

FEDERAL RESERVE BANK  
OF NEW YORK

Check Department

[ Circular No. 278 May 17, 1920  
Supplementing Circular No.  
258, dated March 1, 1920 ]

See also 286, 309, 331, 340,  
343, 345.

Collection of Checks  
Immediate Credit for Certain New Jersey Checks

To all Member Banks in the Second Federal Reserve District

Beginning on Wednesday, May 19, 1920, we will receive for *immediate credit* when forwarded to us in a separate letter and received by 9 a. m., checks drawn on the New Jersey banks and trust companies named in the enclosed supplement to our current time schedule showing when the proceeds of items will become available. Such checks will be received and handled under the terms and conditions of our Circular No. 258, entitled "Collection of Checks," dated March 1, 1920.

This saving of two days for our member banks in collecting checks drawn upon the majority of banks situated in Hudson County, New Jersey, is made possible by the formation of the Northern New Jersey Clearing House Association by this bank and the New Jersey institutions referred to above.

Unpaid checks drawn on these institutions will be returned on the day following their receipt by this bank if received by 9 a. m.

Very truly yours,

J. H. CASE,

Acting Governor

## FEDERAL RESERVE BANK OF NEW YORK

258

Supplement to Time Schedule Issued March 1, 1920,  
Showing When the Proceeds of Items Will Become Available

Effective May 19, 1920, under the Terms and Conditions  
of Federal Reserve Bank of New York Circular No. 258  
of March 1, 1920, entitled "Collection of Checks."

*Superseded by Schedule effective May 1, 1921*

**IMMEDIATE CREDIT**

When listed in a separate letter and received by 9 a. m.

NEW JERSEY

Bayonne.....Bayonne Trust Company  
Union Trust Company of Jersey City, City Branch  
Union Trust Company of Jersey City, First Branch

Guttenburg.....First National Bank

Hoboken.....Columbia Trust Company  
First National Bank  
Hoboken Trust Company  
Hudson Trust Company  
Jefferson Trust Company  
Second National Bank  
Steneck Trust Company  
Trust Company of New Jersey

Jersey City.....Claremont Bank  
Commercial Trust Company of New Jersey  
Commercial Trust Company of New Jersey, Five Corners  
Branch  
Commercial Trust Company of New Jersey, Grove Street  
Branch  
First National Bank  
Greenville Banking & Trust Company  
Hudson City Savings Bank  
Hudson County National Bank  
Lincoln Trust Company  
Mercantile Trust Company  
Merchants National Bank  
New Jersey Title Guarantee & Trust Company  
New Jersey Title Guarantee & Trust Company, Bergen  
Branch  
New Jersey Title Guarantee & Trust Company, West New  
York Branch  
Trust Company of New Jersey, Bergen & Lafayette Branch  
Trust Company of New Jersey, Carteret Branch  
Trust Company of New Jersey, Peoples Safe Deposit  
Branch

Jersey City (Continued).Union Trust Company

Secaucus.....First National Bank of Secaucus

Union, Town of.....Trust Company of New Jersey, Town of Union Branch  
Weehawken Trust Company

West Hoboken.....Hudson Trust Company

FEDERAL RESERVE BANK OF NEW YORK  
BUFFALO BRANCH

258

Supplement to Time Schedule Issued April 1, 1920,  
Showing When the Proceeds of Items Will Become Available

Effective May 19, 1920, under the Terms and Conditions  
of Federal Reserve Bank of New York Circular No. 258  
of March 1, 1920, entitled "Collection of Checks."

