

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 2672]
August 23, 1943

**APPOINTMENT OF RETAIL ESTABLISHMENTS
AS SUBAGENTS FOR ISSUE OF SERIES E WAR SAVINGS BONDS
DURING THIRD WAR LOAN DRIVE**

*To All Banks and Trust Companies in the Second Federal
Reserve District Qualified as Issuing Agents for Sale of
United States War Savings Bonds, Series E:*

During the Third War Loan Drive, which will open on September 9, 1943, a substantially greater number of Series E War Savings Bonds will be sold than has ever been sold in any comparable period. In order to assist the Treasury Department, the Federal Reserve Banks and the banking system generally in handling the sale and issue of this increased volume of bonds, the War Campaigns Committee of the Central Council of National Retail Associations has offered the cooperation and services of a large number of retail establishments throughout the country.

Numerous retail establishments in the Second Federal Reserve District have already been qualified by us as issuing agents. The Treasury Department, however, wishes to take advantage of the additional facilities offered by the War Campaigns Committee and has stated that it would appear desirable during the Third War Loan Drive for a further number of retail establishments to act as subagents of banking institutions which are qualified issuing agents. Accordingly, banking institutions are urged to cooperate in the program by establishing selected customers as their subagents for the sale and issue of Series E War Savings Bonds during the Drive, whenever it appears that there may be a need for additional outlets in their respective communities. The appointment of such subagents by a banking institution should in most instances reduce the amount of work to be done by it during the Drive.

For your information and guidance, we have reproduced on the following pages an appropriate form of agreement for the appointment of a subagent, instructions to subagents, and a form to be used by subagents in requisitioning bond stock from you, which have been suggested by the Treasury Department for use in such cases.

We shall appreciate your cooperation in facilitating sales of Series E War Savings Bonds in your community by appointing selected retail establishments as your subagents for the duration of the Third War Loan Drive.

ALLAN SPROUL,
President.

(Suggested Form of Agreement)

MAINSTREET NATIONAL BANK

Gentlemen:

You are hereby designated an agent of this bank to assist in the sale and issue of United States War Savings Bonds, Series E, during the period of the Third War Loan Campaign, or upon earlier termination as hereinafter provided. The sale of such bonds shall be made pursuant to and subject to the regulations and instructions of the Treasury Department.

Upon requisition therefor this bank will consign to you a stock of bonds sufficient to meet your requirements; furnish the necessary literature, regulations and instructions, applications, bond validating stamp, etc., for your use. Appropriate advertising may be made by you to the effect that the sale and issue of such bonds are through the courtesy of the Mainstreet National Bank.

The bond stock furnished you, until sold or returned, and the proceeds of sale thereof, shall at all times be the property of the United States and be held in trust by you as an agent of this bank. You shall be responsible for all the acts of your officers and employees in connection with the issue, sale and custody of such bonds and shall be required to use the same care in the safekeeping of the bonds and the proceeds of sale thereof as is required by you in the care and safekeeping of your own securities and funds. You shall notify this bank, immediately, in case any bonds or the proceeds of sale thereof, are lost, stolen or destroyed.

The proceeds of sale of bonds, together with stubs detached therefrom, bonds spoiled in the process of issue, receipted applications for bonds sold, etc., are to be accounted for to the undersigned at least once each week, not later than 3 p.m. on of each week.

This agency arrangement may be terminated at any time by you or this bank, at which time full settlement shall be made, including the return by you of the validating stamp and other supplies; provided, however, that if this agency continues until the official closing of the Third War Loan Campaign, a final accounting must be made by you, to the undersigned within calendar days after such closing.

Your generous offer and willingness to serve with us, without compensation, in our Government's program for financing the War, are appreciated.

Very truly yours,

MAINSTREET NATIONAL BANK

By

Vice-President

APPROVED AND AGREED TO: , 1943.

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By

(Suggested Form of Instructions)

INSTRUCTIONS TO AGENTS

The following instructions are to be observed by agents in securing stocks of Series E bonds and conducting the sale and issue thereof as agents of the Mainstreet National Bank:

A. *Requisition for stock*

1. Requisitions for bond stock (sample specimen attached) shall be submitted to the office of the Mainstreet National Bank.
2. Requisitions shall be signed by persons authorized to conduct transactions in the sale and issue of bonds.
3. Receipt shall be acknowledged to this bank of bond stock delivered.
4. Bond stock shall be kept in agent's safe and protected from use by persons not authorized to handle bond transactions.

B. *Sales and Issue*

1. Bonds of the various denominations are to be sold in numerical sequence.
2. Denominations in which bonds are issued and the sales price thereof are indicated on the application form.
3. Proceeds of sale of bonds and original registration stubs from bonds issued, accompanied by applications indicating the serial numbers and bearing the imprint of the agent's dating stamp, shall be transmitted to this bank at least once each week. Unless agents are prepared to guarantee payment of checks tendered by purchasers, bonds should not be delivered until sufficient time has elapsed to assure payment of such checks. A memorandum inventory of unsold bonds on hand should also accompany the report of sales.
4. Bonds should be inscribed in accordance with instructions on the reverse side of the application form. Erasures or alterations are not permitted; if an error is made, the bond and stubs shall be marked spoiled and returned to this bank. (They must not be destroyed).
5. A stamp for imprinting the name of the issuing agent¹ in the lower left-hand corner of the bonds sold will be supplied by this bank. The stamp should be protected from possible theft and unauthorized use and *must* be returned to this bank at the termination of the agency.

¹ It is required that the name and location of the issuing agent, designated by the Federal Reserve Bank of New York, appear on the stamp, although no objection will be made to furnishing a stamp showing in addition thereto the name of the cooperating agent. A stamp may be any shape but its measurements should not exceed $1\frac{1}{8}$ inches in diameter or in its longest dimension.

(Suggested Form of Requisition)

REQUISITION FOR WAR SAVINGS BONDS
SERIES E

....., 194

Mainstreet National Bank

(Address
of
Office)

Please deliver to bearer the following War Savings Bonds, Series E, and charge our consignment account:

Number of Pieces	Denominations	Total Maturity Value	Bond Serial Numbers*
	\$ 25		
	50		
	100		
	500		
	1,000		
	Total		

* For use of Mainstreet National Bank.

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Name of Firm

.....
Address

.....
Official Signature

.....
Date

Received the above bonds.
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