

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, November 18, 1958

EXCHANGE OFFERING

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

Enclosed are Treasury Department Circulars Nos. 1017 and 1018 governing the offering of:

3 $\frac{3}{8}$ percent Treasury Certificates of Indebtedness of Series E-1959, and
3 $\frac{5}{8}$ percent Treasury Notes of Series B-1961.

These securities are offered only in exchange for:

3 $\frac{3}{4}$ percent Treasury Certificates of Indebtedness of Series D-1958, maturing December 1, 1958,
with December 1, 1958 coupon **detached**, or
2 $\frac{1}{2}$ percent Treasury Bonds of 1958 maturing December 15, 1958, with December 15, 1958
coupon **attached**.

The maturing securities may be tendered singly or in combinations aggregating \$1,000 or multiples thereof. **Cash subscriptions will not be received.**

The books for the receipt of subscriptions for this offering will be opened on Wednesday, November 19, and will remain open through Friday, November 21. Subscriptions will be received at this bank and its branches at El Paso, Houston, and San Antonio.

The new securities will be dated December 1, 1958. Payment for the face amount of new securities allotted in this offering must be made on or before December 1, 1958 by tendering a like face amount of the maturing securities set forth above. Please note carefully the adjustments relative to accrued interest on the maturing bonds and the adjustment to be made in favor of the subscriber for the difference between par value and 99.95 in the case of the new certificates and 99 $\frac{7}{8}$ in the case of the new notes.

Subscriptions should be submitted on the enclosed forms. Additional circulars and forms will be forwarded upon request.

CLOSING OF SUBSCRIPTION BOOKS

The subscription books will close 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, November 21, will be considered as having been entered before the close of the subscription books.

Yours very truly,

Watrous H. Irons

President

UNITED STATES OF AMERICA

THREE AND THREE-EIGHTHS PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES E-1959

Dated and bearing interest from December 1, 1958

Due November 15, 1959

1958
Department Circular No. 1017
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, November 19, 1958

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 99.95 percent of their face value, from the people of the United States for certificates of indebtedness of the United States, designated $3\frac{3}{8}$ percent Treasury Certificates of Indebtedness of Series E-1959, in exchange for a like face amount of $3\frac{3}{4}$ percent Treasury Certificates of Indebtedness of Series D-1958, maturing December 1, 1958, or $2\frac{1}{2}$ percent Treasury Bonds of 1958, maturing December 15, 1958, singly or in combinations aggregating \$1,000 or multiples thereof. Interest will be adjusted as of December 1, 1958, in the case of the Treasury Bonds of 1958, maturing December 15, 1958. In all cases a cash adjustment representing the discount from the face value of the new certificates will be made in favor of the subscriber, as provided in Section IV, Payment, hereof. The amount of the offering under this circular will be limited to the amount of maturing certificates and bonds tendered in exchange and accepted. The books will be open only on November 19 through November 21 for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the maturing securities are offered the privilege of exchanging all or any part of such securities for $3\frac{5}{8}$ percent Treasury Notes of Series B-1961, which offering is set forth in Department Circular No. 1018, issued simultaneously with this circular.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated December 1, 1958, and will bear interest from that date at the rate of $3\frac{3}{8}$ percent per annum, payable on a semiannual basis on May 15 and November 15, 1959. They will mature November 15, 1959. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates is subject to all taxes imposed under the Internal Revenue Code of 1954. The certificates are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are 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 with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$1,000,000, \$100,000,000 and \$500,000,000. 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 Office of the Treasurer of the United States, 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 or reduce any subscription, and to allot less than the amount of certificates applied for; 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 the face amount of certificates allotted hereunder must be made on or before December 1, 1958, or on later allotment, and may be made only in a like face amount of Treasury Certificates of Indebtedness of Series D-1958, maturing December 1, 1958, or Treasury Bonds of 1958, maturing December 15, 1958, which should accompany the subscription. Coupons dated December 1, 1958, should be **detached** from the Series D-1958 certificates by holders and cashed when due. The discount of \$0.50 per \$1,000 on certificates allotted will be paid subscribers following acceptance of the certificates. In the case of the bonds, coupons dated December 15, 1958, must be **attached** to the bonds when surrendered and accrued interest from June 15, 1958, to December 1, 1958 (\$11.54372 per \$1,000) plus the discount of \$0.50 per \$1,000 on certificates allotted will be paid subscribers, in the case of bearer bonds following their acceptance, and in the case of registered bonds following discharge of registration.

