

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, August 19, 1946

EXCHANGE OFFERING ON ALLOTMENT BASIS

To All Banking Institutions, and Others Concerned,
in the Eleventh Federal Reserve District:

There is reproduced on the reverse side hereof Treasury Department Circular No. 792 dated August 19, 1946, in which the Secretary of the Treasury offers $\frac{7}{8}\%$ Certificates of Indebtedness of Series H-1947, on an exchange basis, to holders of Treasury Certificates of Indebtedness of Series G-1946, maturing September 1, 1946, in the amount of \$4,336,327,000. Since it is planned to retire about \$2,000,000,000 of the maturing certificates by redemption in cash, subscriptions will be received subject to allotment to all holders on an equal percentage basis except that subscriptions in amounts up to \$25,000 will be allotted in full. Cash subscriptions will not be received.

The new certificates will be dated September 1, 1946, and will bear interest from that date at the rate of $\frac{7}{8}\%$ per annum, payable with the principal at maturity on September 1, 1947. In connection with this change in the method of interest payment, the Treasury made the following comment in its press statement of August 16:

"The new certificate will differ from those we have been issuing in that interest will be paid with the principal at maturity, thus eliminating the need for the conventional semiannual interest coupons. We have had this change under consideration for some time and have discussed it with the Federal Reserve System and a number of representative holders of certificates. We think it will be of benefit both to the certificate holders and to us to pay the interest with the principal at maturity. It avoids the inconvenience of clipping coupons twice a year and cashing them and the clerical and accounting expenses incident to that task."

The certificates will be issued in bearer form only in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000.

The books for the receipt of subscriptions to this exchange offering will be opened on Monday, August 19, 1946. It is important that subscribers tender maturing certificates in an amount equal to the amount of new certificates subscribed for or arrange for delivery of the maturing certificates to this bank or one of its branches prior to the close of the subscription books. If the maturing certificates are held in safekeeping at this bank or one of its branches, please so indicate on the subscription form. Arrangements should be made to substitute other securities for any maturing pledged certificates to be tendered in order that the maturing certificates may be available to support the subscription.

Subscriptions will be received at this bank and its branches at El Paso, Houston and San Antonio, and should be submitted on the enclosed form. It is urged that subscriptions be entered on the subscription forms rather than by letters or otherwise. Additional subscription forms will be forwarded upon request.

CLOSING OF SUBSCRIPTION BOOKS

The subscription books will close at the close of business Wednesday, August 21, except for the receipt of subscriptions from holders of \$25,000 or less of the maturing certificates. The subscription books will close for the receipt of subscriptions of the latter class at the close of business Thursday, August 22. **No further closing announcement will be made.**

Subscriptions addressed to a Federal Reserve bank or branch or to the Treasury Department, and placed in the mail before midnight of the respective closing days, will be considered as having been entered before the close of the subscription books.

Yours very truly,

R. R. GILBERT

President

UNITED STATES OF AMERICA

SEVEN-EIGHTHS PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES H-1947

Dated and bearing interest from September 1, 1946

Due September 1, 1947

1946
Department Circular No. 792

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, August 19, 1946

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated $\frac{7}{8}$ percent Treasury Certificates of Indebtedness of Series H-1947, in exchange for Treasury Certificates of Indebtedness of Series G-1946, maturing September 1, 1946. Approximately \$2,000,000,000 of the maturing certificates will be retired on cash redemption.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated September 1, 1946, and will bear interest from that date at the rate of $\frac{7}{8}$ percent per annum, payable with the principal at maturity on September 1, 1947. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all Federal taxes, now or hereafter imposed. The certificates shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer certificates will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including \$25,000 will be allotted in full, and subscriptions for amounts over \$25,000 will be allotted to all holders on an equal percentage basis, but not less than \$25,000 on any one subscription. The basis of the allotment will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before September 3, 1946, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series G-1946, maturing September 1, 1946, which will be accepted at par, and should accompany the subscription.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective Districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

JOHN W. SNYDER
Secretary of the Treasury.



**SUBSCRIPTION FOR
7/8% United States Treasury Certificates of Indebtedness
Series H-1947**

Dated September 1, 1946

Due September 1, 1947

- To:
- Federal Reserve Bank, Dallas 13, Texas
 - Federal Reserve Bank Branch, El Paso, Texas
 - Federal Reserve Bank Branch, Houston 1, Texas
 - Federal Reserve Bank Branch, San Antonio 6, Texas

For Use of
Federal Reserve Bank
Number.....
Amount \$.....

