

FEDERAL RESERVE BANK OF DALLAS
FISCAL AGENT OF THE UNITED STATES
DALLAS, TEXAS 75222

Circular No. 68-170
August 1, 1968

CASH OFFERING OF TREASURY NOTES

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

There are enclosed Treasury Department Circular, Public Debt Series No. 6-68 and subscription forms relating to an offering of 5⁵/₈% Treasury Notes of Series B-1974; maturing August 15, 1974.

DOWN PAYMENT

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

SUBSCRIPTION

All subscriptions of \$250,000 or less will be allotted in full subject to the provisions of Section III, Paragraph 4 of the offering circular. Such subscriptions should be grouped on separate subscription forms from those in excess of \$250,000 which are subject to a percentage allotment.

PAYMENT AND DELIVERY

Payment may be made in cash; however, any qualified depository will be permitted to make payment by credit in its Treasury Tax and Loan account for 50 percent of the amount of securities allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits or in 4¹/₄ percent notes of Series C-1968 or 3³/₄ percent bonds of 1968, which will be accepted at par, in payment or exchange, in whole or in part, for the notes subscribed for, to the extent such subscriptions are allotted by the Treasury.

Commercial banks which intend to make partial payment for securities allotted by credit in their Treasury Tax and Loan Accounts are urged to enter subscriptions for their own account and for the account of their customers directly with this bank or appropriate branch. Commercial banks entering subscriptions for correspondent banks must enter separate subscriptions in the name of each correspondent if payment is to be made by credit in the Treasury Tax and Loan Account of the correspondent bank. The subscribing bank (correspondent bank) must confirm the subscription on official forms.

A form for furnishing delivery and payment instructions will accompany the notice of allotment. Provision will be made on the form for furnishing the taxpayer identification number where registered notes are requested.

CLOSING OF SUBSCRIPTION BOOKS

The subscription books will be open only on **Monday, August 5, 1968**, 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,

P. E. Coldwell

President

Enclosures (2)

UNITED STATES OF AMERICA
5 7/8 PERCENT TREASURY NOTES OF SERIES B-1974

Dated and bearing interest from August 15, 1968

Due August 15, 1974

DEPARTMENT CIRCULAR

Public Debt Series No. 6-68

TREASURY DEPARTMENT

Office of the Secretary
Washington, August 1, 1968

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, offers \$5,100,000,000, or thereabouts, of notes of the United States, designated 5 7/8 percent Treasury Notes of Series B-1974, at 99.62 percent of their face value and accrued interest. In addition to the amount offered for public subscription, the Secretary of the Treasury reserves the right to allot an additional amount of these notes to Government Investment Accounts and Federal Reserve Banks. The following securities, maturing August 15, 1968, will be accepted at par in payment or exchange, in whole or in part, to the extent subscriptions are allotted by the Treasury:

- 4 1/4 percent Treasury Notes of Series C-1968; or
- 3 3/4 percent Treasury Bonds of 1968.

The books will be open **only on August 5, 1968**, for the receipt of subscriptions.

II. DESCRIPTION OF NOTES

1. The notes will be dated August 15, 1968, and will bear interest from that date at the rate of 5 7/8 percent per annum, payable semiannually on February 15 and August 15 in each year until the principal amount becomes payable. They will mature August 15, 1974, 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. 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 50 percent of the combined capital (not including capital notes or debentures), surplus and undivided profits of the subscribing bank. 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 (in cash or in securities of the issues enumerated in Paragraph 1 of Section I hereof, which will be accepted at par) of 10 percent of the amount of notes applied for, not subject to withdrawal until after allotment. Registered securities submitted as deposits should be assigned as provided in Section V hereof. Following allotment, any portion of the 10 percent payment in excess of 10 percent of the amount of notes 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 notes of this issue at a specific rate or price, until after midnight August 5, 1968.

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. Under the Second Liberty Bond Act, as amended, the Secretary of the Treasury has the authority to reject or reduce any subscription, to allot less than the amount of notes applied for, and to make different percentage allotments to various classes of subscribers 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, subscriptions will be allotted:

(1) In full if the subscription is for \$250,000 or less;

(2) In full for any State, political subdivision or instrumentality thereof, public pension and retirement and other public fund, international organization in which the United States holds membership, and foreign central bank and foreign State and such subscriber certifies in writing that at 4 p.m., Eastern Daylight Saving Time, July 31, 1968, it owned or had contracted to purchase for value securities of the issues enumerated in Paragraph 1 of Section I hereof, in an aggregate amount equal to or greater than the amount of such subscription (any such subscriber may enter an additional subscription subject to a percentage allotment); and

(3) On a percentage basis as publicly announced, but not less than \$250,000.

Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at 99.62 percent of their face value and accrued interest, if any, for notes allotted hereunder must be made or completed on or before August 15, 1968, or on later allotment. Payment will not be deemed to have been completed where registered notes are requested if the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security number or an employer identification number) is not furnished. In every case where full payment is not completed, the payment with application up to 10 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Payment may be made for any notes allotted hereunder in cash or by exchange of securities of the issues enumerated in Paragraph 1 of Section I hereof, which will be accepted at par. A cash adjustment will be made for the difference (\$3.80 per \$1,000) between the par value of maturing securities accepted in exchange and 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 securities. In the case of registered securities, the payment will be made in accordance with the assignments on the securities surrendered. Any qualified depository will be permitted to make payment by credit in its Treasury Tax and Loan Account for not more than 50 percent of the amount of notes 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. When payment is made with securities in bearer form, coupons dated August 15, 1968, should be detached and cashed when due. When payment is made with registered securities, the final interest due on August 15, 1968, will be paid by issue of interest checks in regular course to holders of record on July 15, 1968, the date the transfer books closed.

V. ASSIGNMENT OF REGISTERED SECURITIES

1. Treasury securities in registered form tendered as deposits and in payment for notes allotted hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department, in one of the forms hereafter set forth. Securities tendered in payment should be surrendered to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington, D. C. 20220. The maturing 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 5 $\frac{5}{8}$ percent Treasury Notes of Series B-1974"; if the new notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for 5 $\frac{5}{8}$ percent Treasury Notes of Series B-1974 in the name of _____"; if new notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for 5 $\frac{5}{8}$ percent Treasury Notes of Series B-1974 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.

JOSEPH W. BARR,
Acting Secretary of the Treasury.

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

CASH SUBSCRIPTION

5 7/8% Treasury Notes of Series B-1974

At 99.62% of Face Value

Dated August 15, 1968

Due August 15, 1974

To: Federal Reserve Bank, Station K, Dallas, Texas 75222

or —
The _____ Branch
El Paso 79999 Houston 77001 San Antonio 78206

LIST ALL SUBSCRIPTIONS ON REVERSE SIDE
EACH SUBSCRIPTION TO THIS ISSUE MUST BE IN A MULTIPLE OF \$1,000

Pursuant to the provisions of Treasury Department Circular, Public Debt Series No. 6-68, dated August 1, 1968, the undersigned hereby subscribes for \$_____ 5 7/8% Treasury Notes of Series B-1974, dated August 15, 1968, maturing August 15, 1974, and will make payment in accordance with the provisions of Section IV of the offering circular.

All subscriptions except those specifically exempted in Section III, Paragraph 1 of the official circular, must be accompanied by a deposit of not less than 10 percent 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.

PAYMENT FOR 50% OF THE AMOUNT OF NOTES ALLOTTED MAY BE MADE BY CREDIT IN TREASURY TAX AND LOAN ACCOUNTS.

| | 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) | |
| | Customer 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 50 percent of our combined capital (not including capital notes or debentures), 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 of the notes of this issue at a specific rate or price, until after midnight, August 5, 1968.

This is an original subscription This is a confirmation

.....
(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)

68-170

This acknowledges your subscription for \$_____ 5 7/8% Treasury Notes of Series B-1974.

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

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

- | | |
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| <ol style="list-style-type: none"> 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 | <ol style="list-style-type: none"> 7. State and local government funds other than pension and retirement 8. Commercial banks 9. Corporations other than banks and insurance companies 10. Savings and building and loan associations 11. All others |
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LIST OF SUBSCRIBERS

| Investor Class | NAME OF SUBSCRIBER | ADDRESS | AMOUNT | DO NOT USE |
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| | Our own subscription | | | |
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CERTIFICATION BY 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 PURSUANT TO SECTION III, PARAGRAPH 4(2), TREASURY DEPARTMENT CIRCULAR, PUBLIC DEBT SERIES — No. 6-68.

To the Federal Reserve Bank of Dallas

The undersigned hereby certifies:

- (1) That it is one of the types of subscribers designated above and has entered for preferred full allotment under the provisions of Section III, Paragraph 4(2), of Treasury Department Circular, Public Debt Series — No. 6-68, subscription(s) in the amount of \$_____;
- (2) That at 4 p.m., Eastern Daylight Saving Time, July 31, 1968, it owned or had contracted to purchase for value 4¼ % Treasury Notes of Series C-1968 or 3¾ % Treasury Bonds of 1968, or both, in an amount equal to or greater than the amount of said subscription(s); and
- (3) That such securities will be submitted in payment for said subscription(s).

(Name of Subscriber)

(Address)

by _____
(Signature and Title of Person Authorized to Sign on Behalf of Subscriber)

(Address)

Note: If the above certification cannot be completed at the time the subscription is entered, a statement to that effect should accompany the subscription, and the certification in the above form should be submitted separately as soon as possible.