

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

DALLAS, TEXAS 75222

Circular No. 73-29

February 1, 1973

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

Enclosed are Treasury Department Circulars, Public Debt Series Nos. 1-73 and 2-73, and subscription forms relating to the February financing.

EXCHANGE OFFERING

SECURITY OFFERED

6 1/2% Treasury Notes of Series G-1976

SECURITIES ELIGIBLE FOR EXCHANGE

6 1/2% Treasury Notes of Series C-1973, maturing February 15, 1973

4 7/8% Treasury Notes of Series D-1973, maturing February 15, 1973

PAYMENT

Payment in the form of the eligible securities should be made before 5:00 p.m., February 7, 1973, and where possible, the securities should accompany the subscriptions. However, where this is not possible the securities should be received no later than Friday, February 9. Payment for this note may not be made by cash.

CLOSING OF SUBSCRIPTION BOOKS

The subscription books will be open until 5:00 p.m., local time, Wednesday, February 7, 1973, except that subscriptions placed in the mail and postmarked before midnight, Tuesday, February 6, 1973, will be considered timely.

AUCTION

SECURITY OFFERED

6 5/8% Treasury Notes of Series B-1979

CONDITIONS

1. Noncompetitive tenders for \$400,000 or less will be accepted in full at the average price (in two decimals) of accepted competitive tenders.
2. Competitive tenders at a price less than 98.51 will not be accepted.
3. Tenders must be accompanied by a payment of at least 5% of amount of notes applied for.

PAYMENT

Payment in the form of a cashier's check or federal funds draft payable to this Bank (or in cash) for the total amount of notes applied for should accompany the tender. In the event a down payment of 5% is submitted with the tender, the remaining payment must be completed in cash or other immediately available funds by Thursday, February 15, 1973. In every case where payment is not completed, payment with the application up to 5% of the amount of notes allotted may be forfeited to the United States.

CLOSING HOUR

Tenders will be received up to 12:30 p.m., Central Standard Time, Wednesday, February 7, 1973. Noncompetitive tenders will be considered timely, however, if postmarked no later than February 6.

* * *

Please note the appropriate closing times for each issue. Subscriptions and tenders 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

Enclosures

UNITED STATES OF AMERICA
6½ PERCENT TREASURY NOTES OF SERIES G-1976

Dated and bearing interest from February 15, 1973

Due August 15, 1976

DEPARTMENT CIRCULAR
Public Debt Series — No. 1-73

THE DEPARTMENT OF THE TREASURY
Office of the Secretary
Washington, February 1, 1973

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 6½ percent Treasury Notes of Series G-1976, at 99.70 percent of their face value, in exchange for the following securities maturing February 15, 1973:

- (1) 6½ percent Treasury Notes of Series C-1973; or
- (2) 4⅞ percent Treasury Notes of Series D-1973.

Cash payments 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 securities tendered in exchange. The books will be open until 5:00 p.m., local time, Wednesday, February 7, 1973, for the receipt of subscriptions.

II. DESCRIPTION OF NOTES

1. The notes will be dated February 15, 1973, and will bear interest from that date at the rate of 6½ percent per annum, payable semi-annually on August 15, 1973, and thereafter on February 15 and August 15 in each year until the principal amount becomes payable. They will mature August 15, 1976, 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 and \$1,000,000. 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 Department of the Treasury, 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 Department of the Treasury 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 February 15, 1973, 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. A cash payment of \$3.00 per \$1,000 will be made to subscribers on account of the issue price of the 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 securities surrendered. In the case of registered securities, the payment will be made in accordance with the assignments thereon. When payment is made with securities in bearer form, coupons dated February 15, 1973, should be detached and cashed when due. When payment is made with registered securities, the final interest due on February 15, 1973, will be paid by issue of interest checks in regular course to holders of record on January 15, 1973, the date the transfer books closed.

V. ASSIGNMENT OF REGISTERED SECURITIES

1. Registered securities 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 Department of the Treasury 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 securities must be delivered at the expense and risk of the holder. If the 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 6½ percent Treasury Notes of Series G-1976"; if the notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 6½ percent Treasury Notes of Series G-1976 in the name of _____"; if notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 6½ percent Treasury Notes of Series G-1976 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.

GEORGE P. SHULTZ,
Secretary of the Treasury.

