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CIRCULAR NO. 184

(Enclosure?)

Reference to
No 209 + 222

FEDERAL RESERVE BANK OF NEW YORK
BOND ISSUE DIVISION
120 BROADWAY

ADDRESS ALL COMMUNICATIONS TO
BOND ISSUE DIVISION

TELEPHONE
RECTOR 5700

NEW YORK, July 8, 1919

VICTORY LIBERTY LOAN CONVERSION PRIVILEGE

TO ALL BANKS, TRUST COMPANIES AND SAVINGS BANKS
IN THE SECOND FEDERAL RESERVE DISTRICT,

DEAR SIRs:

You will find enclosed copy of Treasury Department Circular No. 139 and forms for your use in forwarding Victory Notes for conversion.

Please note that under the provisions of said circular no conversions may be made before July 15, 1919, and that exchanges of coupon notes for registered notes or of registered notes for coupon notes and transfers of ownership of registered notes, will not be permitted upon conversion, but must be conducted as separate operations.

The circular also provides that when presenting and surrendering notes for conversion it will be necessary to make an exact adjustment of interest. Therefore, if $4\frac{3}{4}\%$ notes are presented to us for conversion, adjustment of interest will be figured to the date on which notes are received for conversion and payment will be made by check, or by credit to the reserve account of a member bank, as directed.

If $3\frac{3}{4}\%$ notes are surrendered for conversion check may be forwarded, or instructions sent to us in the case of a member bank to charge its account, for the interest adjustment due which must be figured to the date notes are received by us for conversion in accordance with the interest table contained in Treasury Department Circular No. 139, enclosed.

The transportation charges on notes presented for conversion must be paid by the holder, but if it is desired to have us effect insurance on mail shipments of coupon notes in either direction, please use enclosed form BI-85, which should be forwarded to us in advance of the notes and accompanied by payment or by instructions from a member bank to charge its account.

Yours very truly,

BENJ. STRONG,

Governor.

VICTORY LIBERTY LOAN.

RULES AND REGULATIONS GOVERNING EXERCISE OF THE CONVERSION PRIVILEGE.

1919.

Department Circular 139.

Loans and Currency.

TREASURY DEPARTMENT,

OFFICE OF THE SECRETARY,

Washington, May 20, 1919.

By virtue of the authority conferred upon the Secretary of the Treasury by the Second Liberty Bond Act, as amended by the Victory Liberty Loan Act, and pursuant to the provisions of Department Circular No. 138, dated April 21, 1919, offering for subscription United States of America Convertible Gold Notes of 1922-1923 of the Victory Liberty Loan, in two series, as described in said circular, the following rules and regulations are prescribed under which any holder of 4½ Per Cent Convertible Gold Notes of 1922-1923 (hereinafter called 4½ Per Cent Victory Notes) or of 3½ Per Cent Convertible Gold Notes of 1922-1923 (hereinafter called 3½ Per Cent Victory Notes) may have his notes of either series converted at par into notes of the other series, with adjustment in respect to accrued interest but otherwise without charge by the United States.

In order to facilitate deliveries upon the original issue, no conversions of the notes of either series shall be made until after July 15, 1919.

The Secretary of the Treasury may prescribe from time to time further rules and regulations for the suspension of such privilege of conversion pursuant to the provisions of said circular.

Conversions may be effected, subject to the provisions of this circular, after July 15, 1919, by presentation and surrender of notes to the respective Federal Reserve Banks in Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco, or to the Secretary of the Treasury, Division of Loans and Currency, Washington. Notes so presented and surrendered for conversion must be accompanied by a "Request for Conversion" in the form prescribed by the Secretary of the Treasury (Form L & C 214, hereto attached, copies of which may be obtained from any Federal Reserve Bank or from the Secretary of the Treasury), signed with the respective autograph signatures of the holders of the notes presented for conversion.

All coupon notes presented and surrendered for conversion must have attached thereto all coupons maturing subsequent to the date of presentation and surrender, and all coupon notes issued upon conversion thereof will have attached thereto all coupons maturing subsequent to such date. All registered notes presented and surrendered for conversion prior to December 15, 1919, must have attached thereto coupon maturing December 15, 1919, and all registered notes issued upon conversion thereof will have attached thereto coupon maturing on that date.

