exceed the surplus of such Federal reserve bank as of July 1, 1934, plus all amounts paid to such Federal reserve bank by the Secretary of the Treasury under subsection (e) of Section 13b of the Federal Reserve Act.

SECTION VI. RATES OF INTEREST AND DISCOUNT.

All rates of interest and of discount established by any Federal reserve bank with respect to loans, advances, discounts, and purchases made under authority of the provisions of Section 13b of the Federal Reserve Act shall be subject to the approval of the Federal Reserve Board.

SECTION VII. REPORTS BY FEDERAL RESERVE BANKS.

Each Federal reserve bank shall make a daily report to the Federal Reserve Board of all transactions entered into pursuant to the authority conferred by Section 13b of the Federal Reserve Act on the Federal Reserve Board's Form B D 4, prescribed for the reporting of discount transactions.

SECTION VIII. CHANGES IN REGULATIONS.

The Federal Reserve Board, pursuant to the authority conferred upon it by Section 13b of the Federal Reserve Act, will alter, modify or amend the provisions of this regulation from time to time in its discretion.

APPENDIX.

There is printed below the text of subsections (h), (i), (j), and (k) of Section 22 of the Federal Reserve Act, as amended by the Act of June 19, 1934, which relate in part to the subject matter of this regulation.

“(h) Whoever makes any material statement, knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of a Federal Reserve bank upon any application, commitment, advance, discount, purchase, or loan, or any extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both.

“(i) Whoever, being connected in any capacity with a Federal Reserve bank (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it, or (2) with intent to defraud any Federal Reserve bank, or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner, makes any false entry in any book, report, or statement of or to a Federal Reserve bank, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, mortgage, judgment, or decree shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

“(j) The provisions of sections 112, 113, 114, 115, 116, and 117 of the Criminal Code of the United States, insofar as applicable, are extended to apply to contracts or agreements of any Federal Reserve bank under this Act, which, for the purposes hereof, shall be held to include advances, loans, discounts, purchase and repurchase agreements; extensions and renewals thereof; and acceptances, releases, and substitutions of security therefor.

“(k) It shall be unlawful for any person to stipulate for or give or receive, or consent or agree to give or receive, any fee, commission, bonus, or thing of value for procuring or endeavoring to procure from any Federal Reserve bank any advance, loan, or extension of credit or discount or purchase of any obligation or commitment with respect thereto, either directly from such Federal Reserve bank or indirectly through any financing institution, unless such fee, commission, bonus, or thing of value and all material facts with respect to the arrangement or understanding therefor shall be disclosed in writing in the application or request for such advance, loan, extension of credit, discount, purchase, or commitment. Any violation of the provisions of this paragraph shall be punishable by imprisonment for not more than one year or by a fine of not exceeding \$5,000, or both. If a director, officer, employee, or agent of any Federal Reserve bank shall knowingly violate this paragraph, he shall be held liable in his personal and individual capacity for any loss or damage sustained by such Federal Reserve bank in consequence of such violation.”

FEDERAL RESERVE BANK
OF NEW YORK

July 6, 1934.

NEW COUNTERFEIT

To Member Banks in the Second Federal
Reserve District and others concerned:

At the request of the Secret Service Division of the Treasury Department, New York District, we are forwarding to all member banks in the Second Federal Reserve District and others concerned the following information which we have received from the Secret Service Division describing a new counterfeit Federal Reserve note:

\$20.00 FEDERAL RESERVE NOTE: (Federal Reserve Bank of New York)

Series of 1928 B; Check Letter "C"; face plate No. 12; back plate No. 7; bearing signatures of W. O. WOODS and A. W. MELLON; portrait of JACKSON; Serial No. B41186420A, but these numbers will probably vary.

This is a fairly well executed counterfeit printed on one sheet of bond paper from photo mechanical plates of good workmanship. The Treasury seal and serial numbering appear in a darker green than the genuine, the letter B is slightly lower than the serial numbers. The cross-hatch background in the portrait of JACKSON is very crude. The border lathework on the back shows rough, uneven and broken lines.

Care should be exercised in handling this counterfeit \$20 F. R. note. If any of these notes come to your attention you should forward them to the U. S. Secret Service, Room 746 Custom House, New York City, with whatever information you may have as to the source from which they were received.

George L. Harrison,
Governor.