*Superseded by Schedule effective May 1, 1921.*

ONE DAY AFTER RECEIPT

NEW JERSEY

Bayonne.....Bayonne Trust Company  
Union Trust Company of Jersey City, City Branch  
Union Trust Company of Jersey City, First Branch

Guttenburg.....First National Bank

Hoboken.....Columbia Trust Company  
First National Bank  
Hoboken Trust Company  
Hudson Trust Company  
Jefferson Trust Company  
Second National Bank  
Steneck Trust Company  
Trust Company of New Jersey

Jersey City.....Claremont Bank  
Commercial Trust Company of New Jersey  
Commercial Trust Company of New Jersey, Five Corners  
Branch  
Commercial Trust Company of New Jersey, Grove Street  
Branch  
First National Bank  
Greenville Banking & Trust Company  
Hudson City Savings Bank  
Hudson County National Bank  
Lincoln Trust Company  
Mercantile Trust Company  
Merchants National Bank  
New Jersey Title Guarantee & Trust Company  
New Jersey Title Guarantee & Trust Company, Bergen  
Branch  
New Jersey Title Guarantee & Trust Company, West New  
York Branch  
Trust Company of New Jersey, Bergen & Lafayette  
Branch  
Trust Company of New Jersey, Carteret Branch  
Trust Company of New Jersey, Peoples Safe Deposit  
Branch  
Union Trust Company

Secaucus.....First National Bank of Secaucus

Union, Town of,.....Trust Company of New Jersey, Town of Union Branch  
Weekawken Trust Company

West Hoboken.....Hudson Trust Company

*after circ. #278*

CURRENT OPERATIONS  
OF THE  
FEDERAL RESERVE BANK OF NEW YORK  
AS  
FISCAL AGENT OF THE UNITED STATES



MAY 20, 1919

FEDERAL RESERVE BANK OF NEW YORK

CURRENT OPERATIONS  
OF THE  
FEDERAL RESERVE BANK OF NEW YORK  
AS  
FISCAL AGENT OF THE UNITED STATES

IN TWO PARTS

PART I—DIGEST

PART II—APPENDIX

MAY 20, 1919





## INTRODUCTION

THE Federal Reserve Bank of New York recommends to the officials of banking institutions the careful reading of this pamphlet which for their convenient reference has been divided into two main divisions—the Digest, Part I, and the Appendix, Part II. It is suggested that the “Digest” be read first as in this manner the reader will readily grasp the scope and essentials of the entire subject matter and will approach more easily the finer details and technical instructions contained in the “Appendix.” The Digest will be found, however, to be an index of the Appendix so that the reader, if he choose, may refer to the details as he reads.

During the last year many circulars have been issued from the Federal Reserve Bank of New York with respect to its activities as fiscal agent of the United States, and it seems advisable at this time to reduce to writing a brief description of its *current* operations as fiscal agent following the close of the Fourth Liberty Loan and continuing in effect with the issuance of the Victory Liberty Loan.

This pamphlet is prepared and issued as of May 20, 1919, and contains no circulars nor instructions issued after that date with the exceptions noted on pages 74 and 126.

The matter herein referred to does not concern the facilities of the bank respecting the rediscount of commercial paper, open-market transactions, maintenance of reserves, issuance of Federal Reserve notes and its other normal activities, but appertains to the specific powers of this bank, under the authority of the Secretary of the Treasury, to act as fiscal agent of the government.

The proceeds from the four Liberty Loans in cash and by book credit have now been collected by the Treasury Department, and the fiscal operations of the Federal Reserve Bank of New York at present deal with the details with respect to the payment of United States Treasury certificates of indebtedness issued in anticipation of the Victory Liberty Loan and Treasury certificates acceptable in payment of Federal income and war-profits and excess-profits taxes; the issuance and payment of War Savings Stamps and Thrift Stamps; the exchange of Liberty Bonds of one denomination for bonds of another denomination of the same issue; the conversion of certain Liberty Bonds, the transfer of registered Liberty Bonds; the registration of coupon Liberty Bonds; the details in connection with replacing lost registered United States Bonds; the cashing of coupons, the exportation of coin, bullion and currency, etc., and, lastly, the receipt of applications and payments from, and the giving of notices of allotments and the delivery of notes allotted to, those banking institutions and others subscribing to the Victory Liberty Loan, together with the method, prescribed by the Secretary of the Treasury, governing the convertibility of these notes throughout their life.

A brief digest of the power of the Federal Reserve Bank of New York to act as fiscal agent of the War Finance Corporation is included herein, this activity lending itself naturally enough to a publication of the main fiscal agency operations of the Federal Reserve Bank of New York.