Upon conversion of coupon notes, coupon notes only will be delivered. Upon conversion of registered notes, registered notes only will be delivered, inscribed in the respective names of the respective holders of the notes surrendered for conversion. Registered notes so presented for conversion need not be assigned.

Exchanges of coupon notes for registered notes or of registered notes for coupon notes, and transfers of registered notes will not be permitted upon conversion, but must be conducted as separate operations.

The transfer books for registered notes will be closed from May 16 to June 15 and from November 16 to December 15 in each of the years 1920, 1921, and 1922, both dates inclusive in each case in each year, and will also be closed after April 20, 1923. Conversions of registered notes will not be permitted during any such period when the transfer books for registered notes are closed, and all registered notes presented and surrendered for conversion during any such period will be converted as of the last day of the particular period during which such notes are presented and surrendered, and no payment will be made or required to adjust interest.

Notes will be delivered in like denominations as the notes upon the conversion of which they are respectively issued, unless written request for delivery in other denominations be submitted with Request for Conversion.

Transportation charges and risks upon notes presented for conversion must be borne by the noteholders. Coupon notes to be delivered upon conversion will be delivered either directly to the holder of notes surrendered for conversion at the time of such conversion, or, in the absence of other written instructions and remittances to cover expenses, will be expressed at the owners' risk and expense. Registered notes to be delivered upon conversion, unless delivered to the registered owner or his duly authorized representative, will be delivered by registered mail, without expense to, but at the risk of, the registered owner, except that such notes will be delivered by express at the risk and expense of the registered owner if written request for such delivery be made. As the cost of transportation of coupon notes by express is greater than by registered mail insured, holders of coupon notes desiring to present them for conversion are advised to consult with their own banks or trust companies, for arrangements may be made, as between Federal Reserve Banks and incorporated banks and trust companies, for transportation, to and from Federal Reserve Banks by registered mail insured, of the notes to be converted and the notes to be issued upon conversion, the charges in each case to be paid by the respective holders and to be remitted by the incorporated banks and trust companies to the Federal Reserve Banks. Information concerning any such arrangements will be furnished by Federal Reserve Banks to incorporated banks and trust companies.

Holders of $4\frac{1}{4}$ Per Cent Victory Notes, who desire to convert their holdings, should present and surrender such notes for conversion, as provided above, and, unless the notes are surrendered for conversion on an interest date (or, in the case of registered notes, during a period when the transfer books are closed), will receive, as soon as such payment can be conveniently made, check covering the difference between interest at the rate of $4\frac{1}{4}$ per cent per annum and interest at the rate of $3\frac{1}{4}$ per cent per annum upon the par amount of such notes, to the respective dates upon which such notes shall have been surrendered for conversion from the last preceding interest date, in accordance with the Interest Table set forth in Form L & C 191, printed on pages 5-7 of this circular.

Holders of $3\frac{1}{4}$ Per Cent Victory Notes, who desire to convert their holdings, should present and surrender such notes for conversion, as provided above, and, unless the notes are surrendered for conversion on an interest date (or, in the case of registered notes, during a period when the transfer books are closed), must pay to the United States, in the manner provided below, the difference between interest at the rate of $3\frac{1}{4}$ per cent per annum and interest at the rate of $4\frac{1}{4}$ per cent per annum upon the par amounts of such notes, to the respective dates upon which such notes shall have been surrendered for conversion from the last preceding interest date, in accordance with said Interest Table.

No adjustments of interest will be necessary upon conversions of either registered or coupon notes under this circular, if the notes are surrendered for conversion on an interest date.

All payments to the United States required as provided in this circular must be made in cash or by post office or express money order, bank draft, or certified check, collectible without exchange at the place where conversion is to be effected, and payable, if conversion is to be effected at the Treasury Department, in Washington, to the order of "Treasurer of the United States, Note Conversion Account," or, if conversion is to be effected at a Federal Reserve Bank, payable to "Federal Reserve Bank of

(Here insert name of city in which bank is located.)

Note Conversion Account." No other forms of payment will be accepted. Such payments must be sufficient to cover interest up to the date when such payments will actually be received at the place where conversion is to be effected.

The Secretary of the Treasury reserves the right to make, from time to time, any supplementary or amendatory rules and regulations governing the exercise of the conversion privilege, information as to which may be obtained from the Treasury Department, or through any Federal Reserve Bank.

CARTER GLASS,
Secretary of the Treasury.