EXCHANGE SUBSCRIPTION

6½% Treasury Notes of Series G-1976

At 99.70% of Face Value

Dated and bearing interest from February 15, 1973
 To: Federal Reserve Bank, Station K, Dallas, Texas 75222

Due August 15, 1976

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

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. 1-73, dated February 1, 1973, the undersigned hereby subscribes for \$_____ 6½% Treasury Notes of Series G-1976, dated February 15, 1973, maturing August 15, 1976, 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
6½% Treasury Notes of Series C-1973	\$ _____	\$3.00	\$ _____
4% Treasury Notes of Series D-1973	\$ _____	\$3.00	\$ _____
*See official circular for details		TOTAL	\$ _____

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.

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	
		TOTAL \$	

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		
	No. of Pieces	Denomination	Amount
	①	\$ _____	\$ _____
	②	\$ _____	\$ _____
	Face Amount \$ _____		

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Social Security No.

or

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Employer Identification No.

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)

78-29

This acknowledges your subscription for \$ _____
 6½% Treasury Notes of Series G-1976.

F.R.B. Subscription No.

IMPORTANT — Please use the above number in all matters — whether payment or correspondence — relating to this subscription.

MAIL TO

_____ Name

The Federal Reserve Bank or Branch will acknowledge by stamping below.

_____ Address

TENDER

6 5/8% TREASURY NOTES OF SERIES B-1979

Dated February 15, 1973

Maturing November 15, 1979

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

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

(Date)

Pursuant to the provision of Treasury Department Circular, Public Debt Series No. 2-73, as shown on the reverse side, the undersigned offers to purchase Treasury notes 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 \$400,000

Noncompetitive tenders for \$400,000 or less from any one bidder, without stated price, will be accepted in full at the average price (in two decimals) of accepted competitive bids.

COMPETITIVE TENDERS { \$ _____ @ _____ \$ _____
\$ _____ @ _____ \$ _____
\$ _____ @ _____ \$ _____
\$ _____ @ _____ \$ _____
\$ _____ @ _____ \$ _____

Prices should be expressed on the basis of 100, with two decimals, e. g., 100.00. Tenders at a price less than 98.51 will not be accepted. Fractions must not be used.

Denominations Desired	
Number of Pieces	Maturity Value
_____ @ \$ 1,000	\$ _____
_____ @ \$ 5,000	\$ _____
_____ @ \$ 10,000	\$ _____
_____ @ \$ 100,000	\$ _____
_____ @ \$1,000,000	\$ _____

METHOD OF PAYMENT

6 1/2% Tr. Notes, Series C-1973, due 2-15-73, held by _____

4 7/8% Tr. Notes, Series D-1973, due 2-15-73, held by _____

Payment to be made by _____

(Name of Bank)

By charge to our reserve account on payment date.

By draft enclosed (effectual delivery of enclosed draft shall be on latest day which will permit presentment in order to obtain irrevocably collected funds on payment date).

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		
	No. of Pieces	Denomination	Amount
_____ or _____	_____ @ \$ _____	\$ _____	
	_____ @ \$ _____	\$ _____	
	Face Amount	\$ _____	

CERTIFICATION BY COMMERCIAL BANKS

We hereby certify that we have received tenders from our customers in the amounts set opposite the customers' names on the list which is made a part of this tender; that there has been paid to us by each such customer as required by the official offering circular, not subject to withdrawal until after allotment, not less than 5 percent of the amount bid for; that we have not made unsecured loans, or loans collateralized in whole or in part by the notes bid for, to supply the amounts of such payments to any of such customers; that we have no beneficial interest in the tenders of such customers; and that none of our customers has any beneficial interest in the amount bid for our own account.

We further certify that tenders 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 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 1:30 p.m., Eastern Standard Time, Wednesday, February 7, 1973.

Delivery Instructions:

- Hold in Custody Account—Member banks for own account only
- Pledge to secure Treasury Tax and Loan Account
- Ship to _____

(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)

(See reverse for announcement)

Please Observe Closing Time of 12:30 P.M., Central Standard Time, Wednesday, February 7, 1973

UNITED STATES OF AMERICA

6 7/8 PERCENT TREASURY NOTES OF SERIES B-1979

Dated and bearing interest from February 15, 1973

Due November 15, 1979

DEPARTMENT CIRCULAR
Public Debt Series — No. 2-73

THE DEPARTMENT OF THE TREASURY
Office of the Secretary
Washington, February 1, 1973