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury Bonds of 1958 in registered form tendered in payment for certificates offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for $3\frac{3}{8}$ percent Treasury Certificates of Indebtedness of Series E-1959 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 Office of the Treasurer of the United States, Washington. 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 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.

ROBERT B. ANDERSON,
Secretary of the Treasury.

UNITED STATES OF AMERICA

THREE AND FIVE-EIGHTHS PERCENT TREASURY NOTES OF SERIES B-1961

Dated and bearing interest from December 1, 1958

Due May 15, 1961

1958
Department Circular No. 1018
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, November 19, 1958

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 99 $\frac{7}{8}$ percent of their face value, from the people of the United States for notes of the United States, designated 3 $\frac{5}{8}$ percent Treasury Notes of Series B-1961, in exchange for a like face amount of 3 $\frac{3}{4}$ percent Treasury Certificates of Indebtedness of Series D-1958, maturing December 1, 1958, or 2 $\frac{1}{2}$ percent Treasury Bonds of 1958, maturing December 15, 1958, singly or in combinations aggregating \$1,000 or multiples thereof. Interest will be adjusted as of December 1, 1958, in the case of the Treasury Bonds of 1958, maturing December 15, 1958. In all cases a cash adjustment representing the discount from the face value of the new notes will be made in favor of the subscriber, as provided in Section IV, Payment, hereof. The amount of the offering under this circular will be limited to the amount of maturing certificates and bonds tendered in exchange and accepted. The books will be open **only on November 19 through November 21** for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the maturing securities are offered the privilege of exchanging all or any part of such securities for 3 $\frac{3}{8}$ percent Treasury Certificates of Indebtedness of Series E-1959, which offering is set forth in Department Circular No. 1017, issued simultaneously with this circular.

II. DESCRIPTION OF NOTES

1. The notes will be dated December 1, 1958, and will bear interest from that date at the rate of 3 $\frac{5}{8}$ percent per annum, payable on a semiannual basis on May 15 and November 15, 1959, and thereafter on May 15 and November 15 in each year until the principal amount becomes payable. They will mature May 15, 1961, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are 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 with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$1,000,000, \$100,000,000 and \$500,000,000. 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 Office of the Treasurer of the United States, 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 or reduce any subscription, and to allot less than the amount of notes applied for; 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 the face amount of notes allotted hereunder must be made on or before December 1, 1958, or on later allotment, and may be made only in a like face amount of Treasury Certificates of Indebtedness of Series D-1958, maturing December 1, 1958, or Treasury Bonds of 1958, maturing December 15, 1958, which should accompany the subscription. Coupons dated December 1, 1958, should be **detached** from the Series D-1958 certificates by holders and cashed when due. The discount of \$1.25 per \$1,000 on notes allotted will be paid subscribers following acceptance of the certificates. In the case of the bonds, coupons dated December 15, 1958, must be **attached** to the bonds when surrendered and accrued interest from June 15, 1958, to December 1, 1958 (\$11.54372 per \$1,000) plus the discount of \$1.25 per \$1,000 on notes allotted will be paid subscribers, in the case of bearer bonds following their acceptance, and in the case of registered bonds following discharge of registration.

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury Bonds of 1958 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 $3\frac{5}{8}$ percent Treasury Notes of Series B-1961 to be delivered to.....," in accordance with the general regulations of the 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 Office of the Treasurer of the United States, Washington. 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 allotment 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.

ROBERT B. ANDERSON,
Secretary of the Treasury.