TREASURY DEPARTMENT.
Loans and Currency.
Form L & C 214

VICTORY NOTES REQUEST FOR CONVERSION

Only one series of notes may be entered on this form, and separate forms must also be used for (1) coupon notes and (2) registered notes.

Dated, 19.....

To the SECRETARY OF THE TREASURY.

The undersigned herewith presents and surrenders—

..... **Per Cent Victory Notes** \$.....
(Interest rate borne by notes presented herewith for conversion.)

in { coupon } form, and requests that the same be converted into an equal face amount of Victory notes of the other series according to the terms of Treasury Department Circular No. 139, dated May 20, 1919. Special instructions, if any, are given by the undersigned on the back hereof.

Autograph signature of holder in full.....

Address, number and street.....
(For delivery of notes.)

City or town.....

County..... State.....

1. If $\frac{1}{2}$ Per Cent Victory Notes are surrendered for conversion, the execution of the above form is all that is required.
2. If $\frac{3}{4}$ Per Cent Victory Notes are surrendered for conversion, payment must be made to the United States of the amounts required to adjust interest. The form covering remittance appearing on the back hereof must be used.
3. Payments whenever required to adjust interest must be sufficient to cover such interest up to the date when such payments will be actually received at the place of conversion. Such payments must be made in cash, or by post-office or express money order, bank draft, or certified check collectible without exchange at the place where conversion is to be effected, and payable, if conversion is to be effected at the Treasury Department in Washington, to the order of "Treasurer of the United States, Note Conversion Account," or, if conversion is to be effected at a Federal Reserve Bank, payable to "Federal Reserve Bank of
(Here insert name of city in which bank is located.)
Note Conversion Account." No other forms of payment will be accepted.
4. Registered notes surrendered for conversion need not be assigned. Registered notes will not be converted during the period when the registration books are closed against transfers

Following forms to be used only for giving special instructions:

I. If 3/4 Per Cent Victory Notes are presented for conversion, this form must be used in remitting to cover adjustment of interest.

Referring to \$....., face amount, of notes surrendered for conversion herewith, the undersigned herewith incloses \$....., being amount necessary to adjust interest thereon from 19...., to 19...., in accordance with Interest Table, appearing in Treasury Department Circular No. 139, dated May 20, 1919.

Signature of person signing request for conversion.....

VICTORY NOTES

II. If delivery is desired of notes in a different denomination or denominations from the note or notes surrendered use this form.

Referring to \$....., face amount of notes surrendered for conversion herewith, the undersigned hereby requests delivery of notes upon conversion as follows:

Number of notes.	Denominations.	Total.
.....	\$50
.....	\$100
.....	\$500
.....	\$1,000
.....	\$5,000
.....	\$10,000
.....	‡ \$50,000
.....	‡ \$100,000
Total, † \$	

† These amounts must be the same; otherwise request may be disregarded.
‡ Coupon notes are not issued in these denominations.

Signature of person signing request for conversion.....

VICTORY LIBERTY LOAN.

TABLE FOR COMPUTING INTEREST ADJUSTMENTS UPON CONVERSION OF NOTES.

INTEREST AT 1 PER CENT PER ANNUM ($\frac{1}{2}$ PER CENT PER HALF YEAR).

(See explanation at end.)

