

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, November 16, 1946

EXCHANGE OFFERING AND REDEMPTION NOTICE

**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. 797, in which the Secretary of the Treasury offers $\frac{7}{8}\%$ Treasury Certificates of Indebtedness of Series L-1947, on an exchange basis, par for par, to holders of Treasury Certificates of Indebtedness of Series K-1946, maturing December 1, 1946, in the amount of \$3,768,201,000. Cash subscriptions will not be received.

The new certificates will be dated December 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 December 1, 1947. They will be issued in bearer form only, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000, and since the interest is payable with the principal at maturity no interest coupons will be attached.

The books for the receipt of subscriptions to this exchange offering will be opened on Monday, November 18, 1946. All timely subscriptions will be allotted in full.

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, with surrender of the maturing certificates.

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.

CASH REDEMPTION

The Secretary of the Treasury also announced that the $1\frac{1}{2}\%$ Treasury Notes of Series B-1946, in the amount of \$3,260,777,000, which will mature on December 15, 1946, will be redeemed in cash.

CLOSING OF SUBSCRIPTION BOOKS

The subscription books will close at the close of business Wednesday, November 20, except for the receipt of subscriptions from holders of \$25,000 or less of the maturing certificates. The subscription books will close for receipt of subscriptions of the latter class at the close of business Thursday, November 21. **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 L-1947

Dated and bearing interest from December 1, 1946

Due December 1, 1947

1946
Department Circular No. 797

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, November 18, 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 L-1947, in exchange for Treasury Certificates of Indebtedness of Series K-1946, maturing December 1, 1946.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated December 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 December 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, all subscriptions will be allotted in full. 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 December 2, 1946, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series K-1946, maturing December 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.