

FEDERAL RESERVE BANK OF DALLAS
FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, April 27, 1962

EXCHANGE OFFERING

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

Enclosed are Treasury Department Circulars, Public Debt Series Nos. 9-62, 10-62 and 11-62 and related subscription forms pertaining to an exchange offering involving the following Treasury securities:

SECURITIES OFFERED

- 3¼ PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES B-1963 at par**
- 3% PERCENT TREASURY NOTES OF SERIES B-1966 at 99.80 percent of their face value**
- 3% PERCENT TREASURY BONDS OF 1971 at 99.50 percent of their face value**

SECURITIES ELIGIBLE FOR EXCHANGE

- 3 percent Treasury Certificates of Indebtedness of Series A-1962, maturing May 15, 1962**
- 4 percent Treasury Notes of Series E-1962, maturing May 15, 1962**
- 2¼ percent Treasury Bonds of 1959-62, maturing June 15, 1962**

PAYMENT

Payment should be made on or before May 15, 1962, and, where possible, securities tendered in payment should accompany the subscriptions.

CLOSING OF SUBSCRIPTION BOOKS

The subscription books will be open on **April 30 through May 2, 1962**, and subscriptions placed in the mail before midnight on **Wednesday, May 2**, will be considered timely. 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 furnished upon request.

Yours very truly,

Watrous H. Irons
President

UNITED STATES OF AMERICA

3¼ PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES B-1963

Dated and bearing interest from May 15, 1962

Due May 15, 1963

DEPARTMENT CIRCULAR

Public Debt Series — No. 9-62

TREASURY DEPARTMENT

Office of the Secretary
Washington, April 30, 1962

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 the United States, designated 3¼ percent Treasury Certificates of Indebtedness of Series B-1963, in exchange for any of the following securities, singly or in combinations aggregating \$1,000 or multiples thereof:

3 percent Treasury Certificates of Indebtedness of Series A-1962, maturing May 15, 1962;

4 percent Treasury Notes of Series E-1962, maturing May 15, 1962; or

2¼ percent Treasury Bonds of 1959-62, maturing June 15, 1962.

Interest will be adjusted in the case of the 2¼ percent Treasury Bonds of 1959-62 as set forth in Section IV hereof. The amount of the offering under this circular will be limited to the amount of eligible securities tendered in exchange and accepted. The books will be open **only on April 30 through May 2, 1962**, for the receipt of subscriptions for this issue.

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 3⅝% Treasury Notes of Series B-1966 or 3⅝ Treasury Bonds of 1971, which offerings are set forth in Department Circulars, Public Debt Series No. 10-62 and No. 11-62, respectively, issued simultaneously with this circular.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated May 15, 1962, and will bear interest from that date at the rate of 3¼ percent per annum, payable semiannually on November 15, 1962, and May 15, 1963. They will mature May 15, 1963, and 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 25, D. C. 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 for the face amount of certificates allotted hereunder must be made on or before May 15, 1962, or on later allotment, and may be made only in securities of the three issues enumerated in Section I hereof, which will be accepted at par, and should accompany the subscription.

2. **3 percent certificates of indebtedness of Series A-1962.** Coupons dated May 15, 1962, should be **detached** and cashed when due by holders of the maturing 3 percent certificates of indebtedness.

3. **4 percent notes of Series E-1962.** Coupons dated May 15, 1962, should be **detached** and cashed when due by holders of the maturing 4 percent notes, in bearer form. In the case of registered notes, the final interest due on May 15, 1962, will be paid by check drawn in accordance with the assignments on the notes surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its District.

4. **2¼ percent bonds of June 15, 1962.** Coupons dated June 15, 1962, must be **attached** to the 2¼ percent bonds due June 15, 1962, in bearer form when surrendered. Accrued interest from December 15, 1961, to May 15, 1962, (\$9.33379 per \$1,000) on the bonds of 1959-62 will be paid to subscribers, in the case of bearer bonds following their acceptance, and in the case of registered bonds following discharge of registration. In the case of registered bonds, the payment will be made by check drawn in accordance with the assignments on the bonds surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its District.