Number of days.	\$1,000.		\$5,000.		Number of days.	\$1,000.		\$5,000.	
	Half year of 182 days.	Half year of 183 days.	Half year of 182 days.	Half year of 183 days.		Half year of 182 days.	Half year of 183 days.	Half year of 182 days.	Half year of 183 days.
1....	\$0.027473	\$0.027322	\$0.137363	\$0.136612	51....	\$1.401099	\$1.393443	\$7.005495	\$6.967213
2....	.054945	.054645	.274725	.273224	52....	1.428571	1.420765	7.142857	7.103825
3....	.082418	.081967	.412088	.409836	53....	1.456044	1.448087	7.280220	7.240437
4....	.109890	.109290	.549451	.546448	54....	1.483516	1.475410	7.417582	7.377049
5....	.137363	.136612	.686813	.683060	55....	1.510989	1.502732	7.554945	7.513661
6....	.164835	.163934	.824176	.819672	56....	1.538462	1.530055	7.692308	7.650273
7....	.192308	.191257	.961538	.956284	57....	1.565934	1.557377	7.829670	7.786585
8....	.219780	.218579	1.098901	1.092896	58....	1.593407	1.584699	7.967033	7.923497
9....	.247253	.245902	1.236264	1.229508	59....	1.620879	1.612022	8.104396	8.060109
10....	.274725	.273224	1.373626	1.366120	60....	1.648352	1.639344	8.241758	8.196721
11....	.302198	.300546	1.510989	1.502732	61....	1.675824	1.666667	8.379121	8.333333
12....	.329670	.327869	1.648352	1.639344	62....	1.703297	1.693989	8.516484	8.469945
13....	.357143	.355191	1.785714	1.775956	63....	1.730769	1.721311	8.653846	8.606557
14....	.384615	.382514	1.923077	1.912568	64....	1.758242	1.748634	8.791209	8.743169
15....	.412088	.409836	2.060440	2.049180	65....	1.785714	1.775956	8.928571	8.879781
16....	.439560	.437158	2.197802	2.185792	66....	1.813187	1.803279	9.065934	9.016393
17....	.467033	.464481	2.335165	2.322404	67....	1.840659	1.830601	9.203297	9.153005
18....	.494505	.491803	2.472527	2.459016	68....	1.868132	1.857923	9.340659	9.289617
19....	.521978	.519126	2.609890	2.595628	69....	1.895604	1.885246	9.478022	9.426229
20....	.549451	.546448	2.747253	2.732240	70....	1.923077	1.912568	9.615385	9.562842
21....	.576923	.573770	2.884615	2.868852	71....	1.950549	1.939891	9.752747	9.699454
22....	.604396	.601093	3.021978	3.005464	72....	1.978022	1.967213	9.890110	9.836066
23....	.631868	.628415	3.159341	3.142077	73....	2.005495	1.994536	10.027473	9.972678
24....	.659341	.655738	3.296703	3.278689	74....	2.032967	2.021858	10.164835	10.109290
25....	.686813	.683060	3.434066	3.415301	75....	2.060440	2.049180	10.302198	10.245902
26....	.714286	.710383	3.571429	3.551913	76....	2.087912	2.076503	10.439560	10.382514
27....	.741758	.737705	3.708791	3.688525	77....	2.115385	2.103825	10.576923	10.519126
28....	.769231	.765027	3.846154	3.825137	78....	2.142857	2.131148	10.714286	10.655738
29....	.796703	.792350	3.983519	3.961749	79....	2.170330	2.158470	10.851648	10.792350
30....	.824176	.819672	4.120879	4.098361	80....	2.197802	2.185792	10.989011	10.928962
31....	.851648	.846995	4.258242	4.234973	81....	2.225275	2.213115	11.126374	11.065574
32....	.879121	.874317	4.395604	4.371585	82....	2.252747	2.240437	11.263736	11.202186
33....	.906593	.901639	4.532967	4.508197	83....	2.280220	2.267760	11.401099	11.338798
34....	.934066	.928962	4.670330	4.644809	84....	2.307692	2.295082	11.538462	11.475410
35....	.961538	.956284	4.807692	4.781421	85....	2.335165	2.322404	11.675824	11.612022
36....	.989011	.983607	4.945055	4.918033	86....	2.362637	2.349727	11.813187	11.748634
37....	1.016483	1.010929	5.082418	5.054645	87....	2.390110	2.377049	11.950549	11.885246
38....	1.043956	1.038251	5.219780	5.191257	88....	2.417582	2.404372	12.087912	12.021858
39....	1.071429	1.065574	5.357143	5.327869	89....	2.445055	2.431694	12.225275	12.158470
40....	1.098901	1.092896	5.494505	5.464481	90....	2.472527	2.459016	12.362637	12.295082
41....	1.126374	1.120219	5.631868	5.601093	91....	2.500000	2.486339	12.500000	12.431694
42....	1.153846	1.147541	5.769231	5.737705	92....	2.527473	2.513661	12.637363	12.568306
43....	1.181319	1.174863	5.906593	5.874317	93....	2.554945	2.540984	12.774725	12.704918
44....	1.208791	1.202186	6.043956	6.010929	94....	2.582418	2.568306	12.912088	12.841530
45....	1.236264	1.229508	6.181319	6.147541	95....	2.609890	2.595628	13.049451	12.978142
46....	1.263736	1.256831	6.318681	6.284153	96....	2.637363	2.622951	13.186813	13.114754
47....	1.291209	1.284153	6.456044	6.420765	97....	2.664835	2.650273	13.324176	13.251366
48....	1.318681	1.311475	6.593407	6.557377	98....	2.692308	2.677596	13.461538	13.387978
49....	1.346154	1.338798	6.730769	6.693989	99....	2.719780	2.704918	13.598901	13.524590
50....	1.373626	1.366120	6.868132	6.830601	100....	2.747253	2.732240	13.736264	13.661202

INTEREST AT 1 PER CENT PER ANNUM ($\frac{1}{2}$ PER CENT PER HALF YEAR)—Continued.

