

## FORM LETTER.

Dear Sir:

We are returning herewith your check for \$\_\_\_\_\_.

The reason we are compelled to return this check is that the Federal Reserve Bank is not permitted to handle it because the terms of payment are in conflict with the Federal Reserve banking laws.

All the banks we do business with are members of the Federal Reserve System; therefore, we must use this system for the collection of our checks or else change our banking connection, and as all of the large banks in this city are members of this system, we would find it impossible to make this change.

As you, no doubt, know, it is the purpose of the Federal Reserve System to make your check and all other checks good at par all over the country, and it is, in our opinion, very much to the interests of the business man of this country that this be done.

We have estimated that if all of our collections were made in checks such as we are returning to you, it would entail an annual cost on this Company of \$160,000.00.

Every conservative manufacturer figures into the cost of his product all items of cost; therefore, the above sum would have to be added to the price of our shoes, and, no doubt, this amount would be passed along by the retailer to the consumer. We are sure that you will agree with us that the price of merchandise is on a dangerously high level, and you will also agree with us that every economy should be resorted to that would tend to reduce its cost. We, therefore, respectfully request that you favor us with St. Louis, New York or Chicago exchange, or Post Office Money Order, in the place of this check.

We trust that you will pardon us for the length of this communication,

but we want to make our position clear, and we feel after reading this, you will agree that our position is right.

With assurance of our appreciation of your patronage, we are,

Very sincerely,

As the result of an Act of the Legislature of the State of Mississippi, approved March 8, 1920, the Federal Reserve Bank in St. Louis is obliged to decline to handle checks drawn on NON-MEMBER Banks in Mississippi. If the bank you are doing business with is not a member of the Federal Reserve System, kindly remit in St. Louis, Chicago or New York exchange, or Money Order, and very much oblige us.

All the banks we do business with are members of the Federal Reserve System, and our collections, therefore, go through the Federal Reserve Bank. We have been notified that checks bearing restrictive endorsements will not be accepted by the Federal Reserve Bank. We, therefore, ask as a favor that you send us St. Louis, New York or Chicago exchange, or money order, or, if you do send us a check on your local bank, that you do not stamp or print any restriction thereon that would prevent its being handled by the Federal Reserve Bank.