

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, July 29, 1965

EXCHANGE OFFERING

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

Enclosed are Treasury Department Circulars, Public Debt Series Nos. 4-65 and 5-65, and subscription forms relating to the refunding of Treasury notes maturing August 13, 1965.

SECURITIES OFFERED

4 percent Treasury Notes of Series C-1967

4 percent Treasury Bonds of 1969, dated August 15, 1962 (additional issue)

SECURITIES ELIGIBLE FOR EXCHANGE

3 $\frac{7}{8}$ percent Treasury Notes of Series D-1965

PAYMENT

Payment in the form of the maturing notes should be made on or before August 13, 1965, and, where possible, the securities should accompany the subscriptions.

TAX ACCOUNT NUMBERS

The Treasury notes and bonds may be obtained in bearer or registered form. If registered securities are requested, subscribers must 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.

CLOSING OF SUBSCRIPTION BOOKS

The subscription books will be open on **August 2 through August 4, 1965**, and subscriptions placed in the mail before midnight on **Wednesday, August 4**, will be considered as 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
4 PERCENT TREASURY NOTES OF SERIES C-1967

Dated and bearing interest from August 13, 1965

Due February 15, 1967

DEPARTMENT CIRCULAR
Public Debt Series — No. 4-65

TREASURY DEPARTMENT
Office of the Secretary
Washington, July 29, 1965

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, offers notes of the United States, designated 4 percent Treasury Notes of Series C-1967, at 99.85 percent of their face value, in exchange for $3\frac{7}{8}$ percent Treasury Notes of Series D-1965, maturing August 13, 1965. The cash payment due subscribers will be made as set forth in Section IV hereof. The amount of this offering will be limited to the amount of eligible notes tendered in exchange. The books will be open **only on August 2 through August 4, 1965**, for the receipt of subscriptions.

2. In addition, holders of the maturing notes are offered the privilege of exchanging all or any part of them for 4 percent Treasury Bonds of 1969, maturing February 15, 1969, which offering is set forth in Department Circular, Public Debt Series — No. 5-65, issued simultaneously with this circular.

II. DESCRIPTION OF NOTES

1. The notes will be dated August 13, 1965, 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, 1966, and on February 15, 1967. They will mature February 15, 1967, 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 accepting the offer made by this circular will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington, D. C. 20220. 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. All subscribers requesting registered notes 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. Under the Second Liberty Bond Act, as amended, the Secretary of the Treasury has the authority to reject or reduce any subscription, and to allot less than the amount of notes applied for when he deems it to be in the public interest; and any action he may take in these respects shall be final. Subject to the exercise of that authority, all subscriptions will be allotted in full.

IV. PAYMENT

1. Payment for the face amount of notes allotted hereunder must be made on or before August 13, 1965, or on later allotment, and may be made only in a like face amount of $3\frac{7}{8}$ percent Treasury Notes of Series D-1965, which should accompany the subscription. Payment will not be deemed to have been completed where registered notes 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. A cash payment of \$1.50 per \$1,000 will be made to subscribers on account of the issue price of the new notes. The payment will be made by check or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its district, following acceptance of the maturing notes. In the case of registered notes, the payment will be made in accordance with the assignments on the notes surrendered. When payment is made with notes in bearer form, coupons dated August 13, 1965, should be detached and cashed when due. When payment is made with registered notes, the final interest due on August 13, 1965, will be paid by issue of interest checks in regular course to holders of record on July 13, 1965, the date the transfer books closed.

V. ASSIGNMENT OF REGISTERED NOTES

1. Treasury Notes of Series D-1965 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, D. C. 20220. The maturing notes must be delivered at the expense and risk of the holder. If the new notes are desired registered in the same name as the notes surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 4 percent Treasury Notes of Series C-1967"; if the new notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 4 percent Treasury Notes of Series C-1967 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 4 percent Treasury Notes of Series C-1967 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 such allotments as may be prescribed by the Secretary of the Treasury, to issue such notices as may be necessary, to receive payment for and 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.

HENRY H. FOWLER,
Secretary of the Treasury.

UNITED STATES OF AMERICA
4 PERCENT TREASURY BONDS OF 1969

Dated August 15, 1962, with interest from August 13, 1965

Due February 15, 1969

Interest payable February 15 and August 15

DEPARTMENT CIRCULAR
Public Debt Series — No. 5-65

TREASURY DEPARTMENT
Office of the Secretary
Washington, July 29, 1965

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, offers bonds of the United States, designated 4 percent Treasury Bonds of 1969, at 99.45 percent of their face value, in exchange for $3\frac{7}{8}$ percent Treasury Notes of Series D-1965, maturing August 13, 1965. The cash payment due subscribers will be made as set forth in Section IV hereof. The amount of this offering will be limited to the amount of eligible notes tendered in exchange. The books will be open **only on August 2 through August 4, 1965**, for the receipt of subscriptions.

2. In addition, holders of the maturing notes are offered the privilege of exchanging all or any part of them for 4 percent Treasury Notes of Series C-1967, which offering is set forth in Department Circular, Public Debt Series — No. 4-65, issued simultaneously with this circular.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be identical in all respects with the 4 percent Treasury Bonds of 1969 issued pursuant to Department Circular, Public Dept Series — No. 13-62, dated July 30, 1962, except that interest will accrue from August 13, 1965. With this exception the bonds are described in the following quotation from Department Circular No. 13-62:

"1. The bonds will be dated August 15, 1962, and will bear interest from that date at the rate of 4 percent per annum, payable semiannually on February 15 and August 15 in each year until the principal amount becomes payable. They will mature February 15, 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. 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 accepting the offer made by this circular will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington, D. C. 20220. 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. 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. Under the Second Liberty Bond Act, as amended, the Secretary of the Treasury has the authority to reject or reduce any subscription, and to allot less than the amount of bonds applied for when he deems it to be in the public interest; and any action he may take in these respects shall be final. Subject to the exercise of that authority, all subscriptions will be allotted in full.

IV. PAYMENT

1. Payment for the face amount of bonds allotted hereunder must be made on or before August 13, 1965, or on later allotment, and may be made only in a like face amount of 3 $\frac{7}{8}$ percent Treasury Notes of Series D-1965, which should accompany the subscription. 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. A cash payment will be made to subscribers in the amount of \$5.72099 per \$1,000, representing \$5.50 per \$1,000 on account of the issue price of the bonds and \$0.22099 per \$1,000 for accrued interest on the bonds from August 13 to August 15, 1965 (the bonds will be delivered without the August 15, 1965, coupon). The payment will be made by check or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its district, following acceptance of the notes. In the case of registered notes, the payment will be made in accordance with the assignments on the notes surrendered. When payment is made with notes in bearer form, coupons dated August 13, 1965, should be detached and cashed when due. When payment is made with registered notes, the final interest due on August 13, 1965, will be paid by issue of interest checks in regular course to holders of record on July 13, 1965, the date the transfer books closed.

V. ASSIGNMENT OF REGISTERED NOTES

1. Treasury Notes of Series D-1965 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, D. C. 20220. The notes must be delivered at the expense and risk of the holder. If the bonds are desired registered in the same name as the notes surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 4 percent Treasury Bonds of 1969"; if the bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 4 percent Treasury Bonds of 1969 in the name of _____"; if bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 4 percent Treasury Bonds of 1969 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 such allotments as may be prescribed by the Secretary of the Treasury, to issue such notices as may be necessary, to receive payment for and 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.

HENRY H. FOWLER,
Secretary of the Treasury.