

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

DALLAS, TEXAS 75222

Circular No. 74-192

July 11, 1974

FEDERAL FINANCING BANK BILL OFFERING

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

Your attention is invited to the following statement giving details of an issue of Federal Financing Bank bills:

The Federal Financing Bank, with the approval of the Secretary of the Treasury, by this public notice invites tenders for \$1,500,000,000, or thereabouts, of 244-day Federal Financing Bank bills to be dated July 30, 1974, and to mature March 31, 1975 (CUSIP No. 313322 AA7).

The bills will be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided, and at maturity their face amount will be payable without interest. They will be issued in bearer and book-entry forms 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 Daylight Saving time, Tuesday, July 23, 1974. Tenders will not be received at the Federal Financing Bank in Washington, D. C. Each tender must be for a minimum of \$10,000. Tenders over \$10,000 must be in multiples of \$5,000. In the case 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.

Banking institutions 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 may submit tenders for account of customers, provided the names of the customers are set forth in such tenders. Others 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 bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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 bills bid for under this offering at a specific rate or price, until after one-thirty p.m., Eastern Daylight Saving time, Tuesday, July 23, 1974.

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 Federal Financing Bank of the amount and price range of accepted bids. Only those submitting competitive tenders will be advised of the acceptance or rejection thereof. The Federal Financing Bank expressly reserves the right to accept or reject any or all tenders, in whole or in part, and its action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for \$300,000 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. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 30, 1974, in cash or other immediately available funds. Any qualified depository will be permitted to make settlement by credit in its Treasury Tax and Loan Account for bills allotted to it for itself and its customers.

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 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.

This offering is made pursuant to Federal Financing Bank Circular No. 1-74. 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 Daylight Saving Time, Tuesday, July 23, 1974. Tenders may not be entered by telephone.

Yours very truly,

P. E. Coldwell

President

TENDER FOR FEDERAL FINANCING BANK BILLS

244 DAYS TO MATURITY

Dated July 30, 1974

Maturing March 31, 1975

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

or —

The _____ Branch
 El Paso 79999 Houston 77001 San Antonio 78295

(Date)

The undersigned offers to purchase Federal Financing Bank 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 TENDERS \$ _____ NOT TO EXCEED \$300,000

Noncompetitive tenders for \$300,000 or less from any bidder, without stated price, will be accepted in full at the average price (in three decimals) of accepted competitive bids.

COMPETITIVE TENDERS

\$	_____	@	_____	\$	_____
\$	_____	@	_____	\$	_____
\$	_____	@	_____	\$	_____
\$	_____	@	_____	\$	_____
\$	_____	@	_____	\$	_____

Prices should be expressed on the basis of 100, with not more than three decimal places, e.g., 99.925. Fractions must not be used.

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

Denominations Desired

Number of pieces	Maturity Value
_____ @ \$	10,000 \$ _____
_____ @ \$	15,000 \$ _____
_____ @ \$	50,000 \$ _____
_____ @ \$	100,000 \$ _____
_____ @ \$	500,000 \$ _____
_____ @	\$1,000,000 \$ _____

METHOD OF PAYMENT

- Charge to Treasury Tax and Loan Account
- 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 irrevocably collected funds on payment date)

We certify that we, as well as our customers, if any, listed hereon have agreed not to purchase or to sell, or to make any agreements with respect to the purchase or sale of other disposition of any bills bid for under this offering at a specific rate or price, until after one-thirty p.m., Eastern Daylight Saving Time, Tuesday, July 23, 1974.

Delivery Instructions:

- Hold in Custody — General Account
- Hold in Custody — Investment Account
- Hold in Custody — Trust Account
- Pledge to secure Treasury Tax and Loan Account
- Other _____

(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)

IMPORTANT

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 _____, a member of the firm."
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 Federal Financing Bank 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 Federal Financing Bank is material, the tender may be disregarded.

(See reverse for announcement)