

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, October 30, 1959

EXCHANGE OFFERING

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

Enclosed are Treasury Department Circulars Nos. 1032 and 1033 governing the offering of 4¾ percent Treasury Certificates of Indebtedness of Series C-1960 dated November 15, 1959, due November 15, 1960, and 4⅞ percent Treasury Notes of Series C-1963 dated November 15, 1959, and due November 15, 1963.

4¾ PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES C-1960

These certificates are offered only in exchange for:

3½ percent Treasury Certificates of Indebtedness of Series E-1959
Maturing November 15, 1959

or

3½ percent Treasury Notes of Series B-1959
Maturing November 15, 1959

The new certificates will be dated November 15, 1959, and will mature November 15, 1960. Exchanges will be made at par as of November 15, and the coupons due on that date on the issues surrendered in payment should be detached and cashed when due.

4⅞ PERCENT TREASURY NOTES OF SERIES C-1963

These notes are offered only in exchange for:

3½ percent Treasury Certificates of Indebtedness of Series E-1959
Maturing November 15, 1959

3½ percent Treasury Notes of Series B-1959
Maturing November 15, 1959

or

4 percent Treasury Notes of Series B-1962
Maturing August 15, 1962

The 4-year Treasury notes will be dated November 15, 1959, and will mature November 15, 1963. Exchanges will be made at par as of November 15. Interest coupons due on November 15 on the certificates of indebtedness and the Treasury notes maturing on that date should be detached from these securities before surrender. With respect to 4 percent Treasury Notes of Series B-1962 surrendered in exchange for the new notes, interest coupons Nos. 5 through 10 (due February 15, 1960, and subsequently) should remain attached to the 4 percent Treasury Notes of Series B-1962 surrendered. Accrued interest from August 15, 1959, to November 15, 1959 (\$10 per \$1,000) will be paid subscribers upon acceptance of these notes.

The 4⅞ percent 4-year notes of Series C-1963 will be made available in registered form, as well as bearer form; however, delivery of the registered notes will be delayed until early in December. If the subscriber desires registered notes, but wishes immediate delivery of the securities, he is entitled to receive bearer notes on November 16 and, subsequently, at his own expense, to exchange the bearer notes for registered notes.

(over)

GENERAL INFORMATION

The maturing securities may be tendered singly or in combinations in exchange for the new certificates of indebtedness; and the maturing securities and the 4 percent Treasury Notes of Series B-1962 may be tendered singly or in combinations in exchange for the new $4\frac{7}{8}$ percent Treasury Notes of Series C-1963. Payment of the face amount of the new securities allotted in this offering must be made on or before Monday, November 16, 1959, by tendering a like face amount of the securities set forth above. **Cash subscriptions will not be received.**

As announced in this bank's circular dated October 29, the 4 percent Treasury Notes of Series B-1962, upon appropriate notice of intention to redeem and temporary surrender of the notes prior to November 15, 1959, may be redeemed at par on February 15, 1960. The 4 percent Treasury Notes of Series B-1962 are eligible for exchange into the new 4-year, $4\frac{7}{8}$ percent notes, whether or not intention to redeem on February 15, 1960, has been given.

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, November 4. 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 4**, 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 CERTIFICATES OF INDEBTEDNESS
OF SERIES C-1960

Dated and bearing interest from November 15, 1959

Due November 15, 1960

1959
Department Circular No. 1032

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, November 2, 1959

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 4¾ percent Treasury Certificates of Indebtedness of Series C-1960, in exchange for 3⅜ percent Treasury Certificates of Indebtedness of Series E-1959, maturing November 15, 1959, or 3½ percent Treasury Notes of Series B-1959, maturing November 15, 1959. The amount of the offering under this circular will be limited to the amount of maturing certificates and notes tendered in exchange and accepted. The books will be open **only on November 2 through November 4** 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 4⅞ percent Treasury Notes of Series C-1963, which offering is set forth in Department Circular No. 1033, issued simultaneously with this circular.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated November 15, 1959, and will bear interest from that date at the rate of 4¾ percent per annum, payable semiannually on May 15 and November 15, 1960. They will mature November 15, 1960. 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 at par for certificates allotted hereunder must be made on or before November 16, 1959, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series E-1959, maturing November 15, 1959, or Treasury Notes of Series B-1959, maturing November 15, 1959, which will be accepted at par, and should accompany the subscription. Coupons dated November 15, 1959, should be detached from the maturing securities by holders and cashed when due.

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.

JULIAN B. BAIRD,
Acting Secretary of the Treasury.

UNITED STATES OF AMERICA
FOUR AND SEVEN-EIGHTHS PERCENT TREASURY NOTES OF SERIES C-1963

Dated and bearing interest from November 15, 1959

Due November 15, 1963

1959
Department Circular No. 1033

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, November 2, 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 $4\frac{7}{8}$ percent Treasury Notes of Series C-1963 in exchange for $3\frac{3}{8}$ percent Treasury Certificates of Indebtedness of Series E-1959, maturing November 15, 1959, $3\frac{1}{2}$ percent Treasury Notes of Series B-1959, maturing November 15, 1959, or 4 percent Treasury Notes of Series B-1962, maturing August 15, 1962. Holders of the Series B-1962 notes have an option to effect the redemption of such notes on February 15, 1960, upon giving notice of intention to redeem not later than November 16, 1959. Interest will be adjusted on the notes of Series B-1962 to be exchanged as of November 15, 1959, as provided in Section IV, payment, hereof. The amount of the offering under this circular will be limited to the amount of eligible certificates and notes tendered in exchange and accepted. The books will be open only on November 2 through November 4 for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the maturing certificates and notes of Series B-1959 are offered the privilege of exchanging all or any part of such securities for $4\frac{3}{4}$ percent Treasury Certificates of Indebtedness of Series C-1960, which offering is set forth in Department Circular No. 1032, issued simultaneously with this circular.

II. DESCRIPTION OF NOTES

1. The notes will be dated November 15, 1959, and will bear interest from that date at the rate of $4\frac{7}{8}$ percent per annum, payable semiannually on May 15 and November 15 in each year until the principal amount becomes payable. They will mature November 15, 1963, 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 for 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 and notes registered as to principal and interest, will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$1,000,000, \$100,000,000 and \$500,000,000. Provision will be made for the interchange of notes of different denominations and of coupon and registered notes, and for the transfer of registered notes, under rules and regulations prescribed by the Secretary of the Treasury.

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 November 16, 1959, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series E-1959, maturing November 15, 1959, Treasury Notes of Series B-1959, maturing November 15, 1959, or Treasury Notes of Series B-1962, maturing August 15, 1962, which will be accepted at par, and should accompany the subscription. Coupons dated November 15, 1959, should be **detached** from the maturing certificates and notes of Series B-1959 by holders and cashed when due. **In the case of the notes of Series B-1962, coupons dated February 15, 1960, and all subsequent coupons, must be attached** to the notes when surrendered, and accrued interest from August 15, 1959, to November 15, 1959 (\$10.00 per \$1,000) will be paid subscribers following acceptance of the notes.

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.

JULIAN B. BAIRD,
Acting Secretary of the Treasury.