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites tenders at a price not less than 98.51 percent of their face value for \$1,000,000,000, or thereabouts, of notes of the United States, designated 6 7/8 percent Treasury Notes of Series B-1979. An additional amount of the notes will be allotted by the Secretary of the Treasury to Government accounts and Federal Reserve Banks at the average price of accepted tenders in exchange for Treasury notes maturing February 15, 1973. Tenders will be received up to 1:30 p.m., Eastern Standard time, Wednesday, February 7, 1973, under competitive and noncompetitive bidding, as set forth in Section III hereof. The 6 1/2 percent Treasury Notes of Series C-1973 and 4 7/8 percent Treasury Notes of Series D-1973, maturing February 15, 1973, will be accepted at par in payment, in whole or in part, to the extent tenders are allotted by the Treasury.

II. DESCRIPTION OF NOTES

1. The notes will be dated February 15, 1973, and will bear interest from that date at the rate of 6 7/8 percent per annum, payable on a semiannual basis on May 15 and November 15, 1973, and thereafter on May 15 and November 15 in each year until the principal amount becomes payable. They will mature November 15, 1979, 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 and \$1,000,000. 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 Department of the Treasury, now or hereafter prescribed, governing United States notes.

III. TENDERS AND ALLOTMENTS

1. Tenders will be received at Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington, D. C. 20220, up to the closing hour, 1:30 p.m., Eastern Standard time, Wednesday, February 7, 1973. Each tender must state the face amount of notes bid for, which must be \$1,000 or a multiple thereof, and the price offered, except that in the case of noncompetitive tenders the term "noncompetitive" should be used in lieu of a price. In the case of competitive tenders, the price must be expressed on the basis of 100, with two decimals, e.g., 100.00. Tenders at a price less than 98.51 will not be accepted. Fractions may not be used. Noncompetitive tenders from any one bidder may not exceed \$400,000.

2. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others than commercial banks will not be permitted to submit tenders except for their own account. Tenders 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, 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, and Government accounts. Tenders from others must be accompanied by payment (in cash or the securities referred to in Section I which will be accepted at par) of 5 percent of the face amount of notes applied for.

3. Immediately after the closing hour tenders will be opened, following which public announcement will be made by The Department of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. In considering the acceptance of tenders, those at the highest prices will be accepted to the extent required to attain the amount offered. Tenders at the lowest accepted price will be prorated if necessary. 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 \$400,000 or less without stated price from any one bidder will be accepted in full at the average price* (in two decimals) of accepted competitive tenders.

4. All bidders 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 1:30 p.m., Eastern Standard time, Wednesday, February 7, 1973.

5. Commercial banks in submitting tenders will be required to certify that they have no beneficial interest in any of the tenders they enter for the account of their customers, and that their customers have no beneficial interest in the banks' tenders for their own account.

IV. PAYMENT

1. Settlement for accepted tenders in accordance with the bids must be made or completed on or before February 15, 1973, at the Federal Reserve Bank or Branch or at the Office of the Treasurer of the United States, Washington, D. C. 20220, in cash, securities referred to in Section I (interest coupons dated February 15, 1973, should be detached) or other funds immediately available by that date. 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 the tender up to 5 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. When payment is made with securities, a cash adjustment will be made to or required of the bidder for any difference between the face amount of securities submitted and the amount payable on the notes allotted.

V. ASSIGNMENT OF REGISTERED SECURITIES

1. Registered securities 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 Department of the Treasury, in one of the forms hereafter set forth. Securities tendered in payment should be surrendered at the Federal Reserve Bank or Branch or at the Office of the Treasurer of the United States, Washington, D. C. 20220. The securities must be delivered at the expense and risk of the holder. If the notes are desired registered in the same name as the securities surrendered, the assignment should be to "The Secretary of the Treasury for 6 7/8 percent Treasury Notes of Series B-1979"; if the notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for 6 7/8 percent Treasury Notes of Series B-1979 in the name of _____"; if notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for 6 7/8 percent Treasury Notes of Series B-1979 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 tenders, 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 tenders 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.

GEORGE P. SHULTZ,
Secretary of the Treasury.

*Average price may be at, or more or less than 100.00.

(See reverse for tender form)

PLEASE OBSERVE CLOSING TIME OF 12:30 P.M., CENTRAL STANDARD TIME, WEDNESDAY, FEBRUARY 7, 1973