

# FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, February 10, 1945

## MATURITY OF UNITED STATES SAVINGS BONDS OF SERIES A

To Incorporated Banks and Trust Companies  
in the Eleventh Federal Reserve District:

There is reproduced herein the full text of the press statement which Secretary of the Treasury Morgenthau will release to newspapers on Monday, February 12, concerning the payment at maturity of United States Savings Bonds of Series A, beginning on March 1, 1945.

Any individual owner or coowner of Series A savings bonds may redeem the maturing bonds for cash at or after maturity, or may exchange them for United States Savings Bonds of Series E registered in his own name in any authorized form of registration, during the month in which the particular bonds mature. Series A savings bonds maturing in March **may not be exchanged after March 31**; those maturing in April **may not be exchanged after April 30**, and so on.

The limitation on holdings of Series A savings bonds issued during any one calendar year was \$10,000, maturity value. The Secretary has provided that bonds of Series E issued in exchange for Series A bonds **will not be subject to the limitation on holdings prescribed for bonds of Series E on original issue**. In order that an individual may obtain Series E bonds as readily as he can obtain the cash, the Secretary desires that any bank which is qualified both as a paying agent and as an issuing agent for Series E bonds handle such exchanges through the established payment and issue procedures. It will be observed that where the exchange is authorized, Series E bonds may be issued up to such denominational amount as the proceeds of the maturing bonds presented will fully cover, or in such lesser amount as the owner may direct, and any remaining balance may be paid to the owner of the maturing bonds.

The Treasury has stated that such special instructions as may be necessary will be issued shortly, although it is not contemplated that any change will be made in the established payment and issue accounting procedures now in effect. It is quite probable that the special instructions will require the segregation of stubs of Series E bonds issued in exchange for Series A bonds from those now being issued against cash payment, and will probably require an appropriate notation on the stubs of Series E bonds issued on an exchange basis in order that the Treasury may keep an accurate record of such exchanges.

Yours very truly,

**R. R. GILBERT**

**President**

## TREASURY DEPARTMENT

Washington

For Release, Morning Newspapers, Monday, February 12, 1945

Secretary of the Treasury Morgenthau today reminded bond buyers that Series A savings bonds—those sold in 1935, when they were known popularly as “Baby” bonds—will begin maturing on March 1. The Secretary said that as the bonds mature, the Treasury will pay them off in cash at the rate of \$4 for every \$3 originally invested. However, if individuals desire, they may reinvest any part of the proceeds of their Series A bonds, up to such denominational amount as the proceeds will fully cover, in Series E War Bonds.

Individuals who are the registered owners or coowners of maturing Series A bonds may present them for payment to any incorporated bank or trust company that has qualified as a paying agent. This includes practically all banks and trust companies throughout the country. Payment will be immediate, provided the owners or coowners have satisfactory identification.

Individuals also may make their reinvestment in Series E bonds at practically all banks and trust companies, through the established payment and issue procedure. This must be accomplished concurrently with surrender of the Series A bonds, and only during the month in which the latter mature.

Series E bonds so purchased with the proceeds of maturing Series A bonds will be exempt from the limitation on holdings prescribed for Series E bonds on original issue.

Holders of Series A bonds other than individuals are not eligible to buy Series E bonds, and will not be permitted to reinvest the proceeds of their A bonds in E bonds.

The formal procedure established by the Secretary with respect to reinvestment of the proceeds of Series A bonds follows:

Treasury Department  
Washington, D. C., February 8, 1945

### Procedure to be Followed with Respect to Maturing United States Savings Bonds of Series A

United States Savings Bonds of Series A are due for payment this year, beginning March 1. They will be paid at their face or denominational value, following presentation in accordance with applicable regulations. If any individual, owning bonds of Series A as owner or coowner, desires, instead of receiving cash payment, to exchange his maturing bonds for bonds of Series E, he may do so at any time during the month in which they mature. The most convenient procedure for him to follow is to present his Series A bonds to any incorporated bank or trust company which is qualified both as a paying agent for savings bonds and as an issuing agent for Series E bonds, and, under the established payment and issue procedures consummate the exchange.

Another way of effecting the exchange, which must be followed in all cases where the bank or trust company is not authorized to pay the bonds, is for the individual owner to forward the maturing bonds to a Federal Reserve Bank or Branch, or to the Treasurer of the United States, Washington, bearing requests for payment signed by owners and duly certified in accordance with applicable regulations, and accompanied by instructions given by the owner who has signed the request for payment for the issue and delivery of bonds of Series E.

Holders of Series A bonds other than individuals are not eligible under current regulations to purchase Series E savings bonds, and such holders therefore will not be permitted to exchange their maturing Series A bonds for Series E bonds. They are, however, invited to invest the proceeds of their maturing bonds in other issues of United States Government securities which they are eligible to purchase.

Series E bonds issued in exchange for Series A bonds will be registered in the name of the owner or coowner surrendering the bonds in any form of registration authorized for bonds of Series E which he may select. Bonds of Series E will be issued up to such face or denominational amount as the proceeds of the maturing bonds presented will fully cover, or such lesser amount as the owner may direct, any remaining balance to be paid to the owner of the bonds presented. The bonds issued will be dated as of the first day of the month in which the bonds presented matured.

Any bonds of Series E issued in exchange for bonds of Series A will not be subject to the limitation on holdings prescribed for bonds of Series E on original issue.