V. ASSIGNMENT OF REGISTERED SECURITIES

1. Treasury Notes of Series E-1962 and Treasury Bonds of 1959-62 in registered form tendered in payment for certificates offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for 3¼ percent Treasury Certificates of Indebtedness of Series B-1963 to be delivered to _____", in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be surrendered with the subscription to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington 25, D. C. The securities must be delivered at the expense and risk of the holder.

VI. 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.

DOUGLAS DILLON,
Secretary of the Treasury.

UNITED STATES OF AMERICA
3 7/8 PERCENT TREASURY NOTES OF SERIES B-1966

Dated and bearing interest from May 15, 1962

Due February 15, 1966

DEPARTMENT CIRCULAR
Public Debt Series — No. 10-62

TREASURY DEPARTMENT
Office of the Secretary
Washington, April 30, 1962

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 99.80 percent of their face value, from the people of the United States for notes of the United States, designated 3 7/8 percent Treasury Notes of Series B-1966, in exchange for any of the following securities, singly or in combinations aggregating \$1,000 or multiples thereof:

- 3 percent Treasury Certificates of Indebtedness of Series A-1962, maturing May 15, 1962;
- 4 percent Treasury Notes of Series E-1962, maturing May 15, 1962; or
- 2 1/4 percent Treasury Bonds of 1959-62, maturing June 15, 1962.

The cash payment due subscribers on account of the issue price of the new notes will be paid as set forth in Section IV hereof. Interest will be adjusted in the case of the 2 1/4 percent Treasury Bonds of 1959-62 as set forth in Section IV hereof. The amount of the offering under this circular will be limited to the amount of eligible securities tendered in exchange and accepted. The books will be open **only on April 30 through May 2, 1962**, for the receipt of subscriptions for this issue.

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 3 1/4 percent Treasury Certificates of Indebtedness of Series B-1963, or 3 7/8 percent Treasury Bonds of 1971, which offerings are set forth in Department Circulars, Public Debt Series—No. 9-62 and No. 11-62, respectively, issued simultaneously with this circular.

II. DESCRIPTION OF NOTES

1. The notes will be dated May 15, 1962, and will bear interest from that date at the rate of 3 7/8 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 February 15, 1966, 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 25, D. C. 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 for the face amount of notes allotted hereunder must be made on or before May 15, 1962, or on later allotment, and may be made only in securities of the three issues enumerated in Section I hereof, which will be accepted at par, and should accompany the subscription.

2. **3 percent certificates of indebtedness of Series A-1962.** Coupons dated May 15, 1962, should be detached and cashed when due by holders of the maturing 3 percent certificates of indebtedness. The cash payment of \$2.00 per \$1,000 on account of the issue price of the new notes will be made to subscribers following acceptance of the certificates.

3. **4 percent notes of Series E-1962.** Coupons dated May 15, 1962, should be detached and cashed when due by holders of the maturing 4 percent notes, in bearer form. The cash payment of \$2.00 per \$1,000 on account of the issue price of the new notes will be made to subscribers, in the case of bearer notes following acceptance of the maturing notes, and in the case of registered notes following discharge of registration. In the case of registered notes, the final interest due on May 15, 1962, together with the cash payment of \$2.00 per \$1,000 due subscribers, will be paid by check drawn in accordance with the assignments on the notes surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its District.

4. **2 1/4 percent bonds of June 15, 1962.** Coupons dated June 15, 1962, must be attached to the 2 1/4 percent bonds due June 15, 1962, in bearer form when surrendered. Accrued interest from December 15, 1961, to May 15, 1962 (\$9.33379 per \$1,000) on the bonds of 1959-62 together with the cash payment (\$2.00 per \$1,000) on account of the issue price of the new notes will be paid to subscribers. The payments will be made in the case of bearer bonds following their acceptance and in the case of registered bonds following discharge of registration. In the case of registered bonds, the payment will be made by check drawn in accordance with the assignments on the bonds surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its District.

V. ASSIGNMENT OF REGISTERED SECURITIES

1. Treasury Notes of Series E-1962 and Treasury Bonds of 1959-62 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be surrendered with the subscription to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington 25, D. C. The securities must be delivered at the expense and risk of the holder. If the new notes are desired registered in the same name as the securities surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 3 5/8 percent Treasury Notes of Series B-1966"; if the new notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 3 5/8 percent Treasury Notes of Series B-1966 in the name of _____"; if new notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 3 5/8 percent Treasury Notes of Series B-1966 in coupon form to be delivered to _____".