Authentic instructions are contained in these pages, a knowledge of which on the part of banking officials will result in greater physical convenience in the handling of transactions between them and the Federal Reserve Bank of New York as fiscal agent of the United States. An “Index of Forms” and a “Numerical Index” of reprints of relevant Treasury Department regulations supplement the Appendix, and it is suggested that this pamphlet be kept on file as a handy reference for future use.

May 20, 1919.



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# DIGEST—Part I

(Pages 4 to 15.)

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## Certificates of Indebtedness

### *Certificates in Anticipation of the Victory Liberty Loan*

Ten issues of certificates of indebtedness have been offered by the Secretary of the Treasury in anticipation of the Victory Liberty Loan. These are known as the Fifth Series, the four Liberty Loans each uniformly having been preceded by a separate and distinct series of certificates.

### *Method of Payment*

Payment for issues of certificates of indebtedness may be made in four ways, namely:

1. By check,
2. By debiting the reserve account of member banks,
3. By certificates of indebtedness of previous issues when authorized by the Secretary of the Treasury,
4. By "advice of credit" (form G D 1) by those incorporated banks or trust companies which have qualified as depositories (see Treasury Department regulations and forms for qualifying as a depository, pages 17-25).

Upon qualifying as a depository of government funds an account should be opened by the depository entitled "Federal Reserve Bank of New York as fiscal agent of the United States, *War Loan Deposit Account*." In making payment by credit for subscriptions to certificates of indebtedness instead of sending a check or instructions to charge the reserve account with the application, the War Loan Deposit Account should be credited upon the date of the issue of the certificates or upon the date thereafter on which the subscription is received by the Federal Reserve Bank of New York within the prescribed limit during which the offering remains open, and the qualified depository should thereupon certify on the blue form (G D No. 1, page 25) provided for this purpose that there has, on that date, been deposited with it to the credit of the Federal Reserve Bank of New York as fiscal agent of the United States, War Loan Deposit Account, to be held subject to withdrawal on demand the sum of \$———. Payment by such advice of credit on account of subscriptions to certificates of indebtedness is made on a blue form to distinguish it from payment made by book credit on account of future Government bond or note subscriptions. The money represented by book credit will remain on deposit subject to a charge of 2% figured on a 365-day basis, interest on such deposit being paid only on advice from the Federal Reserve Bank of New York.

The Federal Reserve Bank of New York, if desired by subscribing banks, will receive and hold in custody for their account, subject to their order, their certificates of indebtedness, or will make such other disposition as may be requested by the subscriber. A continuing record of banks in the Second Federal Reserve District subscribing to United States Certificates of indebtedness is published by the Federal Reserve Bank of New York for the information of subscribing banks and others.

### *Certificates in Anticipation of Federal Income and War-Profits and Excess-Profits Taxes*

The Treasury Department has also offered through the Federal Reserve Bank of New York six series of certificates receivable in payment of Federal income and war-profits and excess-profits taxes. Payments on subscriptions to these so-called "Tax Certificates" are made in the same manner as above described for payments on subscriptions to the "Bond Certificates." The certificates of each class will be redeemed in cash by

the Federal Reserve Bank of New York if held to maturity. A typical offering of each of these certificates and a reprint of application blanks are shown on pages 26-30.

Collectors of internal revenue were directed to receive *at par* United States Treasury certificates of indebtedness of the *Tax Series of 1919*, dated August 20, 1918, and maturing July 15, 1919, and of *Series T* dated November 7, 1918, and maturing March 15, 1919, in payment of income and war-profits and excess-profits taxes due and payable March 15, 1919.