(See explanation at end.)

Number of days.	\$1,000.		\$5,000.		Number of days.	\$1,000.		\$5,000.	
	Half year of 182 days.	Half year of 183 days.	Half year of 182 days.	Half year of 183 days.		Half year of 182 days.	Half year of 183 days.	Half year of 182 days.	Half year of 183 days.
101....	\$2.774725	\$2.759563	\$13.873626	\$13.797814	143....	\$3.928571	\$3.907104	\$19.642857	\$19.535519
102....	2.802198	2.786885	14.010989	13.934426	144....	3.956044	3.934426	19.780220	19.672131
103....	2.829670	2.814208	14.148352	14.071038	145....	3.983516	3.961749	19.917582	19.808743
104....	2.857143	2.841530	14.285714	14.207650	146....	4.010989	3.989071	20.054945	19.945355
105....	2.884615	2.868852	14.423077	14.344262	147....	4.038462	4.016393	20.192308	20.081967
106....	2.912088	2.896175	14.560440	14.480874	148....	4.065934	4.043716	20.329670	20.218579
107....	2.939560	2.923497	14.697802	14.617486	149....	4.093407	4.071038	20.467033	20.355191
108....	2.967033	2.950820	14.835165	14.754098	150....	4.120879	4.098361	20.604399	20.491803
109....	2.994505	2.978142	14.972527	14.890710	151....	4.148352	4.125683	20.741758	20.628415
110....	3.021978	3.005464	15.109890	15.027322	152....	4.175824	4.153005	20.879121	20.765027
111....	3.049451	3.032787	15.247253	15.163934	153....	4.203297	4.180328	21.016484	20.901639
112....	3.076923	3.060109	15.384615	15.300546	154....	4.230769	4.207650	21.153846	21.038251
113....	3.104396	3.087432	15.521978	15.437158	155....	4.258242	4.234973	21.291209	21.174863
114....	3.131868	3.114754	15.659341	15.573770	156....	4.285714	4.262295	21.428571	21.311475
115....	3.159341	3.142076	15.796703	15.710383	157....	4.313187	4.289617	21.565934	21.448087
116....	3.186813	3.169399	15.934066	15.846995	158....	4.340659	4.316940	21.703297	21.584699
117....	3.214286	3.196721	16.071429	15.983607	159....	4.368132	4.344262	21.840659	21.721311
118....	3.241758	3.224044	16.208791	16.120219	160....	4.395604	4.371585	21.978022	21.857923
119....	3.269231	3.251366	16.346154	16.256831	161....	4.423077	4.398907	22.115385	21.994536
120....	3.296703	3.278689	16.483517	16.393443	162....	4.450549	4.426230	22.252747	22.131148
121....	3.324176	3.306011	16.620879	16.530055	163....	4.478022	4.453552	22.390110	22.267760
122....	3.351648	3.333333	16.758242	16.666667	164....	4.505495	4.480874	22.527473	22.404372
123....	3.379121	3.360656	16.895604	16.803279	165....	4.532967	4.508197	22.664835	22.540984
124....	3.406593	3.387978	17.032967	16.939891	166....	4.560440	4.535519	22.802198	22.677596
125....	3.434066	3.415301	17.170330	17.076503	167....	4.587912	4.562842	22.939560	22.814208
126....	3.461538	3.442623	17.307692	17.213115	168....	4.615385	4.590164	23.076923	22.950820
127....	3.489011	3.469945	17.445055	17.349727	169....	4.642857	4.617486	23.214286	23.087432
128....	3.516483	3.497268	17.582418	17.486339	170....	4.670330	4.644809	23.351648	23.224044
129....	3.543956	3.524590	17.719780	17.622951	171....	4.697802	4.672131	23.489011	23.360656
130....	3.571429	3.551913	17.857143	17.759563	172....	4.725275	4.699454	23.626374	23.497268
131....	3.598901	3.579235	17.994505	17.896175	173....	4.752747	4.726776	23.763736	23.633880
132....	3.626374	3.606557	18.131868	18.032787	174....	4.780220	4.754098	23.901099	23.770492
133....	3.653846	3.633880	18.269231	18.169399	175....	4.807692	4.781421	24.038462	23.907104
134....	3.681319	3.661202	18.406593	18.306011	176....	4.835165	4.808743	24.175824	24.043716
135....	3.708791	3.688525	18.543956	18.442623	177....	4.862637	4.836066	24.313187	24.180328
136....	3.736264	3.715847	18.681319	18.579235	178....	4.890110	4.863388	24.450549	24.316940
137....	3.763736	3.743169	18.818681	18.715847	179....	4.917582	4.890710	24.587912	24.453552
138....	3.791209	3.770492	18.956044	18.852459	180....	4.945055	4.918033	24.725275	24.590164
139....	3.818681	3.797814	19.093407	18.989071	181....	4.972527	4.945355	24.862637	24.726776
140....	3.846154	3.825137	19.230769	19.125683	182....	5.000000	4.972678	25.000000	24.863388
141....	3.873626	3.852459	19.368132	19.262295	183....	5.000000	5.000000	25.000000	25.000000
142....	3.901099	3.879781	19.505495	19.398907					

