

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, February 15, 1950

EXCHANGE OFFERINGS

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

There are reproduced herein Treasury Department Circular No. 858, dated February 17, 1950, in which the Secretary of the Treasury offers $1\frac{1}{4}$ percent Treasury Notes of Series B-1951, on an exchange basis, par for par, in authorized denominations to holders of $1\frac{1}{4}$ percent Treasury Certificates of Indebtedness of Series C-1950, in the amount of \$2,921,536,000, and Treasury Department Circular No. 859, dated February 17, 1950, in which the Secretary of the Treasury offers $1\frac{1}{2}$ percent Treasury Notes of Series A-1955, on an exchange basis, par for par, in authorized denominations to holders of 2 percent Treasury Bonds of 1950-52 (dated October 19, 1942) in the amount of \$1,962,687,300, called for redemption on March 15, 1950. Cash subscriptions will not be received.

The notes of Series B-1951 now offered will be dated March 1, 1950, and will bear interest from that date at the rate of $1\frac{1}{4}$ percent per annum, payable on a semiannual basis on January 1 and July 1, 1951. They will mature July 1, 1951. They will be issued in bearer form only, with interest coupons attached, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000.

The notes of Series A-1955 now offered will be dated March 15, 1950, and will bear interest from that date at the rate of $1\frac{1}{2}$ percent per annum, payable semiannually on September 15, 1950, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1955. They will be issued in bearer form only, with interest coupons attached, 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 Friday, February 17, 1950. 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 forms, with surrender of the called or maturing securities. The full year's interest on the certificates surrendered will be paid to the subscriber following acceptance of the certificates. Final interest due March 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of March 15, 1950 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; however, when it is necessary to enter a subscription by letter or otherwise, a confirmation should be furnished on an official subscription form as soon as the forms are received. Additional subscription forms will be forwarded on request.

CLOSING OF SUBSCRIPTION BOOKS

The subscription books will close at the close of business Tuesday, February 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 February 21, will be considered as having been entered before the close of the subscription books.

The Series A-1955 notes will be reopened about March 20 for the exchange of the Series A-1950 notes maturing April 1, 1950. Holders of the latter notes will be allowed full interest to April 1 and will be charged accrued interest from March 15 to April 1 on the new notes.

Yours very truly,

R. R. GILBERT

President

UNITED STATES OF AMERICA

ONE AND ONE-FOURTH PERCENT TREASURY NOTES OF SERIES B-1951

Dated and bearing interest from March 1, 1950

Due July 1, 1951

1950
Department Circular No. 858
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, February 17, 1950

1. OFFERING OF NOTES

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 notes of the United States, designated 1 $\frac{1}{4}$ percent Treasury Notes of Series B-1951, in exchange for Treasury Certificates of Indebtedness of Series C-1950, maturing March 1, 1950.

II. DESCRIPTION OF NOTES

1. The notes will be dated March 1, 1950, and will bear interest from that date at the rate of 1 $\frac{1}{4}$ per cent per annum, payable on a semiannual basis on January 1 and July 1, 1951. They will mature July 1, 1951, and 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 at par for notes allotted hereunder must be made on or before March 1, 1950, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series C-1950, maturing March 1, 1950, 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 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.

UNITED STATES OF AMERICA

ONE AND ONE-HALF PERCENT TREASURY NOTES OF SERIES A-1955

Dated and bearing interest from March 15, 1950

Due March 15, 1955

Interest payable March 15 and September 15

1950
Department Circular No. 859
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, February 17, 1950

I. OFFERING OF NOTES

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 notes of the United States, designated 1½ percent Treasury Notes of Series A-1955, in exchange for 2 percent Treasury Bonds of 1950-52, dated October 19, 1942, due March 15, 1952, called for redemption March 15, 1950.

II. DESCRIPTION OF NOTES

1. The notes will be dated March 15, 1950, and will bear interest from that date at the rate of 1½ percent per annum, payable semiannually on September 15, 1950, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1955, and 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 at par for notes allotted hereunder must be made on or before March 15, 1950, or on later allotment, and may be made only in Treasury Bonds of 1950-52, called for redemption March 15, 1950, which will be accepted at par, and should accompany the subscription. Final interest due March 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of March 15, 1950 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 1950-52 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-1955 to be delivered to _____," in accordance with the general regulations of the Treasury Department govern-

ing 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 holders.

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.