Income and profits taxes due June 16, 1919, may be paid in Treasury certificates of indebtedness of the *Tax Series of 1919*, dated August 20, 1918, maturing July 15, 1919, *Series T-2*, dated January 16, 1919, maturing June 17, 1919, and *Series T-3*, dated March 15, 1919, and maturing June 16, 1919. No other certificates of indebtedness will be accepted in payment of the taxes due on said date, but Treasury certificates of indebtedness of *any and all series* maturing on or before July 1, 1919, and not overdue (with any unmatured interest coupons attached), will be accepted at par with an adjustment of accrued interest in payment for the *current* issues of Tax Certificates, namely, *Series T-4* and *Series T-5*, dated and bearing interest at  $4\frac{1}{2}\%$  from June 3, 1919, and due September 15, 1919, and December 15, 1919, respectively. (Pages 29-30.) Full instructions respecting income and profits taxes due June 16, 1919, together with the regulations providing for the automatic adjustment of accrued interest by the detaching of certain coupons and for the deposit in the Federal Reserve Bank by collectors of internal revenue of checks received on and after June 1 in payment of income and profits taxes, are given on page 137.

### *Liberty Bonds Receivable in Payment of Estate or Inheritance Taxes*

As prescribed by the Secretary of the Treasury, any bonds of the United States bearing interest at a higher rate than  $4\%$  which have been owned by a decedent continuously for at least six months prior to his death and which upon such date constitute a part of his estate, are receivable by collectors of internal revenue in payment of any estate or inheritance taxes imposed by the United States. Bonds tendered for payment of such taxes pursuant to the regulation of the Treasury Department must be accompanied by an affidavit (page 84) showing that such bonds were continuously so owned; and if necessary, the collector of internal revenue may require further evidence to enable him to determine that such bonds are properly receivable in payment of estate or inheritance taxes. Bonds bearing  $4\frac{3}{4}\%$  interest obtained under the conversion privilege for purposes of acceptance for Federal estate and inheritance taxes will be deemed to have been acquired as of the date of the presentation of bonds for conversion.

Coupon bonds properly so received by the collector will be deposited in the Federal Reserve Bank (page 82).

See page 15 for Victory Notes of the  $4\frac{3}{4}\%$  Series, receivable in payment of such taxes.

## **War Savings Certificate Stamps and United States Thrift Stamps**

New agents may be authorized to sell War Savings Certificate Stamps and United States Thrift Stamps of the Series of 1919, and agents heretofore duly authorized by the Secretary of the Treasury to sell War Savings Certificate Stamps and Thrift Stamps of the Series of 1918 may act as such agents for the sale of the 1919 issue of certificates and stamps without further application. (Page 65.)

### *Two Classes of Agents*

The Treasury Department has recognized two classes of agents in the sale of War Savings Stamps. (Pages 33-34.)

*Agents of the First Class* are those who may neither obtain nor hold at any one time War Savings Certificate Stamps in excess of \$1,000 (maturity value);

*Agents of the second class* are those who may obtain for sale to the public War Savings Certificate Stamps in excess of \$1,000 (maturity value). Agents of the second class are known as:

- (a) "Collateral Agents of the Second Class"  
(who pledge collateral security for stamps consigned to them)
- (b) "Cash Agents of the Second Class"  
(who pay cash for stamps consigned to them).

Agents of the second class deal directly with the Federal Reserve Bank. Collateral agents of the second class (banks, trust companies, individuals, partnerships, corporations, etc.) qualifying to receive War Savings Certificate Stamps and United States Thrift Stamps for an amount less than \$50,000 are required to deposit Liberty Bonds or U. S. certificates of indebtedness, but when qualifying for an amount in excess of \$50,000 any of the securities listed in Treasury Department Circular No. 92, as heretofore or hereafter amended or supplemented (page 17) may be pledged at the values therein set forth, as provided in Treasury Department Circular No. 95 (page 35) concerning agents of the second class for sale of War Savings Certificates. In determining the collateral security to be deposited and pledged by collateral agents of the second class, War Savings Certificate Stamps shall be taken at the *December, 1919*, issue price. (Page 66.)

Before qualifying, a *collateral agent of the second class* is required to execute the "Resolutions Authorizing Pledge Agreement" and the "Pledge Agreement" (forms 1022 and 1021, pages 39-40). Thereafter a collateral agent of the second class must render to the Federal Reserve Bank of New York on or before the tenth day of each month an account in Form 1023 (page 41).

