

\$6,000,000,000

# UNITED STATES OF AMERICA

FOUR AND ONE-QUARTER PER CENT GOLD BONDS OF 1933-38

FOURTH LIBERTY LOAN.

Dated and Bearing Interest from October 24, 1918.

Due October 15, 1938.

Redeemable at the pleasure of the United States at par and accrued interest on  
and after October 15, 1933.

Interest Payable April 15 and October 15.

Authorized by an act of Congress approved September 24, 1917, as amended by the acts of Congress approved April 4, 1918, and July 9, 1918, and supplemented by an act of Congress approved September 24, 1918. Offered for subscription in Department Circular No. 121, dated September 28, 1918, to be found on the following pages, to which reference is made for full information concerning the bonds and this offering, and from which the statements on this page are summarized and to which they are subject.

**AMOUNT OF ISSUE:** Subscriptions for \$6,000,000,000 of the bonds are invited, the right being reserved to allot additional bonds up to the full amount of any over subscription.

**DENOMINATIONS:** Coupon and registered bonds, \$50, \$100, \$500, \$1,000, \$5,000, \$10,000; and registered bonds, \$50,000 and \$100,000.

**APPLICATIONS** must reach the Treasury Department, Washington, D. C., a Federal Reserve Bank, or a Branch thereof, or some incorporated bank or trust company within the United States (not including outlying territories and possessions) on or before the close of business October 19, 1918, the right being reserved by the Secretary of the Treasury to close the subscription on any earlier date.

**TERMS OF PAYMENT:**

10 per cent with application on or before October 19, 1918.

20 per cent on November 21, 1918.

20 per cent on December 19, 1918.

20 per cent on January 16, 1919.

30 per cent on January 30, 1919 (with accrued interest from October 24, 1918 on the four deferred installments).

Payment in full of any subscription may, if the subscriber so elects, be made, without rebate of interest, with the application on or before October 19, 1918. Otherwise payment for the bonds subscribed for must be completed so as to reach a Federal Reserve Bank, or a Branch thereof, on October 24, 1918, or, with accrued interest, on November 21, 1918, December 19, 1918, January 16, 1919, or January 30, 1919, previous installments having been duly paid.

**DELIVERY:** Bonds as described in the circular, dated October 24, 1918, and bearing interest from that date, will be delivered promptly after due completion of payment therefor, and may be delivered prior to October 24, 1918, to subscribers who make payment in full in cash on or before October 19, 1918. In making deliveries before October 24, the right is reserved to deliver bonds of the largest denomination or denominations, not exceeding \$1,000, contained in the respective amounts of bonds subscribed for. Bonds will be delivered by the several Federal Reserve Banks as fiscal agents of the United States as far as practicable in accordance with written instructions given by the subscribers, and, within the United States, its territories and insular possessions, at the expense of the United States.

**PRICE 100% AND ACCRUED INTEREST.**

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The Secretary of the Treasury invites subscriptions, at par and accrued interest, from the people of the United States for \$6,000,000,000 of United States of America Four and One-Quarter per cent Gold Bonds of 1933-38, of an issue authorized by an act of Congress approved September 24, 1917, as amended by the acts of Congress approved April 4, 1918, and July 9, 1918, and supplemented by an act of Congress approved September 24, 1918, the right being reserved to allot additional bonds up to the full amount of any over-subscription.

**DENOMINATIONS.**

Bearer bonds with interest coupons attached will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000 and \$10,000. Bonds registered as to principal and interest will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, \$50,000 and \$100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds and for the transfer of registered bonds, without charge by the United States, and under rules and regulations prescribed by the Secretary of the Treasury.

**DESCRIPTION OF BONDS.**

**RATE OF INTEREST, DATE OF BONDS, MATURITY, AND REDEMPTION.**

The bonds will be dated October 24, 1918, and will bear interest from that date at the rate of four and one-quarter per cent per annum, payable on April 15 and October 15 in each year. The interest payable on April 15, 1919, will be for 173 days. The bonds will mature October 15, 1938, but the issue may be redeemed at the pleasure of the United States on and after October 15, 1933, in whole or in part, at par and accrued interest, on any interest day or days, on six months notice given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on bonds called for redemption shall cease. The principal and interest of the bonds are payable in United States gold coin of the present standard of value.

**TAX EXEMPTION.**

The bonds shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any state, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes and (b) graduated additional income taxes, commonly known as surtaxes, and excess profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds and certificates authorized by said act approved September 24, 1917, and amendments thereto, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above.

