FEDERAL RESERVE BANK
OF NEW YORK
Fiscal Agent of the United States

[Circular No. 2369
January 28, 1942]

UNITED STATES DEFENSE SAVINGS BONDS, SERIES E
DESIGNATION OF ISSUING AGENTS

To Banks and Trust Companies, and Others Concerned in the Second Federal Reserve District:

Sales of United States Defense Savings Bonds have increased to such an extent as the result of the entrance of this country into the war and the widespread adoption of payroll allotment plans by employers that it has become desirable, so far as practicable, to decentralize the work of issuing bonds and thereby to facilitate prompt delivery to purchasers.

The Secretary of the Treasury has, therefore, authorized this bank, as Fiscal Agent of the United States, to designate and qualify as issuing agents of Defense Savings Bonds, Series E:

1. Any organization incorporated under the laws of any State of the United States or the District of Columbia making application for such designation; and
2. The Treasurer or Treasury Department or other appropriate officer or office of each State and of each County and Municipality thereof, making application for such designation;

provided that such applicant has in operation a payroll allotment plan and provided further that in the opinion of this bank such applicant will issue a sufficient number of bonds to warrant designation as issuing agent. The Treasury Department requires issuing agents so designated to deposit with this bank the full issue price of bonds obtained by them on requisition, except that corporations acting as issuing agents will be permitted, in lieu of making such deposit, to pledge with this bank an equivalent amount of direct public debt obligations of the United States, or obligations which are unconditionally guaranteed as to both principal and interest by the United States.

Pursuant to the authorization referred to above, this bank will now receive from corporations, and from the chief fiscal officer or office of any State or of any County or Municipality thereof, which have payroll allotment plans in operation, applications for designation as issuing agents for the sale of Defense Savings Bonds, Series E. For the time being, this bank considers that only those applicants having approximately 1,000 employees or more would, if designated as issuing agents, issue a sufficient number of bonds to warrant such designation. Issuing agents so designated may sell bonds not only to employees participating in payroll allotment plans, but also to the general public and to employees making intermittent purchases outside the scope of their payroll allotment plans.

This is brought to the attention of banks and others concerned in the Second Federal Reserve District for their information in the event they receive inquiries from corporations or from fiscal officers of States, Counties and Municipalities which might be eligible, under the conditions stated above, to qualify as issuing agents for the sale of Defense Savings Bonds, Series E.

Upon request, this bank will furnish complete information, including instructions and the necessary forms, to any eligible corporation, State, County, or Municipality which may wish to consider applying for designation as issuing agent for sale of Defense Savings Bonds, Series E.

ALLAN SPROUL,
President.