

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, April 6, 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. 8-62, relating to an offering of 3¾ percent Treasury Bonds of 1968. Subscription forms for your use are also enclosed.

The subscription books will be open **only on Monday, April 9, 1962**, and subscriptions placed in the mail before midnight on that date will be considered timely. Subscriptions by commercial banks for their own account should be entered by the subscribing bank and not through another bank.

A press statement concerning this offering was issued by the Treasury Department on April 5 and is quoted on the reverse side of this letter.

Yours very truly,

Watrous H. Irons

President

**TREASURY WILL BORROW \$1 BILLION BY
OFFERING 3¾ PERCENT BONDS OF 1968**

The Treasury announced today that on Monday, April 9, it will offer for cash subscription \$1 billion, or thereabouts, of 3¾ percent Treasury bonds to be dated April 18, 1962, and to mature August 15, 1968. The bonds are to be offered at par. Payment may be made through credit to Treasury Tax and Loan accounts, and will be due on April 18.

In addition to the amount of bonds to be offered for public subscription, the Secretary of the Treasury reserves the right to allot up to \$100 million of the bonds to Government investment accounts.

Subscriptions will be received for one day only, on Monday, April 9. All subscriptions for the bonds addressed to a Federal Reserve Bank, or to the Treasurer of the United States, Washington 25, D. C., and placed in the mail before midnight, April 9, will be considered as timely.

Subscriptions to the 3¾ percent Treasury Bonds of 1968 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.

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 25 percent of the combined capital, surplus and undivided profits, of the subscribing bank, whichever is greater.

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.

Commercial banks and other lenders are requested to refrain from making unsecured loans, or loans collateralized in whole or in part by the bonds subscribed for, to cover the deposits required to be paid when subscriptions are entered, and banks will be required to make the usual certification to that effect.

All subscribers to the bonds 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 the securities subscribed for under this offering, until after midnight, April 9.

UNITED STATES OF AMERICA

THREE AND THREE FOURTHS PERCENT TREASURY BONDS OF 1968

Dated and bearing interest from April 18, 1962

Due August 15, 1968

Interest payable February 15 and August 15

DEPARTMENT CIRCULAR

Public Debt Series — No. 8-62

TREASURY DEPARTMENT
Office of the Secretary
Washington, April 9, 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 par and accrued interest, from the people of the United States for bonds of the United States, designated 3¾ percent Treasury Bonds of 1968. 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 April 9, 1962**, for the receipt of subscriptions for this issue.

II. DESCRIPTION OF BONDS

1. The bonds will be dated April 18, 1962, and will bear interest from that date at the rate of 3¾ percent per annum, payable on a semiannual basis on August 15, 1962, and thereafter on February 15 and August 15 in each year until the principal amount becomes payable. They will mature August 15, 1968, 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. They will not be acceptable in payment of taxes.

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. 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 25, D. C. 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 25 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 issue, until after midnight April 9, 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 par and accrued interest, if any, for bonds allotted hereunder must be made or completed on or before April 18, 1962, or on later allotment. 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
3¾% Treasury Bonds of 1968

Dated and bearing interest from April 18, 1962

Due August 15, 1968

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. 8-62, dated April 9, 1962, the undersigned hereby subscribes for \$..... 3¾% Treasury Bonds of 1968, dated April 18, 1962, maturing August 15, 1968.

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 25 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 issue, until after midnight, April 9, 1962.

This is an original subscription This is a confirmation

Time Stamp
For use of Federal Reserve Bank

.....
(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 \$.....
 3¾% Treasury Bonds of 1968.

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 following schedule:

INVESTOR CLASSES AND NUMBERS

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

LIST OF SUBSCRIBERS

Investor Class	NAME OF SUBSCRIBER	ADDRESS	AMOUNT	DO NOT USE	
	Our own subscription				
		TOTAL \$			