In addition to the foregoing exemptions, until the expiration of two years after the date of the termination of the war between the United States and the Imperial German Government, as fixed by proclamation of the President:

(1) The interest on an amount of bonds of the Fourth Liberty Loan the principal of which does not exceed \$30,000, owned by any individual, partnership, association, or corporation, shall be exempt from graduated additional income taxes, commonly known as surtaxes, and excess profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations:

(2) The interest received after January 1, 1918, on an amount of bonds of the First Liberty Loan converted, dated either November 15, 1917, or May 9, 1918, the Second Liberty Loan, converted and unconverted, and the Third Liberty Loan, the principal of which does not exceed \$45,000 in the aggregate, owned by any individual, partnership, association, or corporation, shall be exempt from such taxes: provided, however, that no owner of such bonds shall be entitled to such exemption in respect to the interest on an aggregate principal amount of such bonds exceeding one and one-half times the principal amount of bonds of the Fourth Liberty Loan originally subscribed for by such owner and still owned by him at the date of his tax return.

**RECEIVABLE FOR FEDERAL INHERITANCE TAXES.**

Any of the bonds which have been owned by any person continuously for at least six months prior to the date of his death, and which upon such date constitute part of his estate, shall, under rules and regulations prescribed by the Secretary of the Treasury, be receivable by the United States at par and accrued interest in payment of any estate or inheritance taxes imposed by the United States, under or by virtue of any present or future law, upon such estate or the inheritance thereof.

**BOND PURCHASE FUND.**

The Secretary of the Treasury is authorized, from time to time, until the expiration of one year after the termination of the war, to purchase bonds of this issue at such prices and upon such terms and conditions as he may prescribe. The par amount of bonds of this issue which may be purchased in the twelve months' period beginning on the date of issue shall not exceed one-twentieth of the par amount of such bonds originally issued, and in each twelve months' period thereafter, shall not exceed one-twentieth of the amount of the bonds of such issue outstanding at the beginning of such twelve months' period. The average cost of the bonds of this issue purchased in any such twelve months' period shall not exceed par and accrued interest.

## APPLICATIONS.

### OFFICIAL AGENCIES.

The agencies designated by the Secretary of the Treasury to receive applications for the bonds now offered are the Treasury Department in Washington, D. C., and the Federal Reserve Banks in Boston, New York, Philadelphia, Cleveland (with branches at Cincinnati and Pittsburg), Richmond (with branch at Baltimore), Atlanta (with branches at New Orleans, Birmingham and Jacksonville), Chicago (with branch at Detroit), St. Louis (with branches at Louisville and Memphis), Minneapolis, Kansas City (with branches at Omaha and Denver), Dallas (with branch at El Paso), and San Francisco (with branches at Salt Lake City, Portland, Seattle and Spokane). The Federal Reserve Banks have been designated as fiscal agents of the United States, to receive applications, to receive payments, and to make delivery of the bonds allotted. Subscribers may send their applications, accompanied by the required payment, direct to any of said banks or branches.

### SUBSCRIBERS' AGENCIES.

Large numbers of National Banks, State Banks, and trust companies, investment bankers, express companies, newspapers, department stores, and other corporations, firms, and organizations have patriotically offered to receive and transmit applications for the bonds without expense to the applicants. The Secretary of the Treasury appreciates the value of these offers, and will have application blanks widely distributed, through the Federal Reserve Banks, to these institutions throughout the country. Subscribers' agencies must transmit or cover by their own subscriptions all applications received by them. No commissions will be paid upon subscriptions, and those who receive and transmit applications are therefore rendering the service to subscribers as a patriotic duty. Only the Federal Reserve Banks are authorized to act as fiscal agents of the United States in connection with the operations of selling and delivering bonds of the Fourth Liberty Loan.

### FORM OF APPLICATION.

Applications must be in the form prescribed by the Secretary of the Treasury and be accompanied by payment of ten per cent of the amount of bonds applied for. Applications must be for bonds to an amount of \$50 or some multiple thereof. At the option of the subscriber payment in full may be made with the application without rebate of interest, in which case bonds as described herein, dated and bearing interest from October 24, 1918, will be delivered to the Subscriber as soon as possible after the application, accompanied by such payment in full, is received. If registered bonds are desired the Subscriber should fill out the required form appearing on the application blank, in which case registered bonds, dated and bearing interest from October 24, 1918, will be issued as promptly as possible, after payment in full, and mailed to the address given.

### TIME OF CLOSING APPLICATION BOOKS.

Applications accompanied by payment as aforesaid must reach the Treasury Department or a Federal Reserve Bank, or one of said branches, or some incorporated bank or trust company within the United States (not including outlying territories and possessions), not later than the close of business on October 19, 1918, the right being reserved by the Secretary of the Treasury to close the subscription on any earlier date, to reject any applications, and to allot less than the amount of bonds applied for. Applications received by any incorporated bank or trust company on or before October 19, 1918, must, by such bank or trust company, be transmitted to, or covered by its own subscription to, the Federal Reserve Bank of the district in which it is located, reaching such Federal Reserve Bank not later than the close of business on October 24, 1918, accompanied by payment as aforesaid.

