

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

Circular No. 68-230  
October 24, 1968

**EXCHANGE OFFERING**

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

The following material relating to a refunding by the Treasury Department is enclosed: (1) Treasury Department Circulars, Public Debt Series Nos. 7-68 and 8-68, and (2) official subscription forms.

Securities Eligible for Exchange and Their Maturity Dates		Securities Offered in Exchange and Their Maturity Dates
5¼% notes, D-1968	11/15/68	} 5⅝% notes, B-1970 5/15/70 5¾% notes, A-1974 11/15/74
3⅞% bonds, 1968	11/15/68	
2½% bonds, 1963-68	12/15/68	

All subscribers requesting registered securities 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.

Securities being exchanged should be submitted promptly, preferably with the subscriptions. Coupons dated December 15, 1968, must remain **attached** to the bonds maturing on that date, while all coupons must be **detached** from the eligible securities which mature on November 15, 1968.

The subscription books will be open on **October 28 through October 30, 1968**. Subscriptions placed in the mail before midnight, Wednesday, October 30, 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,

**P. E. Coldwell**  
President

**UNITED STATES OF AMERICA**  
**5 5/8 PERCENT TREASURY NOTES OF SERIES B-1970**

Dated and bearing interest from November 15, 1968

Due May 15, 1970

DEPARTMENT CIRCULAR  
Public Debt Series No. 7-68

TREASURY DEPARTMENT  
Office of the Secretary  
Washington, October 24, 1968

**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 5 5/8 percent Treasury Notes of Series B-1970, at 99.85 percent of their face value:

- (1) in exchange for 5 1/4 percent Treasury Notes of Series D-1968, maturing November 15, 1968;
- (2) in exchange for 3 7/8 percent Treasury Bonds of 1968, maturing November 15, 1968, in amounts of \$1,000 or multiples thereof; or
- (3) in exchange for 2 1/2 percent Treasury Bonds of 1963-68, maturing December 15, 1968, in amounts of \$1,000 or multiples thereof.

Interest will be adjusted on the bonds of 1963-68 as of December 15, 1968. Payments on account of accrued interest and cash adjustments will be made as set forth in Section IV hereof. The amount of this offering will be limited to the amount of eligible securities tendered in exchange. The books will be open **only on October 28 through October 30, 1968**, for the receipt of subscriptions.

2. In addition, holders of the maturing securities are offered the privilege of exchanging all or any part of them for 5 3/4 percent Treasury Notes of Series A-1974, which offering is set forth in Department Circular, Public Debt Series — No. 8-68, issued simultaneously with this circular.

**II. DESCRIPTION OF NOTES**

1. The notes will be dated November 15, 1968, and will bear interest from that date at the rate of 5 5/8 percent per annum, payable semiannually on May 15 and November 15, 1969, and May 15, 1970. They will mature May 15, 1970, 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. 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 November 15, 1968, or on later allotment, and may be made only in a like face amount of securities of the issues enumerated in Paragraph 1 of Section I hereof, 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 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. Cash payments due to subscribers 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 securities surrendered. In the case of registered securities, the payment will be made in accordance with the assignments thereon.

2. **5¼ percent notes of Series D-1968 and 3⅞ percent bonds of 1968.**—When payment is made with securities in bearer form, coupons dated November 15, 1968, should be **detached** and cashed when due. When payment is made with registered securities, the final interest due on November 15, 1968, will be paid by issue of interest checks in regular course to holders of record on October 15, 1968, the date the transfer books closed. A cash payment of \$1.50 per \$1,000 on account of the issue price of the new notes will be made to subscribers.

3. **2½ percent bonds of 1963-68.**—When payment is made with bonds in bearer form, coupons dated December 15, 1968, must be **attached** to the bonds when surrendered. Accrued interest from June 15 to December 15, 1968 (\$12.50 per \$1,000), plus the payment on account of the issue price of the new notes (\$1.50 per \$1,000) will be credited and accrued interest from November 15 to December 15, 1968 (\$4.66160 per \$1,000) on the new notes will be charged and the difference (\$9.33840 per \$1,000) will be paid to subscribers.

