

**FEDERAL RESERVE BANK OF DALLAS**

**FISCAL AGENT OF THE UNITED STATES**

Dallas, Texas, January 12, 1962

**CASH OFFERING**

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

There is enclosed Treasury Department Circular, Public Debt Series-No. 1-62, relating to an offering of additional 4 percent Treasury Bonds of 1969. Subscription forms for your use are also enclosed.

The subscription books will be open only on Monday, January 15, 1962, and subscriptions placed in the mail before midnight on that date will be considered timely.

Yours very truly,

**Watrous H. Irons**

**President**

**UNITED STATES OF AMERICA**  
**4 PERCENT TREASURY BONDS OF 1969**

Dated October 1, 1957, with interest from January 24, 1962

Due October 1, 1969

Interest payable April 1 and October 1

**ADDITIONAL ISSUE**

DEPARTMENT CIRCULAR  
Public Debit Series - No. 1-62

TREASURY DEPARTMENT  
Office of the Secretary  
Washington, January 15, 1962

**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 99.75 percent of their face value and accrued interest, from the people of the United States for bonds of the United States, designated 4 percent Treasury Bonds of 1969. The amount of the offering under this circular is \$1,000,000,000, or thereabouts. In addition to the amount offered for public subscription, the Secretary of the Treasury reserves the right to allot up to \$100,000,000 of these bonds to Government Investment Accounts. The books will be open **only on January 15, 1962**, for the receipt of subscriptions for this issue.

**II. DESCRIPTION OF BONDS**

1. The bonds now offered will be an addition to and will form a part of the series of 4 percent Treasury Bonds of 1969 issued pursuant to Department Circulars Nos. 996, 1024, and 1056 dated September 16, 1957, March 23, 1959, and November 18, 1960, respectively, will be freely interchangeable therewith, and are identical in all respects therewith except that interest on the bonds to be issued under this circular will accrue from January 24, 1962. Subject to the provision for the accrual of interest from January 24, 1962, on the bonds now offered, the bonds are described in the following quotation from Department Circular No. 996:

"1. The bonds will be dated October 1, 1957, and will bear interest from that date at the rate of 4 percent per annum, payable semiannually on April 1 and October 1 in each year until the principal amount becomes payable. They will mature October 1, 1969, and will not be subject to call for redemption prior to maturity.

"2. The income derived from the bonds is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds 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 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. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment,<sup>1</sup> **provided:**

(a) that the bonds were actually owned by the decedent at the time of his death; and

(b) that the Secretary of the Treasury be authorized to apply the entire proceeds of redemption to the payment of Federal estate taxes.

Registered bonds submitted for redemption hereunder must be duly assigned to "The Secretary of the Treasury for redemption, the proceeds to be paid to the District Director of Internal Revenue at \_\_\_\_\_ for credit on Federal estate taxes due from estate of \_\_\_\_\_."

Owing to the periodic closing of the transfer books and the impossibility of stopping payment of interest to the registered owner during the closed period, registered bonds received after the closing of the books for payment during such closed period will be paid only at par with a deduction of interest from the date of payment to the next interest payment date;<sup>2</sup> bonds received during the closed period for payment at a date after the books reopen will be paid at par plus accrued interest from the reopening of the books to the date of payment. In either case checks for the full six months' interest due on the last day of the closed period will be forwarded to the owner in due course. All bonds submitted must be accompanied by Form PD 1782,<sup>3</sup> properly completed, signed and sworn

<sup>1</sup> An exact half-year's interest is computed for each full half-year period irrespective of the actual number of days in the half year. For a fractional part of any half year, computation is on the basis of the actual number of days in such half year.

<sup>2</sup> The transfer books are closed from March 2 to April 1 and from September 2 to October 1 (both dates inclusive) in each year.