## PAYMENTS.

### TERMS OF PAYMENT.

Unless payment in full is made with application, payment for bonds allotted, in addition to the first installment of ten per cent on application on or before October 19, 1918, must be made so as to reach a Federal Reserve Bank or a branch thereof, as follows: 20 per cent on November 21, 1918; 20 per cent on December 19, 1918; 20 per cent on January 16, 1919; 30 per cent on January 30, 1919, with accrued interest from October 24, 1918, on the four deferred installments. Receipt of installment payments made to official agencies prior to payment in full will be acknowledged by the several Federal Reserve Banks. Payments must be made when and as herein provided under penalty of forfeiture of any and all installments previously paid and of all right and interest in the bonds allotted. Payment for bonds allotted may be sooner completed, but only so as to reach a Federal Reserve Bank, or a branch thereof, on October 24, 1918, or, with accrued interest from October 24, 1918 (the previous installment or installments having been duly paid), on November 21, 1918, December 19, 1918, or January 16, 1919.

### **PAYMENT IN UNITED STATES TREASURY CERTIFICATES OF INDEBTEDNESS.**

Payment of the first installment of 10 per cent, or payment in full with application on or before October 19, 1918, or completion of payment on October 24, 1918, may be made in United States Treasury Certificates of Indebtedness of Series IV of any maturity, but not in Certificates of the Tax Series of 1919. Payment on other installment dates may be made in United States Treasury Certificates of Indebtedness of the issues, if any, maturing or called for redemption on said installment dates, respectively. Such Certificates will be received at their face value. The accrued interest thereon (which, in case of payment of the first installment or payment in full on or before October 24, 1918, will be computed to October 24), will be paid to the subscriber. Treasury Certificates thus presented must not be of a larger face value than the amount then to be paid on the subscription; and subscribers should obtain Certificates in appropriate denominations in advance.

### **HOW TO MAKE PAYMENTS.**

It is strongly recommended that subscribers avail themselves of the assistance of their own banks and trust companies, in which case they will, of course, make payment through such institutions. In cases where they do not do so, subscribers should make payment, either to the Treasury Department in Washington or to a Federal Reserve Bank or branch thereof in cash, or by bank draft, certified check, post office money order, or express company money order, made payable to the order of the Secretary of the Treasury if the application is filed with the Treasury Department in Washington (thus: "The Secretary of the Treasury, Fourth Liberty Loan Account"), or, if the application is filed elsewhere, made payable to the order of the Federal Reserve Bank of the district in which the application is filed (thus: "Federal Reserve Bank of....., Fourth Liberty Loan Account"). Incorporated banks and trust companies in the United States, duly qualified as special depositaries of public moneys under department Circular No. 92, as amended and supplemented September 21, 1918, may make payment by credit for bonds subscribed for for themselves and their customers up to the amount for which such depositaries, respectively, shall be qualified in excess of then existing deposits, when so notified by Federal Reserve Banks; but the right is reserved to require that qualified depositaries make payment by credit only to the extent that they can not make such payment in Treasury Certificates of Indebtedness maturing or called for redemption on the date the payment on bond subscriptions is due at Federal Reserve Banks.

### **DELIVERY.**

Bonds as described in the circular, dated October 24, 1918, and bearing interest from that date, will be delivered promptly after due completion of payment therefor, and may be delivered prior to October 24, 1918, to subscribers who make payment in full in cash on or before October 19, 1918. In making deliveries before October 24, the right is reserved to deliver bonds of the largest denomination or denominations, not exceeding \$1,000, contained in the respective amounts of bonds subscribed for. Bonds will be delivered by the several Federal Reserve Banks as fiscal agents of the United States as far as practicable in accordance with written instructions given by the subscribers, and, within the United States, its territories and insular possessions, at the expense of the United States.

### **INTEREST.**

As the bonds are dated October 24, 1918, no accrued interest will be due on subscriptions for bonds paid for in full on or before that date. No rebate of interest will be allowed, either on account of full payment in advance of October 24, 1918, or on account of the first installment of 10 per cent. Upon completion of payment for the bonds on November 21, 1918, December 19, 1918, January 16, 1919, or January 30, 1919, the subscriber will be required to pay accrued interest from October 24, 1918, on the deferred installment or installments at the rate of  $4\frac{1}{4}$  per cent per annum.

### **FURTHER DETAILS.**

The bonds will be receivable as security for deposits of public money, but will not bear the circulation privilege. The bonds are not entitled to any privilege of conversion into bonds bearing a higher rate of interest.

Coupon bonds will have four interest coupons attached, covering interest payments up to and including October 15, 1920. On or after that date holders of these bonds should surrender the same and obtain a new bond or bonds having coupons attached thereto covering semi-annual payments from April 15, 1921, to October 15, 1938, both inclusive. This is to avoid the inconvenience, both to the United States and to subscribers, incident to the delivery of interim receipts, and to allow sufficient time for the engraving and printing of bonds with the full number of coupons attached.

The Secretary of the Treasury may make special arrangements for subscriptions for the bonds at not less than par from persons in the military or naval forces of the United States.

Further details may be announced by the Secretary of the Treasury from time to time, information as to which as well as forms for application may be obtained from the Treasury Department or through any Federal Reserve Bank.

**W. G. McADOO,**  
*Secretary of the Treasury.*