

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, November 17, 1947

EXCHANGE OFFERING

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

There is reproduced herein Treasury Department Circular No. 819, dated November 19, 1947, in which the Secretary of the Treasury offers $1\frac{1}{8}\%$ Treasury Notes of Series A-1949, on an exchange basis, to holders of Treasury Certificates of Indebtedness of Series L-1947, maturing December 1, 1947, in the amount of \$3,280,792,000 or 2% Treasury Bonds of 1947, maturing December 15, 1947, in the amount of \$701,072,900. Cash subscriptions will not be accepted.

The new notes will be dated December 1, 1947, and will bear interest from that date at the rate of $1\frac{1}{8}\%$ per annum, payable with the principal at maturity on January 1, 1949. They will be issued in bearer form only, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. Although the maturing bonds are outstanding in denominations as low as \$50, exchanges may be made only in amounts or multiples of \$1,000 in the aggregate, since this is the lowest denomination in which the new notes will be available.

The books for the receipt of subscriptions to this exchange offering will be opened on Wednesday, November 19, 1947. 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 securities. The full year's interest on the Certificates of Indebtedness of Series L-1947 surrendered will be paid to the subscriber following acceptance of the certificates. Treasury Bonds of 1947 in coupon form submitted for exchange should be accompanied by payment of accrued interest on the new notes from December 1, 1947 to December 15, 1947, at the rate of \$0.43151 per \$1,000. In the case of registered bonds the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered. Interest due December 15 on bonds surrendered will be paid in the case of coupon bonds by payment of December 15, 1947 coupons which should be detached by holders before presentation of the bonds, and in the case of registered bonds by checks drawn in accordance with the assignments on the bonds surrendered.

It is urged that subscriptions be entered on the subscription forms rather than by letter or otherwise. Additional subscription forms will be forwarded upon request.

CLOSING OF SUBSCRIPTION BOOKS

The subscription books will close for the receipt of all subscriptions at the close of business Friday, 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 closing day 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

ONE AND ONE-EIGHTH PERCENT TREASURY NOTES OF SERIES A-1949

Dated and bearing interest from December 1, 1947

Due January 1, 1949

1947
Department Circular No. 819

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, November 19, 1947

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for notes of the United States, designated 1 $\frac{1}{8}$ percent Treasury Notes of Series A-1949, in exchange for $\frac{7}{8}$ percent Treasury Certificates of Indebtedness of Series L-1947, maturing December 1, 1947, or 2 percent Treasury Bonds of 1947, maturing December 15, 1947. Exchanges will be made par for par in the case of the maturing certificates, and at par with an adjustment of interest as of December 15, 1947, in the case of the maturing bonds.

II. DESCRIPTION OF NOTES

1. The notes will be dated December 1, 1947, and will bear interest from that date at the rate of 1 $\frac{1}{8}$ percent per annum, payable with the principal at maturity on January 1, 1949. They will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all taxes, now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The notes 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 notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

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

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

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 notes 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 for notes allotted hereunder must be made on or before December 1, 1947, or on later allotment. Payment of the principal amount may be made only in Treasury Certificates of Indebtedness of Series L-1947, maturing December 1, 1947, or in Treasury Bonds of 1947, maturing December 15, 1947, which will be accepted at par and should accompany the subscription. The full year's interest on the certificates surrendered will be paid to the subscriber following acceptance of the certificates. In the case of the maturing bonds in coupon form, payment of accrued interest on the new notes from December 1, 1947 to December 15, 1947 (\$0.43151 per \$1,000) should be made when the subscription is tendered. In the case of maturing registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered. Final interest due December 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of December 15, 1947 coupons, which should be detached by holders before presentation of the bonds, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury Bonds of 1947 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for Treasury Notes of Series A-1949 to be delivered to, " in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder.

VI. 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 notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

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.