

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 3221]
May 29, 1947]

BOND-A-MONTH PLAN
For Sale of United States Savings Bonds

*To Member Banks, and Nonmember State Banks and Trust Companies,
in the Second Federal Reserve District:*

During the month of June, banks and trust companies will inaugurate the Bond-A-Month Plan for the systematic purchase of United States Savings Bonds by their depositors. You have already received letters from the Secretary of the Treasury and from the President of the American Bankers Association, describing the Bond-A-Month Plan in detail and requesting your cooperation in promoting and operating the plan. It has the endorsement, I think, of most of the banks in this district.

Now, active cooperation is needed, in order that the plan may be effectively launched and productively maintained. The most effective way to sell Savings Bonds is under plans which result in regular, systematic purchases. Several million persons are now buying bonds in this manner under the payroll savings plan. There are, however, other millions of salaried people, professional people and self-employed people who do not have the benefit of the payroll savings plan. It is for these people, who are among your depositors, that the Bond-A-Month Plan is being provided, in order that they may be afforded the opportunity of making systematic purchases of Savings Bonds.

Your cooperation in the plan will not be burdensome, as it calls for a single deduction each month covering the full purchase price of one or more bonds; there is no accumulation of partial payments, no cumbersome or complicated bookkeeping. From the standpoint of customer relations, the plan offers an opportunity to perform a service for your depositors and to build up goodwill for your institution. From a broad public standpoint, successful operation of the plan will contribute to the economic health of the country, and so to the protection of your interests as a banker and the interests of your depositors.

I hope that the bankers of the Second Federal Reserve District, who contributed so much to the financing of the war, will give the Bond-A-Month Plan their active support, and thus make a further contribution to the sound management of the public debt.

If you have not secured the supplies and material for bank use in putting the plan into operation, which were described in our Circular No. 3210, dated May 1, 1947, I urge you to do so at once.

ALLAN SPROUL,
President.