The number of days elapsed, in connection with the conversion table, Victory Liberty Loan, is found by taking the day of the month of such conversion, and for—

May, 1919.....	subtracting	20
June 1 to 15, 1919.....	adding	11

Leap year:

March.....	adding	76
April.....	adding	107
May.....	adding	137
June 1 to 15.....	adding	168

For any other month—

June 15 to 30.....	subtracting	15
July.....	adding	15
August.....	adding	46
September.....	adding	77
October.....	adding	107
November.....	adding	138
December 1 to 15.....	adding	168

December 15 to 31.....	subtracting	15
January.....	adding	16
February.....	adding	47
March.....	adding	75
April.....	adding	106
May.....	adding	136
June 1 to 15.....	adding	167

EXPLANATION.

The difference in interest borne by the two series of Victory Notes, each series being dated May 20, 1919, and having identical interest payment dates, is 1 per cent per annum. Interest on such notes is payable on December 15, 1919, thereafter semiannually on June 15 and December 15, and at maturity. If $4\frac{1}{2}$ per cent notes are converted into $3\frac{1}{2}$ per cent notes, the interest adjustment is in favor of the holder. If $3\frac{1}{2}$ per cent notes are converted into $4\frac{1}{2}$ per cent notes, the interest adjustment is in favor of the Government. In making adjustments in favor of the United States, interest at 1 per cent must be computed from the last interest payment date to the date the notes are presented (received) at a Federal Reserve Bank or the Treasury Department, Washington, and remittance is available at par. Interest on Victory Notes is computed on a semiannual basis, and for fractional periods on the actual number of days elapsing within such semiannual period. The semiannual period ending December 15 contains 183 days. The semiannual period ending June 15 contains 182 days, except that in leap years it contains 183 days. The correct amount of interest adjustment may be ascertained from the foregoing table, the interest adjustment on each \$1,000 or \$5,000 notes being set opposite the actual number of elapsed days from the last interest payment date to the date the notes are presented for conversion, the appropriate column being used.

Inasmuch as the interest payment on December 15, 1919, covers more than six months' interest, for conversions prior to such date reference must be made to both columns in order to determine the correct adjustment. For example, if conversion of a \$1,000 note is made on July 15, the correct computation is as follows:

Example (a):

May 20 to June 15. 26 lapsed days. 182-day period. Reference to the table shows the interest difference to be \$0.7143.

June 15 to July 15 30 lapsed days. 183-day period. Reference to the table shows the interest difference to be \$0.8197.

Total adjustment accordingly is \$1.534.

Following are examples of correct interest adjustments after December 15, 1919, for a \$1,000 note:

Example (b):

Conversion February 15, 1920. Last interest payment December 15, 1919. Accordingly 62 days have elapsed in a 183-day period (leap year), and reference to table shows the interest difference to be \$1.69.

Example (c):

February 15, 1921. Last interest payment December 15, 1920. Accordingly 62 days have elapsed in a 182-day period, and reference to table shows the interest difference to be \$1.70.