#### V. ASSIGNMENT OF REGISTERED SECURITIES

1. Treasury securities 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 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 5⅞ percent Treasury Notes of Series B-1970"; if the new notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 5⅞ percent Treasury Notes of Series B-1970 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 5⅞ percent Treasury Notes of Series B-1970 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**  
**5¾ PERCENT TREASURY NOTES OF SERIES A-1974**

**Dated November 15, 1967, with interest from November 15, 1968**

**Due November 15, 1974**

DEPARTMENT CIRCULAR  
Public Debt Series No. 8-68

TREASURY DEPARTMENT  
Office of the Secretary  
Washington, October 24, 1968

**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 5¾ percent Treasury Notes of Series A-1974, at par:

- (1) in exchange for 5¼ percent Treasury Notes of Series D-1968, maturing November 15, 1968;
- (2) in exchange for 3⅞ percent Treasury Bonds of 1968, maturing November 15, 1968, in amounts of \$1,000 or multiples thereof; or
- (3) in exchange for 2½ percent Treasury Bonds of 1963-68, maturing December 15, 1968, in amounts of \$1,000 or multiples thereof.

Interest will be adjusted on the bonds of 1963-68 as of December 15, 1968. The amount of this offering will be limited to the amount of eligible securities tendered in exchange. The books will be open **only on October 28 through October 30, 1968**, for the receipt of subscriptions.

2. In addition, holders of the maturing securities are offered the privilege of exchanging all or any part of them for 5⅞ percent Treasury Notes of Series B-1970, which offering is set forth in Department Circular, Public Debt Series — No. 7-68, issued simultaneously with this circular.

**II. DESCRIPTION OF NOTES**

1. The notes now offered will be identical in all respects with the 5¾ percent Treasury Notes of Series A-1974 issued pursuant to Department Circular, Public Debt Series — No. 10-67, dated October 26, 1967, except that interest will accrue from November 15, 1968. With this exception the notes are described in the following quotation from Department Circular No. 10-67:

- “1. The notes will be dated November 15, 1967, and will bear interest from that date at the rate of 5¾ percent per annum, payable semiannually on May 15 and November 15 in each year until the principal amount becomes payable. They will mature November 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. 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. 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 November 15, 1968, or on later allotment, and may be made only in a like face amount of securities of the issues enumerated in Paragraph 1 of Section I hereof, 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 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.

2. **5¼ percent notes of Series D-1968 and 3¾ percent bonds of 1968.**—When payment is made with securities in bearer form, coupons dated November 15, 1968, should be **detached** and cashed when due. When payment is made with registered securities, the final interest due on November 15, 1968, will be paid by issue of interest checks in regular course to holders of record on October 15, 1968, the date the transfer books closed.

3. **2½ percent bonds of 1963-68.**—When payment is made with bonds in bearer form, coupons dated December 15, 1968, must be **attached** to the bonds when surrendered. Accrued interest from June 15 to December 15, 1968 (\$12.50 per \$1,000) will be credited and accrued interest from November 15 to December 15, 1968 (\$4.76519 per \$1,000) on the new notes will be charged and the difference (\$7.73481 per \$1,000) will be paid to subscribers. 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 securities surrendered. In the case of registered securities, the payment will be made in accordance with the assignments thereon.

#### V. ASSIGNMENT OF REGISTERED SECURITIES

1. Treasury securities 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 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 5¾ percent Treasury Notes of Series A-1974"; if the new notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 5¾ percent Treasury Notes of Series A-1974 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 5¾ percent Treasury Notes of Series A-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.

HENRY H. FOWLER,  
Secretary of the Treasury.





**EXCHANGE SUBSCRIPTION**  
**5¾% Treasury Notes of Series A-1974**  
**at PAR**

Dated November 15, 1967, with interest from November 15, 1968

Due November 15, 1974

To: Federal Reserve Bank, Station K, Dallas, Texas 75222  
 or —  
 The \_\_\_\_\_ Branch  
 El Paso 79999      Houston 77001      San Antonio 78206

**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. 8-68, dated October 24, 1968, the undersigned hereby subscribes for \$\_\_\_\_\_ 5¾% Treasury Notes of Series A-1974, dated November 15, 1967, maturing November 15, 1974, and tenders the following securities in payment:

