

# FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

DALLAS, TEXAS 75222

Circular No. 74-307

November 15, 1974

## TREASURY OFFERS \$1 BILLION STRIP OF WEEKLY 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 a strip of outstanding Treasury bills:

The Department of the Treasury, by this public notice, invites tenders for additional amounts of five series of Treasury bills to the aggregate amount of \$1,000,000,000, or thereabouts, for cash. The additional bills will be issued December 4, 1974, will be in the amounts, and will be in addition to the bills originally issued and maturing, as follows:

Amount of Additional Issue	Original Issue Dates 1974	Maturity Dates	CUSIP Nos.	Days from December 4, 1974 to Maturity	Amount Currently Outstanding (in millions)
\$ 200,000,000	June 13	December 12, 1974	912793 VC7	8	\$4,514
200,000,000	June 20	December 19, 1974	912793 VD5	15	4,404
200,000,000	June 27	December 26, 1974	912793 VE3	22	4,401
200,000,000	July 5	January 2, 1975	912793 VP8	29	4,510
200,000,000	July 11	January 9, 1975	912793 VQ6	36	4,435
<u>\$1,000,000,000</u>				Average 22	

The additional and original bills will be freely interchangeable.

Each tender submitted must be in the minimum amount of \$50,000. Tenders over \$50,000 must be in multiples of \$25,000. One-fifth of the amount tendered will be applied to each of the above series of bills.

The bills will be issued on a discount basis under competitive and noncompetitive bidding, and at maturity their face amount will be payable without interest. They will be issued in bearer form in denominations of \$10,000, \$15,000, \$50,000, \$100,000, \$500,000 and \$1,000,000 (maturity value), and in book-entry form to designated bidders.

Tenders will be received at Federal Reserve Banks and Branches up to one-thirty p.m., Eastern Standard Time, Thursday, November 21, 1974. Tenders will not be received at the Department of the Treasury, Washington. 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. A single price must be submitted for each tender.

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.

Public announcement will be made by the Department of the Treasury of the amount and price range of accepted bids. 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 \$250,000 or less (in amounts as set forth in the second paragraph) 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 or branch in cash or other immediately available funds on December 4, 1974.

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 Federal 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. Purchasers of a strip of the bills offered hereunder should, for tax purposes, take such bills onto their books on the basis of their purchase price prorated to each of the five outstanding issues using as a basis for proration the closing market prices for each of the issues on December 4, 1974. (Federal Reserve Banks and Branches will have available a list of these market prices, based on the mean between the bid and asked quotations furnished by the Federal Reserve Bank of New York.)

Department of the Treasury 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, Thursday, November 21, 1974. Tenders may not be entered by telephone.

Federal Reserve Bank of Dallas  
Fiscal Agent of the United States

(See reverse for tender form)

CLOSING  
TIME

12:30 P.M., CENTRAL STANDARD TIME, THURSDAY, NOVEMBER 21, 1974

SECURITY  
OFFERED

**TENDER FOR ADDITION TO TREASURY BILLS**  
Maturing: 1974 — December 12, December 19, and December 26  
1975 — January 2, and January 9

TYPE OF BID

Pursuant to the provisions of Department of the Treasury Circular No. 418 (current revision) and the provisions of the public announcement issued by the Department of the Treasury, 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 \$250,000**

(Minimum \$50,000 — over that multiples of \$25,000, for each subscriber)

Noncompetitive tenders for \$250,000 or less (in multiples of \$25,000 over \$50,000 minimum) without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids.

**COMPETITIVE TENDERS**

(minimum \$50,000 — over that  
multiples of \$25,000, for each  
subscriber)

\$	@	\$
\$	@	\$
\$	@	\$
\$	@	\$
\$	@	\$
\$	@	\$

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.

METHOD OF  
PAYMENT

**OTHER THAN BANKS:**

- ☐ By Cashier's Check
- ☐ By Certified Personal Check
- ☐ By Federal Funds Draft
- ☐ By Securities Submitted

(Description)

**ALL CHECKS MUST BE PAYABLE TO  
THE FEDERAL RESERVE BANK**

**BANKS ONLY:**

- ☐ By charge to our reserve account on payment date
- ☐ By draft enclosed.
- ☐ By charge to our correspondent:

(A written authorization for such charge should be provided from your correspondent.)

**FEDERAL RESERVE BANK ONLY:**

**COST:**

**DEPOSIT:**

**DUE TO SUBSCRIBER:**

**DUE FROM SUBSCRIBER:**

**PLEASE PRINT OR TYPE** (The information below will be used in delivery of securities.)

(Name of Subscriber)

(Street Address)

(City, State, Zip Code)

(Signature and title, if applicable)

**BANKS ONLY:**

For the account of,  
if tender is for  
another subscriber

DELIVERY INSTRUCTIONS  
AND  
AUTHORIZATION

Bearer Securities (will be shipped to address at lower right unless indicated otherwise):

\$10,000	\$15,000	\$50,000	\$100,000	\$500,000	\$1 Mil..

Send to: \_\_\_\_\_

Book-entry (Banks only — indication of pieces not necessary:)

- ☐ 01 General Account \$ \_\_\_\_\_
- ☐ 02 Treasury Tax and Loan Collateral \_\_\_\_\_
- ☐ 04 Pledged to Secretary of Treasury \_\_\_\_\_
- ☐ 12 Investment Account \_\_\_\_\_
- ☐ 13 Trust Account \_\_\_\_\_
- ☐ \_\_\_\_\_

**TOTAL \$** \_\_\_\_\_

CONDITIONS

1. No tender for less than \$50,000 will be considered and each tender over \$50,000 must be for an amount in multiples of \$25,000 (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 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)