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FEDERAL RESERVE BOARD ~~September 22, 1917~~ ^{October 22, 1917}

WASHINGTON

ADDRESS REPLY TO
FEDERAL RESERVE BOARD

Dear Mr.

The Treasury Department is retiring gold certificates in denominations smaller than \$50., and the Treasurer of the United States has advised the Board that he is desirous of obtaining from time to time Federal reserve notes in five and ten dollar denominations (mostly tens) for use by the cashier of the Treasury in making ordinary payments. An opportunity is thus afforded of increasing the gold holdings of the Federal reserve banks by making this exchange of Federal reserve notes for gold, and the Board feels that all the Federal reserve banks should participate pro rata, in their proper proportion. There will be available eventually about \$300,000,000 of ten and twenty dollar gold certificates which can be exchanged for Federal reserve notes in this way. The Board understands that these exchanges will be made at the rate of about \$3,000,000 per week. So far, one million dollars each for districts one, two, three and four, have been exchanged. The Treasurer has not yet advised the Board of the amount of certificates that he will have available for exchange during the coming week, but the Board will advise you as soon as an allotment is made your bank. Upon receipt of the Board's advice a telegram as follows should be sent to the Board:

Federal reserve bank has deposited \$_____ as collateral for issue of Federal reserve notes. Please request Comptroller of the Currency to deliver to the Treasurer of the United States Federal reserve notes aggregating \$_____ in _____ denominations, such delivery to be made upon deposit by Treasurer of the United States of \$_____ in gold settlement fund to credit of Federal Reserve Bank of

Signed _____
Federal Reserve Agent.

Your bank can deposit with the Federal reserve agent coin, gold certificates or eligible commercial paper as may be most convenient.

Very truly yours,

Governor.