Securities Tendered	Face Amount	Net Cash Adjustment* (per \$1,000 face amount) Payable to Subscriber	Cash Adjustment To be paid to Subscriber
5¼% Notes, D-1968	\$ _____	None	
3⅞% Bonds, November 15, 1968	_____	None	
2½% Bonds, December 15, 1968-68	_____	\$7.73481	\$ _____
<b>Total</b>	\$ _____		

\*See official circular for details

**METHOD OF SETTLEMENT:**

Reserve account...  Check...  Otherwise... \$ \_\_\_\_\_

The securities to be applied in payment should be listed on the reverse side and should accompany this subscription. If the securities do not accompany this subscription, please attach a letter giving complete information regarding their location and approximate date of surrender. Coupons maturing November 15, 1968, must be detached and coupons maturing December 15, 1968 must be attached to the securities surrendered.

SCHEDULE FOR ISSUE OF BEARER SECURITIES			
Fill in Number of Pieces by Denomination			
Number of Pieces	DO NOT USE THIS COLUMN	At	Amount
		\$1,000	
		\$5,000	
		\$10,000	
		\$100,000	
		\$1,000,000	
		<b>TOTAL \$</b>	

INSTRUCTIONS FOR DELIVERY OF NEW SECURITIES	
<input type="checkbox"/> Custody—Member bank for own account	\$ _____
<input type="checkbox"/> As collateral—Treasury Tax and Loan account (Bank's own securities)	\$ _____
<input type="checkbox"/> In joint safekeeping for own account and _____	\$ _____
Deliver to _____	\$ _____
(State whether free or against funds)	

**SCHEDULE FOR ISSUE OF REGISTERED SECURITIES**

Name or names in which securities are to be registered, tax account number of owner and mailing address for interest checks.	Denominations Desired																		
<table border="0" style="width: 100%;"> <tr> <td style="border: 1px solid black; width: 150px; height: 15px;"></td> <td style="text-align: center;">or</td> <td style="border: 1px solid black; width: 150px; height: 15px;"></td> </tr> <tr> <td style="text-align: center; font-size: 8px;">Social Security No.</td> <td></td> <td style="text-align: center; font-size: 8px;">Employer Identification No.</td> </tr> </table>		or		Social Security No.		Employer Identification No.	<table border="0" style="width: 100%;"> <tr> <th style="text-align: left;">No. of Pieces</th> <th style="text-align: left;">Denomination</th> <th style="text-align: left;">Amount</th> </tr> <tr> <td>_____ @</td> <td>\$ _____</td> <td>\$ _____</td> </tr> <tr> <td>_____ @</td> <td>\$ _____</td> <td>\$ _____</td> </tr> <tr> <td colspan="2">Face Amount . . . . .</td> <td>\$ _____</td> </tr> </table>	No. of Pieces	Denomination	Amount	_____ @	\$ _____	\$ _____	_____ @	\$ _____	\$ _____	Face Amount . . . . .		\$ _____
	or																		
Social Security No.		Employer Identification No.																	
No. of Pieces	Denomination	Amount																	
_____ @	\$ _____	\$ _____																	
_____ @	\$ _____	\$ _____																	
Face Amount . . . . .		\$ _____																	

We hereby certify that at the time this subscription was entered the above-described securities surrendered or to be surrendered in connection with this exchange were owned and delivery accepted by the subscriber, or were contracted for purchase for value by the subscriber for delivery to the subscriber prior to the closing of the subscription books.

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)

68-230

This acknowledges your subscription for \$\_\_\_\_\_ 5¾% Treasury Notes of Series A-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**

- |  |   |
|--|---|
| 1. Individuals, partnerships and personal trust accounts       | 7. State and local government funds other than pension and retirement |
| 2. Mutual savings banks  | 8. Commercial banks   |
| 3. Insurance companies   | 9. Corporations other than banks and insurance companies              |
| 4. Dealers and brokers   | 10. Savings and building and loan associations                        |
| 5. Pension and retirement funds of State and local governments | 11. All others  |
| 6. Other pension and retirement funds                          |   |

**LIST OF SUBSCRIBERS**

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

**LIST OF SECURITIES SURRENDERED IN PAYMENT**

(Coupons dated November 15, 1968, on the securities maturing on that date must be *detached* and coupons due December 15, 1968, on the securities maturing on that date must be *attached*.)

Description	No. Pieces	Denomination	Serial Nos.	Location	Amount
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