VI. 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.

UNITED STATES OF AMERICA
3 7/8 PERCENT TREASURY BONDS OF 1971

Dated and bearing interest from **May 15, 1962**

Due **November 15, 1971**

Interest payable **May 15 and November 15**

DEPARTMENT CIRCULAR

Public Debt Series — No. 11-62

TREASURY DEPARTMENT
Office of the Secretary
Washington, April 30, 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 99.50 percent of their face value, from the people of the United States for bonds of the United States, designated 3 7/8 percent Treasury Bonds of 1971, in exchange for any of the following securities:

- 3 percent Treasury Certificates of Indebtedness of Series A-1962, maturing May 15, 1962;
- 4 percent Treasury Notes of Series E-1962, maturing May 15, 1962; or
- 2 1/4 percent Treasury Bonds of 1959-62, maturing June 15, 1962.

The cash payment due subscribers on account of the issue price of the new bonds will be paid as set forth in Section IV hereof. Interest will be adjusted in the case of the 2 1/4 percent Treasury bonds of 1959-62 as set forth in Section IV hereof. The amount of the offering under this circular will be limited to the amount of eligible securities tendered in exchange and accepted. The books will be open **only on April 30 through May 2, 1962**, for the receipt of subscriptions for this issue.

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 3 1/4 percent Treasury Certificates of Indebtedness of Series B-1963, or 3 7/8 percent Treasury Notes of Series B-1966, which offerings are set forth in Department Circulars, Public Debt Series — No. 9-62 and No. 10-62, respectively, issued simultaneously with this circular.

II. DESCRIPTION OF BONDS

1. The bonds will be dated **May 15, 1962**, and will bear interest from that date at the rate of 3 7/8 percent per annum, payable semiannually on **November 15, 1962**, and thereafter on **May 15 and November 15** in each year until the principal amount becomes payable. They will mature **November 15, 1971**, 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. 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 bonds 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 for the face amount of bonds allotted hereunder must be made on or before May 15, 1962, or on later allotment, and may be made only in securities of the three issues enumerated in Section I hereof, which will be accepted at par, and should accompany the subscription.

2. **3 percent certificates of indebtedness of Series A-1962.** Coupons dated May 15, 1962, should be detached and cashed when due by holders of the maturing 3 percent certificates of indebtedness. The cash payment of \$5.00 per \$1,000 on account of the issue price of the new bonds will be made to subscribers following acceptance of the certificates.

3. **4 percent notes of Series E-1962.** Coupons dated May 15, 1962, should be detached and cashed when due by holders of the maturing 4 percent notes, in bearer form. The cash payment of \$5.00 per \$1,000 on account of the issue price of the new bonds will be made to subscribers, in the case of bearer notes following acceptance of the maturing notes, and in the case of registered notes following discharge of registration. In the case of registered notes, the final interest due on May 15, 1962, together with the cash payment of \$5.00 per \$1,000 due subscribers, will be paid by check drawn in accordance with the assignments on the notes surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its District.

4. **2¼ percent bonds of June 15, 1962.** Coupons dated June 15, 1962, must be attached to the 2¼ percent bonds due June 15, 1962, in bearer form when surrendered. Accrued interest from December 15, 1961, to May 15, 1962 (\$9.33379 per \$1,000) on the bonds of 1959-62 together with the cash payment (\$5.00 per \$1,000) on account of the issue price of the new bonds will be paid to subscribers. The payments will be made in the case of bearer bonds following their acceptance and in the case of registered bonds following discharge of registration. In the case of registered bonds, the payment will be made by check drawn in accordance with the assignments on the bonds surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its District.

V. ASSIGNMENT OF REGISTERED SECURITIES

1. Treasury Notes of Series E-1962 and Treasury Bonds of 1959-62 in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be surrendered with the subscription to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington 25, D. C. The securities must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the securities surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 3⅞ percent Treasury Bonds of 1971"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 3⅞ percent Treasury Bonds of 1971 in the name of _____"; if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 3⅞ per cent Treasury Bonds of 1971 in coupon form to be delivered to _____".

VI. 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.