Pursuant to the provisions of Treasury Department Circular No. 792, dated August 19, 1946, the undersigned hereby subscribes for \$....., United States Treasury 7/8% Certificates of Indebtedness, Series H-1947, dated September 1, 1946, maturing September 1, 1947, and tenders the following securities in payment:

7/8 per cent Certificates of Indebtedness, Series G-1946,
maturing September 1, 1946..... \$.....

List your own and customers' subscriptions on reverse side.

	<small>Amount of Subscription(s)</small>
Subscriptions in amounts of \$25,000 and less - - - - -	\$.....
Subscriptions in amounts over \$25,000 - - - - -	\$.....
Total Subscriptions - - - - -	\$.....

A SUBSCRIBER MAY ENTER SUBSCRIPTION EITHER FOR AN AMOUNT UP TO AND INCLUDING \$25,000, WHICH WILL BE ALLOTTED IN FULL, OR FOR AN AMOUNT OVER \$25,000, BUT NOT FOR BOTH. A SUBSCRIBER SUBSCRIBING FOR AN AMOUNT UP TO AND INCLUDING \$25,000 WILL BE RESTRICTED TO ONE SUBSCRIPTION.

Disposition of proceeds of redemption of Certificates of Indebtedness, Series G-1946, not used in payment of this subscription, to be made as follows:

- Credit our Reserve Account
- Remit to the undersigned
- Otherwise (Give disposition).....

Serial numbers of certificates tendered should be listed on the reverse side. The maturing securities should be surrendered with this subscription.

(It is important that subscribers tender maturing certificates in an amount equal to the amount of new certificates subscribed for or arrange for delivery of the maturing certificates to this bank or one of its branches prior to the closing dates.)

INSTRUCTIONS FOR DELIVERY OF CERTIFICATES

- Hold in Custody Account
(Allotted to banks for own account only)
- Pledge to Secure War Loan Deposits
(Allotted to qualified banks for own account only)
- Ship to.....

- Certificates of Indebtedness to be transferred by wire to.....

(State whether free delivery or against funds)

SCHEDULE FOR ISSUE OF CERTIFICATES			
Issued in Bearer Form Only. Fill in Number of Pieces and Denominations Desired			
Number of Pieces	DO NOT USE THIS COLUMN	At	Amount
		\$1,000	
		\$5,000	
		\$10,000	
		\$100,000	
		\$1,000,000	
		TOTAL \$	

Time Stamp
For use of Federal Reserve Bank

- This is an original subscription.
- This is a confirmation

.....
(Name of Subscriber)

By.....
(President-Cashier)

.....
(Address)

Dated.....
(Over)



LIST OF SUBSCRIBERS

NAME OF SUBSCRIBER	ADDRESS	AMOUNT	ALLOTMENT
		TOTAL \$	

SERIAL NUMBERS OF

TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES G-1946 SURRENDERED

All coupons should be detached from the surrendered certificates.

1,000's	5,000's	10,000's	100,000's												
<div style="border: 1px solid black; padding: 5px;"> <p align="center">SCHEDULE FOR ISSUE OF CERTIFICATES</p> <p><small>Issued in Series Form only. FH in Number of Pieces and Denominations Desired.</small></p> <table border="1"> <tr><td>100,000</td><td>100,000</td></tr> <tr><td>50,000</td><td>50,000</td></tr> <tr><td>10,000</td><td>10,000</td></tr> <tr><td>5,000</td><td>5,000</td></tr> <tr><td>1,000</td><td>1,000</td></tr> <tr><td>TOTAL \$</td><td> </td></tr> </table> </div>	100,000	100,000	50,000	50,000	10,000	10,000	5,000	5,000	1,000	1,000	TOTAL \$				<input type="checkbox"/> Ship to <input type="checkbox"/> Held in Custody Account <input type="checkbox"/> Applied to bank for own account only <input type="checkbox"/> Applied to qualified bank for own account only
100,000	100,000														
50,000	50,000														
10,000	10,000														
5,000	5,000														
1,000	1,000														
TOTAL \$															
			<input type="checkbox"/> 1,000,000's <small>(State whether free delivery or against funds)</small>												