

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, July 17, 1959

EXCHANGE OFFERING

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

Enclosed are Treasury Department Circulars Nos. 1028 and 1029 governing the offering of:

4¾ percent Treasury Notes of Series C-1960
Dated August 1, 1959, Due August 15, 1960

4¾ percent Treasury Notes of Series A-1964
Dated July 20, 1959, Due May 15, 1964

These securities are offered only in exchange for:

1½ percent Treasury Certificates of Indebtedness of Series C-1959, maturing August 1, 1959,
and

4 percent Treasury Notes of Series A-1961, on which notice of intention to redeem on August 1, 1959, was given in accordance with the terms of Department Circular No. 992.

The maturing securities may be tendered singly or in combinations. Payment of the face amount of new securities allotted in this offering must be made on or before August 3, 1959, by tendering a like face amount of securities set forth above. **Cash subscriptions will not be received.**

The 12½-month Treasury notes will be dated August 1, 1959, and will mature August 15, 1960. Exchanges will be made at par as of August 1, and the coupons due on that date on both of the issues surrendered in payment should be detached and cashed when due.

The 4¾-year notes will be dated July 20, 1959, and will mature May 15, 1964. Exchanges will be made at par as of July 20 with interest adjustments as of that date for the issues surrendered in payment for the new issue. August 1, 1959, coupons should be attached to the issues surrendered. Accrued interest from February 1, 1959, to July 20, 1959, (\$7.58633 per \$1,000 on the certificates and \$18.67403 per \$1,000 on the notes) will be paid subscribers upon acceptance of the securities surrendered.

Interest coupons Nos. 5 through 8 should be attached to all notes of Series A-1961 surrendered in payment for the new issues.

Subscriptions to the exchange offering will be received at this bank and its branches at El Paso, Houston and San Antonio, and 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 **Wednesday, July 22. 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, **July 22**, 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
FOUR AND THREE-FOURTHS PERCENT TREASURY NOTES OF SERIES C-1960

Dated and bearing interest from August 1, 1959

Due August 15, 1960

1959
Department Circular No. 1028

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, July 20, 1959

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 4¾ percent Treasury Notes of Series C-1960, in exchange for 1½ percent Treasury Certificates of Indebtedness of Series C-1959, maturing August 1, 1959, or 4 percent Treasury Notes of Series A-1961, on which notice of intention to redeem on August 1, 1959, was given in accordance with the terms of Department Circular No. 992.

2. In addition to the offering under this circular, holders of the eligible securities are offered the privilege of exchanging all or any part of such securities for 4¾ percent Treasury Notes of Series A-1964, which offering is set forth in Department Circular No. 1029, issued simultaneously with this circular. The amount of the offering under this circular will be limited to the amount of securities tendered in exchange and accepted. The books will be open **only on July 20 through July 22** for the receipt of subscriptions for this issue.

II. DESCRIPTION OF NOTES

1. The notes will be dated August 1, 1959, and will bear interest from that date at the rate of 4¾ percent per annum, payable on a semiannual basis on February 15 and August 15, 1960. They will mature August 15, 1960, 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 at par for notes allotted hereunder must be made on or before August 3, 1959, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series C-1959, maturing August 1, 1959, or Treasury Notes of Series A-1961, on which notice of

intention to redeem on August 1, 1959, was given in accordance with the terms of Department Circular No. 992, which will be accepted at par, and should accompany the subscription. Coupons dated August 1, 1959, on the certificates and notes should be **detached** by holders and cashed when due. Coupons dated February 1, 1960, and all subsequent coupons must be **attached** to the notes of Series A-1961 when surrendered.

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.

ROBERT B. ANDERSON,
Secretary of the Treasury.

UNITED STATES OF AMERICA
FOUR AND THREE-FOURTHS PERCENT TREASURY NOTES OF SERIES A-1964

Dated and bearing interest from July 20, 1959

Due May 15, 1964

1959
Department Circular No. 1029

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, July 20, 1959

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 4¾ percent Treasury Notes of Series A-1964, in exchange for 1½ percent Treasury Certificates of Indebtedness of Series C-1959, maturing August 1, 1959, or 4 percent Treasury Notes of Series A-1961, on which notice of intention to redeem on August 1, 1959, was given in accordance with the terms of Department Circular No. 992. Interest will be adjusted on the securities to be exchanged as of July 20, 1959, as provided in Section IV, payment, hereof.

2. In addition to the offering under this circular, holders of the eligible securities are offered the privilege of exchanging all or any part of such securities for 4¾ percent Treasury Notes of Series C-1960, which offering is set forth in Department Circular No. 1028, issued simultaneously with this circular. The amount of the offering under this circular will be limited to the amount of securities tendered in exchange and accepted. The books will be open **only on July 20 through July 22** for the receipt of subscriptions for this issue.

II. DESCRIPTION OF NOTES

1. The notes will be dated July 20, 1959, and will bear interest from that date at the rate of 4¾ percent per annum, payable on a semiannual basis on 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, 1964, 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 at par for notes allotted hereunder must be made on or before August 3, 1959, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series C-1959, maturing August 1, 1959, or Treasury Notes of Series A-1961, on which notice of intention to redeem on August 1, 1959, was given in accordance with the terms of Department Circular No. 992, which will be accepted at par, and should accompany the subscription. Coupons dated August 1, 1959, on the certificates and notes, and all subsequent coupons on the notes, must be attached to the securities when surrendered, and accrued interest from February 1, 1959, to July 20, 1959 (\$7.58633 per \$1,000 on the certificates and \$18.67403 per \$1,000 on the notes) will be paid subscribers.

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.

ROBERT B. ANDERSON,
Secretary of the Treasury.