FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, June 16, 1952

CASH AND EXCHANGE OFFERINGS

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

The press statement concerning the cash offering of 2⅜ percent Treasury Bonds of 1958, and the exchange offering of 1⅞ percent Treasury Certificates of Indebtedness, Series B-1953, is reproduced on the reverse hereof. The official circulars governing the offerings, Treasury Department Circulars No. 910 and No. 911, together with a supply of subscription forms are enclosed. Additional circulars and forms will be forwarded upon request.

The books for the receipt of subscriptions for these offerings will be opened on Monday, June 16, 1952, and subscriptions will be received at this bank and its branches at El Paso, Houston, and San Antonio.

Banking institutions generally may submit subscriptions for the account of customers, but others than banking institutions will not be permitted to enter subscriptions except for their own account. Cash subscriptions by commercial banks for their own account should be entered by the subscribing bank and not through a correspondent bank. In the case of the cash offering, the **Commercial Bank** subscription forms should be used by banks subscribing to the offering for their own account; all nonbank subscriptions should be entered on a **Nonbank** cash offering form. The form for entering subscriptions to the exchange offering may be used for either bank or nonbank subscribers. Attention is called to the fact that payment for the cash subscriptions may be made through Treasury Tax and Loan Accounts.

As announced in the Treasury's release on Thursday, June 12, nonbank subscriptions will be accepted without limit and, within the limitation of the amount of the offering, will be allotted in full. Subscriptions from commercial banks for their own account will be received without deposit but will be restricted in each case to an amount not exceeding the combined capital, surplus and undivided profits, or 5 percent of the total deposits, whichever is greater, of the subscribing bank. All other subscriptions must be accompanied by payment of 10 percent of the amount of bonds applied for.

Subject to the usual reservations, subscriptions for amounts up to and including $100,000 from commercial banks will be allotted in full. Subscriptions for amounts over $100,000 from commercial banks will be allotted on a percentage basis which will be made public when allotments are made. In accordance with the Treasury's usual practice, commercial banks are defined for this purpose as banks accepting demand deposits.

CLOSING OF SUBSCRIPTION BOOKS

2⅜ percent Treasury Bonds of 1958. The subscription books for the new Treasury Bond offering may close as to any or all subscriptions at any time without notice.

1⅞ percent Certificates of Indebtedness, Series B-1953. The subscription books for the Treasury Certificate exchange will close for the receipt of all subscriptions at the close of business **Thursday, June 19.** Subscriptions for this exchange offering addressed to a Federal Reserve Bank or Branch, or to the Treasury Department, and placed in the mail before midnight June 19, will be considered as having been entered before the close of the subscription books for the certificates of indebtedness.

Yours very truly,

R. R. GILBERT

President

TREASURY DEPARTMENT

Washington

Release, morning newspapers, Monday, June 16, 1952.

Secretary of the Treasury Snyder today announced the details of the offering, through the Federal Reserve Banks, of 2⅜ percent Treasury Bonds of 1958, open for cash subscription only, in the amount of $3,500,000,000, or thereabouts. The basis on which subscriptions will be received for this offering was announced in the Treasury's release on Thursday, June 12, 1952, and is contained in the official circular, which is attached hereto. Commercial banks are requested to enter their subscriptions for this offering directly with the Federal Reserve Bank of the district in which they are located, even though payment for or delivery of the bonds allotted is desired in another district.

At the same time, the Secretary announced the details of the offering of 1⅞ percent Treasury Certificates of Indebtedness of Series B-1953, open on an exchange basis, par for par, to holders of 1⅞ percent Treasury Certificates of Indebtedness of Series B-1952, maturing July 1, 1952, in the amount of $5,215,849,000. Cash subscriptions for the new certificates will not be received.

The bonds now offered will be dated July 1, 1952, and will bear interest from that date at the rate of 2⅜ percent per annum, payable on a semi-annual basis on December 15, 1952, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature June 15, 1958. Bearer bonds with interest coupons attached and bonds registered as to principal and interest will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000 and $1,000,000.

The certificates now offered will be dated July 1, 1952, and will bear interest from that date at the rate of 1⅞ percent per annum, payable with the principal at maturity on June 1, 1953. They will be issued in bearer form only in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000.

Pursuant to the provisions of the Public Debt Act of 1941, as amended, interest upon the securities now offered shall not have any exemption, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. The full provisions relating to taxability are set forth in the official circulars released today.

Subscriptions for both issues will be received at the Federal Reserve Banks and Branches, and at the Treasury Department, Washington. Subscriptions for the new certificates should be accompanied by the certificates to be exchanged.

The subscription books for the new Treasury bond offering may close as to any or all subscriptions at any time without notice.

The subscription books for the certificate exchange will close for the receipt of all subscriptions at the close of business Thursday, June 19. Subscriptions for this exchange offering addressed to a Federal Reserve Bank or Branch, or to the Treasury Department, and placed in the mail before midnight June 19, will be considered as having been entered before the close of the subscription books.

UNITED STATES OF AMERICA

ONE AND SEVEN-EIGHTHS PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES B-1953

Dated and bearing interest from July 1, 1952 **Due June 1, 1953**

1952
Department Circular No. 911

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, June 16, 1952

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 1⅞ percent Treasury Certificates of Indebtedness of Series B-1953, in exchange for 1⅞ percent Treasury Certificates of Indebtedness of Series B-1952, maturing July 1, 1952.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated July 1, 1952, and will bear interest from that date at the rate of 1⅞ percent per annum, payable with the principal at maturity on June 1, 1953. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all taxes, now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. 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 July 1, 1952, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series B-1952, maturing July 1, 1952, which will be accepted at par, and should accompany the subscription. The full amount of interest due on the certificates surrendered will be paid following acceptance of the certificates.

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.

UNITED STATES OF AMERICA

TWO AND THREE-EIGHTHS PERCENT TREASURY BONDS OF 1958

Dated and bearing interest from July 1, 1952 **Due June 15, 1958**

Interest payable June 15 and December 15

1952
Department Circular No. 910

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, June 16, 1952

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated $2\frac{3}{8}$ percent Treasury Bonds of 1958. The amount of the offering is $3,500,000,000, or thereabouts.

2. Subscriptions from others than commercial banks for their own account will not be restricted in amount.

3. Subscriptions from commercial banks for their own account will be restricted in each case to an amount not exceeding the combined capital, surplus and undivided profits, or 5 percent of the total deposits, as of December 31, 1951, whichever is greater, of the subscribing bank. Commercial banks are defined for this purpose as banks accepting demand deposits.

II. DESCRIPTION OF BONDS

1. The bonds will be dated July 1, 1952, and will bear interest from that date at the rate of $2\frac{3}{8}$ percent per annum, payable on a semiannual basis on December 15, 1952, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature June 15, 1958, and will not be subject to call for redemption prior to maturity.

2. The income derived from the bonds shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The bonds 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 bonds will be acceptable to secure deposits of public moneys.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000 and $1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

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

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of bonds applied for.

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 bonds 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, and to the limitations on commercial bank subscriptions prescribed in Section I of this circular, and within the limitation of the amount of the offering, subscriptions for amounts up to and including $100,000 from commercial banks, and subscriptions in any amounts from all other subscribers, will be allotted in full and subscriptions for amounts over $100,000 from commercial banks will be allotted on a percentage basis, to be publicly announced when allotments are made. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder must be made or completed on or before July 1, 1952, or on later allotment. In every case where payment is not so completed, the payment with application up to 10 percent of the amount of bonds applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

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

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.