NEW OFFERING — TREASURY BILLS

To All Banking Institutions and Others Concerned

in the Eleventh Federal Reserve District:

Your attention is invited to the following statement giving details of two issues of Treasury bills:

The Treasury Department, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of $4,106,900,000, or thereabouts, for cash and in exchange for Treasury bills maturing April 13, 1972, in the amount of $2,300,000,000, or thereabouts, representing an additional amount of bills dated January 13, 1972, and to mature July 13, 1972 (CUSIP No. 912793 NUE), originally issued in the amount of $1,600,200,000, the additional and original bills to be freely interchangeable.

182-DAY BILLS for $1,800,000,000, or thereabouts, to be dated April 13, 1972, and to mature October 12, 1972 (CUSIP No. 912793 PG5).

The bills of both series will be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided, and at maturity their face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $10,000, $15,000, $50,000, $100,000, $500,000 and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, one-thirty p.m., Eastern Standard Time, Monday, April 10, 1972. Tenders will not be received at the Treasury Department, Washington. Each tender must be for a minimum of $10,000. Tenders over $10,000 must be in multiples of $5,000. In the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Banking institutions generally may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Only those submitting competitive tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for each issue for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids for the respective issues. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on April 13, 1972, in cash or other immediately available funds or in a like face amount of Treasury bills maturing April 13, 1972. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

Under Sections 454 (b) and 1221 (5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is considered to accrue when the bills are sold, redeemed or otherwise disposed of, and the bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder must include in his income tax return, as ordinary gain or loss, the difference between the price paid for the bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made.

Treasury Department Circular No. 418 (current revision) and this notice prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

In accordance with the above announcement, tenders will be received at this bank and its branches at El Paso, Houston and San Antonio up to twelve-thirty p.m., Central Standard Time, Monday, April 10, 1972. Tenders may not be entered by telephone.

Yours very truly,

P. E. Coldwell
President

LAST PREVIOUS OFFERING OF TREASURY BILLS

<table>
<thead>
<tr>
<th>91-Day Bills Due July 6, 1972</th>
<th>182-Day Bills Due October 5, 1972</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount, Range and Approximate Yield of Accepted Tenders</td>
<td>Total Applied For $3,507,995,000</td>
</tr>
<tr>
<td>Total Accepted $1,800,295,000</td>
<td>Price Yield</td>
</tr>
<tr>
<td>Price</td>
<td>Yield</td>
</tr>
<tr>
<td>$3,982,115,000</td>
<td>3.719%</td>
</tr>
<tr>
<td>$2,300,170,000</td>
<td>3.822%</td>
</tr>
<tr>
<td>$99.040</td>
<td>3.798%</td>
</tr>
</tbody>
</table>

(1) These rates are on a bank discount basis. The equivalent coupon issue yields are 3.89% for the 91-day bills and 4.53% for the 182-day bills.

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TENDER FOR TREASURY BILLS
182 DAYS TO MATURE

Dated April 13, 1972

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

or —
The __________ Branch
El Paso 79999 Houston 77001 San Antonio 78295

Pursuant to the provisions of Treasury Department Circular No. 418 (current revision) and the provisions of the public announcement issued by the Treasury Department, the undersigned offers to purchase Treasury bills in the amount shown below, and agrees to pay for the amount allotted, on or before the issue date, by the method and at the rate indicated.

NONCOMPETITIVE TENDER $ ____________________________________ NOT TO EXCEED $200,000
Noncompetitive tenders for $200,000 or less from any one bidder, without stated price, will be accepted in full at the average price (in three decimals) of accepted competitive bids.

COMPEITIVE TENDERS $ @ $ $ @ $ $ @ $

TENDERS MAY NOT BE ACCEPTED BY TELEPHONE. TENDERS BY WIRE, IF RECEIVED BEFORE THE CLOSING HOUR, ARE ACCEPTABLE.

Denominations Desired

<table>
<thead>
<tr>
<th>Number of pieces</th>
<th>Maturity Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>@ $ 10,000 $</td>
<td></td>
</tr>
<tr>
<td>@ $ 15,000 $</td>
<td></td>
</tr>
<tr>
<td>@ $ 50,000 $</td>
<td></td>
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<td>@ $ 100,000 $</td>
<td></td>
</tr>
<tr>
<td>@ $ 500,000 $</td>
<td></td>
</tr>
<tr>
<td>@ $1,000,000 $</td>
<td></td>
</tr>
</tbody>
</table>

Payment for this issue of bills cannot be made by credit to Treasury Tax and Loan Account.

METHOD OF PAYMENT

□ By maturing bills held by
□ Payment to be made by

□ Charge our reserve account on payment date
□ Draft enclosed (Effectual delivery of enclosed draft shall be on latest day which will permit presentment in order to obtain irrecoverably collected funds on payment date)

(Subscriber’s full name or corporate title)

(Address)

By______________________________

(Authorized official signature and title)

(For the account of, if tender is for another subscriber)

(Address)

1. No tender for less than $10,000 will be considered and each tender over $10,000 must be for an amount in multiples of $5,000 (maturity value).
2. Tenders should be forwarded in an envelope clearly addressed to this bank or appropriate branch as Fiscal Agent of the United States, with notation on the envelope reading “TENDER FOR TREASURY OFFERING”. Since envelopes received with this legend will not be opened until after the closing time specified in the public announcement, communications relating to other matters should not be enclosed. Envelopes for submitting tenders may be obtained from this bank or appropriate branch.
3. Any qualified or conditional tender will be rejected.
4. If a corporation makes the tender, the form should be signed by an officer of the corporation authorized to make the tender and the signing of the form by an officer of the corporation will be construed as a representation by him that he has been so authorized. If the tender is made by a partnership it should be signed by a member of the firm, who should sign in the form “----------------------------------- a copartnership, by ----------------------------------------------------------------,

5. Tenders from those other than incorporated banks and trust companies or responsible and recognized dealers in investment securities will be disregarded, unless accompanied by a deposit of 2 percent of the total amount (maturity value) of the Treasury bills applied for, or unless the tenders are accompanied by an express guaranty of full payment by an incorporated bank or trust company.
6. If the language of this form is changed in any respect, which, in the opinion of the Secretary of the Treasury is material, the tender may be disregarded.

(See reverse for announcement)