

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, February 3, 1961

OFFERING OF NOTES

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

Enclosed is Treasury Department Circular No. 1057 governing the offering of 3¼ percent Treasury Notes of Series G-1962, dated February 15, 1961, due August 15, 1962.

SECURITIES OFFERED

3¼ PERCENT TREASURY NOTES OF SERIES G-1962

PAYMENT

By cash, or by the following securities:

4½ PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES A-1961

The new issue may not be paid for by credit in Treasury Tax and Loan accounts.

SURRENDER OF MATURING SECURITIES

Securities to be applied in payment, in whole or in part, of subscriptions may be forwarded to this bank with the subscriptions; and, unless otherwise instructed, any excess over the amount of new securities allotted will be handled by this bank for cash redemption at maturity. If subscribers contemplate disposition of any excess over allotments by means other than redemption by this bank at maturity, all of the securities should be held by the commercial banks until after allotment. This is important since, under Treasury regulations, the return of any securities would be at the risk and expense of the owner.

DOWN PAYMENTS

Down payments of not less than **2 percent** of the amount of notes applied for (in the form of cash or securities of the eligible issue) are required of all subscribers, except those specifically exempted in Section III of the offering circular. Down payments received by commercial banks from subscribers **should be held by commercial banks** until after allotment is made. Eligible securities held by other subscribers may be forwarded to this bank with subscriptions, provided any unused portion is to be redeemed by this bank at maturity.

ALLOTMENTS

Allotments will be made in accordance with Section III of the official circular. It will be noted that subject to the usual reservations, all subscriptions from States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, Government Investment Accounts, and the Federal Reserve banks will be allotted in full. Allotment notices will be sent out by this bank upon notification by the Treasury.

SUBSCRIPTIONS HANDLED THROUGH OUT-OF-DISTRICT CORRESPONDENT BANKS

Commercial banks are urged to enter subscriptions for their own account and for account of their customers with the Federal Reserve bank or branch in the district in which they are located. However, where their maturing securities are held with correspondent banks in other districts and it is desired to enter subscriptions through such correspondents, subscribing banks are requested to list separately by name the subscriptions for their own account and for each of their customers.

In consideration of the acceptance of such subscriptions entered through correspondent banks, the subscribing banks agree that by their action they certify that they have no beneficial interest in any subscriptions they enter for the account of their customers, and that their customers have no beneficial interest in the banks' subscriptions for their own account; that the subscriptions for their own account do not exceed the prescribed limitations; and that the subscribing banks and their customers have agreed not to purchase or sell, or to make any agreements with respect to the purchase or sale or other disposition of any notes subscribed for until after midnight February 6, 1961.

GENERAL INFORMATION

All coupons should be detached from 4 $\frac{7}{8}$ percent Treasury Certificates of Indebtedness of Series A-1961.

A form for furnishing delivery instructions and denominations of securities desired will be forwarded promptly upon allotment.

The subscription books will be open only on **Monday, February 6, 1961**. Payment for the securities must be made on or before February 15, 1961. 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. Additional circulars and forms will be forwarded upon request.

CLOSING OF SUBSCRIPTION BOOKS

Subscription books will close at the close of business, **Monday, February 6**. **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 6**, 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 ONE-FOURTH PERCENT TREASURY NOTES OF SERIES G-1962

Dated and bearing interest from February 15, 1961

Due August 15, 1962

1961
Department Circular No. 1057
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
Office of the Secretary
Washington, February 6, 1961

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, subject to allotment, at par and accrued interest, from the people of the United States for notes of the United States, designated 3¼ percent Treasury Notes of Series G-1962. The amount of the offering under this circular is \$6,900,000,000, or thereabouts. Treasury Certificates of Indebtedness of Series A-1961, maturing February 15, 1961, will be accepted at par in payment or exchange, in whole or in part, for the notes subscribed for, to the extent such subscriptions are allotted by the Treasury. The books will be open **only on February 6, 1961**, for the receipt of subscriptions for this issue.

II. DESCRIPTION OF NOTES

1. The notes will be dated February 15, 1961, and will bear interest from that date at the rate of 3¼ percent per annum, payable semiannually on August 15, 1961, and February 15 and August 15, 1962. They will mature August 15, 1962, 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, 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. Only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers provided the names of the customers are set forth in such subscriptions. 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 restricted in each case to an amount not exceeding 50 percent of the combined capital, surplus and undivided profits of the subscribing bank. Subscriptions will be received without deposit from commercial and other banks for their own account, Federally-insured savings and loan associations, States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, Government Investment Accounts, and the Federal Reserve Banks. Subscriptions from all others must be accompanied by payment (in cash or in Treasury Certificates of Indebtedness of Series A-1961, maturing February 15, 1961, at par) of 2 percent of the amount of notes applied for, not subject to withdrawal until after allotment. Following allotment, any portion of the 2 percent payment in excess of 2 percent of the amount of notes allotted may be released upon the request of the subscribers.

