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AND FISCAL AGENT

ADDRESS REPLY TO
FEDERAL RESERVE BOARD

Dear Sir:

This letter is being sent to a limited number of business men.

In order to ascertain the present position of the trade acceptance as an element in the commercial paper of the country, the Federal Reserve Board would consider it a favor if you would reply briefly to the following questions, answers to which are desired for its information.

(1) Do you at present ask your customers to give you trade acceptances for goods bought from you?

(2) Do you at present give trade acceptances when you buy goods?

(3) Do you find that the trade acceptances furnished you by customers are more promptly paid than open accounts (with or without "cash discount") for like amounts?

(4) Do you discount trade acceptances at your bank, and, if so, what rate is charged you? Is this less than the rate on your straight paper? If so, how much?

(5) Does your banker give you a larger aggregate line on trade acceptances than on your straight paper? If so, how much larger (in percentages)?

(6) What can be done by the Board or by others to encourage the use of the trade acceptance?

Enclosed is a copy of the Board's regulations for 1917, on page 6 of which will be found the definition now in force with regard to trade acceptances.

Very truly yours,

Secretary.