<sup>3</sup> Copies of Form PD 1782 may be obtained from any Federal Reserve Bank or from the Treasury Department, Washington, D. C.

to, and by proof of the representatives' authority in the form of a court certificate or a certified copy of the representatives' letters of appointment issued by the court. The certificate, or the certification to the letters, must be under the seal of the court, and except in the case of a corporate representative, must contain a statement that the appointment is in full force and be dated within six months prior to the submission of the bonds, unless the certificate or letters show that the appointment was made within one year immediately prior to such submission. Upon payment of the bonds appropriate memorandum receipt will be forwarded to the representatives, which will be followed in due course by formal receipt from the District Director of Internal Revenue.

"6. 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 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 5 percent of the combined amount of time and savings deposits, including time certificates of deposit, or 15 percent of the combined capital, surplus and undivided profits of the subscribing bank, whichever is greater. Subscriptions from banking institutions generally for their own account and from States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, and 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, will be received without deposit. Subscriptions from all others must be accompanied by payment of 25 percent of the amount of bonds applied for, not subject to withdrawal until after allotment. Following allotment, any portion of the 25 percent payment in excess of 25 percent of the amount of bonds 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 bonds of this additional issue, until after midnight January 15, 1962.

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 bonds 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. The basis of the allotment will be publicly announced, and allotment notices will be sent out promptly upon allotment.

### **IV. PAYMENT**

1. Payment at 99.75 percent of their face value and accrued interest from October 1, 1961 to January 24, 1962 (\$12.63736 per \$1,000), for bonds allotted hereunder must be made or completed on or before January 24, 1962, or on later allotment. The total amount of such payment will be \$1,010.13736 per \$1,000 face amount of bonds allotted. In every case where payment is not so completed, the payment with application up to 25 percent of the amount of bonds allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depository will be permitted to make payment by credit in its Treasury Tax and Loan Account 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.

**DOUGLAS DILLON,**  
Secretary of the Treasury.

# CASH SUBSCRIPTION

## 4% Treasury Bonds of 1969

At 99.75 and accrued interest from October 1, 1961 to January 24, 1962, (\$12.63736 per \$1,000)

### ADDITIONAL ISSUE

Dated October 1, 1957, with interest from January 24, 1962

Due October 1, 1969

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 \$500

Pursuant to the provisions of Treasury Department Circular Public Debt Series - No. 1-62, dated January 15, 1962, the undersigned hereby subscribes for \$..... 4% Treasury Bonds of 1969, dated October 1, 1957, maturing October 1, 1969 (Additional Issue).

PAYMENT FOR THE FULL AMOUNT OF BONDS ALLOTTED ON THIS SUBSCRIPTION MAY BE MADE BY TREASURY TAX AND LOAN ACCOUNT CREDIT.

	CLASS OF SUBSCRIPTION	Amount
Form for indicating METHOD OF PAYMENT, 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 . . . . .	\$.....

### 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 25 percent 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 5 percent of our combined amount of time and savings deposits, including time certificates of deposit, or 15 percent of our combined capital, surplus and undivided profits, whichever is greater.

We further certify that applications received by us, if any, from other commercial banks for the account of their customers have been entered with us under the same conditions, agreements and certifications as set forth in this subscription form.

### CERTIFICATION BY ALL SUBSCRIBERS

We 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 bonds of this additional issue, until after midnight, January 15, 1962.

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 \$.....  
4% Treasury Bonds of 1969.

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

Please list name and address of each subscriber, indicating by number in the first column the class of investor, in accordance with the schedule below:

### INVESTOR CLASSES AND NUMBERS

- |  |   |
|--|---|
| 1. Individuals, partnerships, and personal trust accounts      | 6. Other pension and retirement funds                                 |
| 2. Mutual savings banks  | 7. State and local government funds other than pension and retirement |
| 3. Insurance companies   | 8. Commercial banks   |
| 4. Dealers and brokers   | 9. Corporations other than banks and insurance companies              |
| 5. Pension and retirement funds of State and local governments | 10. All others  |

### LIST OF SUBSCRIBERS

Investor Class	NAME OF SUBSCRIBER	ADDRESS	AMOUNT	DO NOT USE	
8	Our own subscription				
<b>TOTAL \$</b>					