2. All subscribers are required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any notes of this issue, until after midnight February 6, 1961.

3. Commercial banks in submitting subscriptions will be required to certify that they have no beneficial interest in any of the subscriptions they enter for the account of their customers, and that their customers have no beneficial interest in the banks' subscriptions for their own account.

4. The Secretary of the Treasury reserves the right to reject or reduce any subscription, to allot less than the amount of notes applied for, and to make different percentage allotments to various classes of subscribers; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions from States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, Government Investment Accounts, and the Federal Reserve Banks will be allotted in full. The basis of the allotment will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made or completed on or before February 15, 1961, or on later allotment. In every case where payment is not so completed, the payment with application up to 2 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Payment may be made for any notes allotted hereunder in cash or by exchange of Treasury Certificates of Indebtedness of Series A-1961, maturing February 15, 1961, which will be accepted at par. Where payment is made with Treasury Certificates of Indebtedness of Series A-1961, coupons dated February 15, 1961, should be detached from such certificates 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 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.

DOUGLAS DILLON,
Secretary of the Treasury.

CASH SUBSCRIPTION
3 1/4% Treasury Notes of Series G-1962

Dated February 15, 1961

Due August 15, 1962

To: Federal Reserve Bank, Station K, Dallas, Texas
 or—
 The _____ Branch
 El Paso Houston San Antonio

LIST ALL SUBSCRIPTIONS ON REVERSE SIDE
EACH SUBSCRIPTION TO THIS ISSUE MUST BE IN A MULTIPLE OF \$1,000

All subscriptions except those specifically exempted in Section III of the official circular, must be accompanied by the deposit of cash, or 4 7/8% Treasury Certificates of Indebtedness, Series A-1961 in the amount of not less than 2% of the amount of securities applied for. In the cases of subscriptions entered through commercial banks the deposits should be retained by the bank entering the subscriptions until allotment has been made and final payment is completed. All other required deposits must accompany this subscription.

Pursuant to the provisions of Treasury Department Circular No. 1057, dated February 6, 1961, the undersigned hereby subscribes for \$_____ 3 1/4% Treasury Notes of Series G-1962, dated February 15, 1961, maturing August 15, 1962, and will make payment by one or by a combination of the following methods as indicated:

Cash (Payable in available funds not later than February 15, 1961)

- By charge to our reserve account \$ _____
- Otherwise \$ _____

Tender of 4 7/8% Treasury Certificates of Indebtedness, Series A-1961, maturing February 15, 1961.
 (ALL COUPONS DETACHED) \$ _____

	CLASS OF SUBSCRIPTION	Amount
Form for furnishing DELIVERY INSTRUCTIONS and DENOMINATIONS of securities desired will accompany NOTICE OF ALLOTMENT:	Our own subscription	\$ _____
	(List again on reverse)	
	Customers subscriptions	\$ _____
	(Show in schedule on reverse)	
	TOTAL . . .	\$ _____

All deposits received by the subscribing bank for the account of its customers should be retained by the subscribing bank until after allotment has been made and final payment is completed.

CERTIFICATION BY COMMERCIAL BANKS

We hereby certify that we have received applications from our customers in the amounts set opposite the customers' names on the list which is made a part of this subscription; that there has been paid to us by each such customer as required by official offering circular, not subject to withdrawal until after allotment, not less than 2% of the amount applied for; that we have not made unsecured loans, or loans collateralized in whole or in part by the securities applied for, to supply the amounts of such payments to any of such customers; that we have no beneficial interest in the applications of such customers, and that none of our customers has any beneficial interest in the amount subscribed for our own account.

We further certify that the subscription for our own account does not exceed 50 percent of our combined capital, surplus and undivided profits.

We further certify that all subscribers listed hereon have agreed not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any securities of this issue, until after midnight, February 6, 1961.

Time Stamp
For use of Federal Reserve Bank

- This is an original subscription
- This is a confirmation

..... (Name of subscriber)

By..... (Authorized signature)

..... (Address)

Dated.....

PLEASE FILL IN THE FORM BELOW WHICH WILL BE RETURNED TO YOU AS AN ACKNOWLEDGMENT OF YOUR SUBSCRIPTION (OVER)

This acknowledges your subscription for \$_____ 3 1/4% Treasury Notes of Series G-1962, maturing August 15, 1962.

F.R.B. Subscription No.

IMPORTANT — Please use the above number in all matters — whether payment or correspondence — relating to this subscription.

The Federal Reserve Bank or Branch will acknowledge by stamping below.

MAIL TO

Name

Address

DEPOSITS REQUIRED ON SUBSCRIPTIONS ENTERED THROUGH COMMERCIAL BANKS SHOULD BE RETAINED BY THE COMMERCIAL BANKS.

