

FEDERAL RESERVE BANK
OF NEW YORK
Fiscal Agent of the United States

[Circular No. 949]
[December 10, 1929.]

\$100,000,000
(or thereabouts)

Public Notice of Offering of Treasury Bills

To all Banks, Trust Companies, Savings Banks, Bankers, Investment Dealers, Principal Corporations and Others Concerned in the Second Federal Reserve District:

Following is the text of a notice today made public by the Treasury Department with respect to the initial offering of Treasury bills payable at maturity without interest to be sold on a discount basis to the highest bidders.

STATEMENT BY SECRETARY MELLON

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$100,000,000, or thereabouts. The Treasury bills will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock P. M., Eastern Standard time, on Friday, December 13, 1929. Tenders will not be received at the Treasury Department, Washington.

The Treasury bills will be dated December 17, 1929, and will mature on March 17, 1930, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, and \$100,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$10,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e. g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guarantee of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on December 13, 1929, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection

thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on or before December 17, 1929.

The Treasury bills will be exempt, both as to principal and interest (discount), from all taxation, except estate and inheritance taxes. The amount of discount at which the Treasury bills are originally sold by the United States shall be considered as interest for tax exemption purposes.

Department Circular No. 418, dated November 22, 1929, and this notice as issued by the Secretary of the Treasury, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or branch thereof.

This offering will constitute the first issue of Treasury bills, which are a new form of Government securities authorized by a law enacted by the last Congress. While the law authorizes the issuance of Treasury bills with a twelve months maturity, generally speaking they will be issued as in the case of this offering, with a 90-day maturity or with a maturity not in excess of three months. Issued from time to time as the current financial needs of the Government may dictate and with frequent and convenient maturities, they should furnish an attractive medium for short term investment. They are intended to supplement rather than to supplant Treasury certificates of indebtedness, which with maturities usually ranging from six to twelve months, have up to the present time constituted the principal medium of short term Government financing.

Treasury bills offer certain advantages as compared with Treasury certificates. The issue can be timed to coincide almost exactly with the needs for funds as compared with the existing practice of borrowing four times a year on fixed dates through certificate offering; they will not be sold at par with an interest rate fixed by the Treasury but at a discount rate fixed by the subscribers through competitive bidding; their maturities can be timed to correspond closely to the actual collection of income taxes instead of falling on the nominal date of tax payment; and finally the Treasury should be able to take advantage of periods of seasonal ease for short term borrowing instead of being compelled to offer a large issue of securities during a temporary stringency and high money rates.

The Treasury Department believes that Treasury bills will prove to be an efficient and economical additional medium through which the short term financing of the Government may be conducted and hopes that they will receive a favorable reception on the part of the public.

In accordance with the above announcement tenders will be received at the Securities Department of this bank (2nd floor, 33 Liberty Street, New York City) or at the Buffalo Branch of the bank (272 Main Street, Buffalo, New York) until 2 P. M., Friday, December 13, 1929.

It is requested that tenders be submitted on special form and in special envelope enclosed herewith.

Attention is invited to the fact that payment for Treasury bills cannot be made by credit through the War Loan Deposit Account. Payment must be made in cash or immediately available funds.

GEORGE L. HARRISON,
Governor.

ENCLOSE ONLY
“TENDER FOR TREASURY BILLS”

THIS ENVELOPE TO BE ENCLOSED IN A
SEPARATE ENVELOPE ADDRESSED TO
THE FEDERAL RESERVE BANK OF NEW
YORK, OR TO THE BUFFALO BRANCH,
BUFFALO, N. Y.

FEDERAL RESERVE BANK
OF NEW YORK

No.....

NOTICE OF ALLOTMENT

of

UNITED STATES OF AMERICA TREASURY BILLS

.....19....

Your tender at.....(rate per \$100) has been accepted in the amount of \$.....(maturity value) for Treasury bills dated December 17, 1929 and maturing on March 17, 1930.

Payment therefor must be made in cash or other immediately available funds at the Federal Reserve Bank of New York on or before December 17, 1929.

To obtain delivery of the Treasury bills, kindly state on the attached form in the spaces provided therefor, the denominations of the bills desired and method by which payment will be made. If payment is to be made by check on a bank other than the Federal Reserve Bank of New York, such check should be received by us in time for collection on date bills are issued, otherwise it will be necessary to charge interest to the date of collection.

FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States.

By.....

DUPLICATE

FEDERAL RESERVE BANK
OF NEW YORK

No.

