

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, June 7, 1963

CASH OFFERING OF TREASURY BONDS

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

There is enclosed Treasury Department Circular, Public Debt Series No. 12-63, relating to an offering of 4 percent Treasury Bonds of 1970. Subscription forms for your use are also enclosed.

DOWN PAYMENT

Down payments of not less than 10 percent of the amount of bonds applied for are required of all subscribers, except those specifically exempted in Section III of the official circular. Down payments received by commercial banks for subscribers **should be held by commercial banks** until after allotment is made.

ALLOTMENTS

Subject to the usual reservations, subscriptions for amounts up to and including \$100,000 will be allotted in full, and subscriptions for amounts over \$100,000 will be allotted on a percentage basis, but not less than \$100,000 on any one subscription. Allotment notices will be sent promptly upon allotment.

PAYMENT AND DELIVERY

Payment must be made in cash; however, any qualified depository will be permitted to make payment by credit in its Treasury Tax and Loan Account for securities allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits.

Commercial banks which intend to make payment for securities allotted by credit in their Treasury Tax and Loan Accounts should enter subscriptions for their own account and for the account of their customers with this bank or appropriate branch. Commercial banks entering subscriptions for correspondent banks should enter such subscriptions in the name of the correspondent if payment is to be made by credit in the Treasury Tax and Loan Account of the correspondent bank. Subscriptions entered in this manner will be subject to confirmation on official forms by the subscribing bank.

Instructions for issue, payment and delivery should be furnished on the reverse side of the subscription form. In the event subscriptions are not allotted in full, a form for furnishing amended delivery and payment instructions will accompany the notice of allotment.

CLOSING OF SUBSCRIPTION BOOKS

The subscription books will be open only on **Tuesday, June 11, 1963**, and subscriptions placed in the mail before midnight on that date will be considered timely. Subscriptions will be received at this bank and its branches at El Paso, Houston and San Antonio. Additional circulars and forms will be furnished upon request.

Yours very truly,

Watrous H. Irons

President

UNITED STATES OF AMERICA
4 PERCENT TREASURY BONDS OF 1970

Dated and bearing interest from June 20, 1963

Due August 15, 1970

Interest payable February 15 and August 15

DEPARTMENT CIRCULAR

Public Debt Series — No. 12-63

TREASURY DEPARTMENT
Office of the Secretary
Washington, June 7, 1963

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 4 percent Treasury Bonds of 1970. The amount of the offering under this circular is \$1,250,000,000, or thereabouts. In addition to the amount offered for public subscription, the Secretary of the Treasury reserves the right to allot up to \$50,000,000 of these bonds to Government Investment Accounts. The books will be open **only on June 11, 1963**, for the receipt of subscriptions for this issue.

II. DESCRIPTION OF BONDS

1. The bonds will be dated June 20, 1963, and will bear interest from that date at the rate of 4 percent per annum, payable on a semiannual basis on February 15 and August 15, 1964, and thereafter on February 15 and August 15 in each year until the principal amount becomes payable. They will mature August 15, 1970, 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 10 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 will be received without deposit from banking institutions 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, 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. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of bonds applied for, not subject to withdrawal until after allotment. Following allotment, any portion of the 10 percent payment in excess of 10 percent of the amount of bonds allotted may be released upon the request of the subscribers.

2. All subscribers requesting registered bonds will be required to furnish appropriate identifying numbers as required on tax returns and other documents submitted to the Internal Revenue Service, i.e., an individual's social security number or an employer identification number.

3. 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 June 11, 1963.

4. 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.

5. 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. Subject to these reservations, subscriptions for amounts up to and including \$100,000 will be allotted in full, and subscriptions for amounts over \$100,000 will be allotted on a percentage basis, but not less than \$100,000 on any one subscription. 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 June 20, 1963, or on later allotment. Payment will not be deemed to have been completed where registered bonds are requested if the appropriate identifying number, as required by Paragraph 2 of Section III hereof, has not been furnished; provided however, if a subscriber has applied for but is unable to furnish the identifying number by the payment date only because it has not been issued, he may elect to receive, pending the furnishing of the identifying number, interim receipts and in this case payment will be deemed to have been completed. In every case where payment is not so completed, the payment with application up to 10 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.

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

CASH SUBSCRIPTION
4% Treasury Bonds of 1970
at Par

Dated June 20, 1963

Due August 15, 1970

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

All subscriptions except those specifically exempted in Section III of the official circular, must be accompanied by the deposit of cash of not less than 10% 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, Public Debt Series No. 12-63, dated June 7, 1963, the undersigned hereby subscribes for \$.....4% Treasury Bonds of 1970, dated June 20, 1963, maturing August 15, 1970.

PAYMENTS FOR THE FULL AMOUNT OF BONDS ALLOTTED ON SUBSCRIPTIONS ENTERED THROUGH QUALIFIED DEPOSITARIES MAY BE MADE BY TREASURY TAX AND LOAN ACCOUNT CREDIT.

	CLASS OF SUBSCRIPTION	Amount
Instructions for issue, delivery and payment should be furnished on the reverse side.	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 10 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 10 percent of the combined amount of time and savings deposits, including time certificates of deposit, or 25 percent of our combined capital, surplus and undivided profits.

We further certify that applications received by us, if any, from other commercial banks for their own account and 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, June 11, 1963.

This is an original subscription This is a confirmation

Time Stamp
 For use of Federal Reserve Bank

.....
 (Name of subscriber)

 (Address)
 By.....
 (Authorized signature)
 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 1970.

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