TB

PENDING DELIVERY TICKET

of

UNITED STATES OF AMERICA TREASURY BILLS

.19. . . .

Your tender at.....(rate per \$100) has been accepted in the amount of \$.....(maturity value) for Treasury bills dated December 17, 1929 and maturing on March 17, 1930.

Partial Deliveries Made as Follows:

TRIPPLICATE

MAIL TO

FEDERAL RESERVE BANK
OF NEW YORK

No.....

NOTICE OF ALLOTMENT

of

UNITED STATES OF AMERICA TREASURY BILLS

From 19....

Referring to our tender at..... (rate per \$100) which has been accepted in the amount of \$..... (maturity value) for Treasury bills dated December 17, 1929 and maturing on March 17, 1930, please issue and make delivery of the bills in the denominations and as instructed below.

Payment will be made as indicated: By cash By check By debit to our reserve account

Payment cannot be made through war loan deposit account.

Issue Bills in the Following Denominations		PLEASE DO NOT USE THESE SPACES			DISPOSE OF BILLS AS INDICATED BELOW	
Pieces	Denomination	Discount Per Unit	Total Selling Price	Numbers	Hold for safekeeping (for members only).....	<input type="checkbox"/>
	1,000				Deliver over counter.....	<input type="checkbox"/>
	10,000				Deliver to Loan and Discount Dep't.....	<input type="checkbox"/>
	100,000				Ship by registered mail.....	<input type="checkbox"/>
	Totals.....					

PLEASE DO NOT USE THESE SPACES				
			Figured	Checked
Discount				
Selling Price				
Proof				
Bills Prepared By		Preparation	Checked	

Name.....

Post Office Address.....

State.....

Official signature required

Released	Paid Stamp	Delivery Receipt
Taken from Vault		Received from FEDERAL RESERVE BANK OF NEW YORK the above described United States Government obligations allotted in the amount indicated above.
Counted	Amount	
Checked		Subscriber.....
Delivered	By	Date..... By.....

No.....

TENDER FOR TREASURY BILLS

Dated at

TO THE FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
 New York City, N. Y.

1929

Pursuant to the provisions of Treasury Department Circular No. 418, dated November 22, 1929, and to the provisions of the public announcement on December 10, 1929, as issued by the Secretary of the Treasury, the undersigned offers to pay* for a total amount of \$..... (Rate per 100) (maturity value) of the Treasury bills therein described, or for any less amount that may be allotted, payment therefor to be made at your bank in cash or other available funds on the date stated in the public announcement.

The Treasury bills for which tender is hereby made are to be dated December 17, 1929, and are to mature on March 17, 1930.

This tender will be inserted in special envelope entitled "Tender for Treasury bills".

IMPORTANT INSTRUCTIONS:

1. No tender for less than \$10,000 will be considered, and each tender must be for an amount in multiples of \$1,000 (maturity value). Also, if more than one price is offered, a separate form must be executed at each price.
2. If the person making the tender is a corporation, the form should be signed by an officer of the corporation authorized to make the tender, and the signing of the form by an officer of the corporation will be construed as a representation by him that he has been so authorized. If the tender is made by a partnership, it should be signed by a member of the firm, who should sign in the form "....., a copartnership, by, a member of the firm."
3. Tenders from persons other than incorporated banks and trust companies or responsible and recognized dealers in investment securities will be disregarded, unless accompanied by a deposit of 10 per cent of the total amount (maturity value) of the Treasury bills applied for, or unless the tenders are accompanied by an express guarantee of full payment by an incorporated bank or trust company.
4. A separate tender form must be executed in applying for Treasury bills having different dates of issue or different dates of maturity, in case an offering of Treasury bills having different dates of issue or different dates of maturity should be combined in one public announcement.
5. If the language of this form is changed in any respect which, in the opinion of the Secretary of the Treasury, is material, the tender may be disregarded.

Payment by credit through War Loan Deposit Account will not be permitted.

 Before signing fill in all required spaces.

Bank or Trust Company.....

Post Office Address.....

State.....

..... Official signature required

SPACES BELOW ARE FOR THE USE OF THE FEDERAL RESERVE BANK

Examined	Carded	Classified	Ledger	Acknowledged				Disposition
Allotment	Figured	Checked	Advised	Method of Payment	Amount		Date Released	By
Received	Checked	Recorded		Window	Custody	Mail	Other Departments	

ENTB

* Price should be expressed on the basis of 100, with not more than three decimal places, e. g., 99.125. Fractions must not be used.