*Cash agents* of the second class (banks, trust companies, individuals, partnerships, corporations, etc.) may qualify and obtain War Savings Certificate Stamps at the current price thereof during the month in which such stamps shall be obtained and United States Thrift Stamps with an adequate supply of War Savings Certificates and Thrift Cards by executing and delivering to the Federal Reserve Bank of New York an application on Form 1025 (see Treasury Department Circular No. 96, page 42). Whenever required from time to time by the Secretary of the Treasury, each cash agent of the second class shall render a report to the Federal Reserve Bank substantially in Form 1026 (page 45).

Forms of applications for new appointments as agents will be furnished on application.

The regulations governing the appointment of authorized agents together with instructions and information for the guidance of such agents are contained in Treasury Department Circular No. 101, on page 57, as amended by Treasury Department Circular No. 130, on page 65.

### *War Savings Certificate Stamps, Series of 1919*

The provisions governing the price of War Savings Certificate Stamps for 1919, the repayment thereof with interest on January 1, 1924, the redemption of War Savings Certificates by the Government; non-transferability; registration; tax exemptions; redemption before maturity; the affixing of 1919 War Savings Stamps to 1919 War Savings Certificates only, and other details respecting the 1919 Series are given in detail on pages 61-64.

### *Thrift Stamps*

Thrift Stamps of 1919 are identical with Thrift Stamps issued during 1918. Thrift Stamps bought in 1918 may be exchanged for War Savings Certificate Stamps of the 1919 issue on the same basis as last year and no new Thrift Card is necessary. 1918 Thrift Cards may contain 1919 Thrift Stamps. (Page 63.)

## Current Activities Respecting Bonds and Notes of the Several Liberty Loans

### *Official Liberty Bond Titles*

To facilitate transactions in U. S. Government bonds and to avoid needless confusion, misunderstanding, and unnecessary correspondence, it is suggested that banking officials thoroughly familiarize themselves with the official titles of the various Liberty Bond issues, and the periods during which the transfer books are closed, which have been determined by the Secretary of the Treasury as follows:

TITLE OF BONDS	Closed Periods	
	From close of business	To opening of business
First Liberty Loan 3½% Bonds of 1932-47.....	{ May 15 Nov. 15	June 16 Dec. 16
First Liberty Loan Converted 4% Bonds of 1932-47.....	{ May 15 Nov. 15	June 16 Dec. 16
First Liberty Loan Converted 4¼% Bonds of 1932-47.....	{ May 15 Nov. 15	June 16 Dec. 16
First Liberty Loan Second Converted 4¼% Bonds of 1932-47	{ May 15 Nov. 15	June 16 Dec. 16
Second Liberty Loan 4% Bonds of 1927-42.....	{ Apr. 15 Oct. 15	May 16 Nov. 16
Second Liberty Loan Converted 4¼% Bonds of 1927-42...	{ Apr. 15 Oct. 15	May 16 Nov. 16
Third Liberty Loan 4¼% Bonds of 1928.....	{ Feb. 15 Aug. 15	Mar. 16 Sep. 16
Fourth Liberty Loan 4¼% Bonds of 1933-38.....	{ Mar. 15 Sep. 15	Apr. 16 Oct. 16
Victory Liberty Loan Notes of 1922-23 .....	{ May 15 Nov. 15	June 16 Dec. 16

The above are the closing dates at the Treasury Department in Washington.  
The closing dates at the Federal Reserve Bank of New York are one day earlier.

### *Transfer of Bonds of the Various Liberty Loans*

The Federal Reserve Bank accepts for registration or for transfer bonds of the various Liberty Loans for bonds of the same issue as follows:

Coupon to registered,  
Registered to coupon,  
Registered to registered.

For further details and forms, see pages 46-55.

### *Exchange of Coupon Bonds for Coupon Bonds of Other Denominations of the Various Liberty Loans*

Coupon bonds of any of the Liberty Loan issues are accepted for immediate exchange for bonds of other denominations of the same issue. The Federal Reserve Bank of New York carries a supply of such coupon bonds for this purpose.

### *U. S. Registered Bonds*

(a) *Lost Registered Bonds.* In order that the transfer of lost bonds may be stopped, immediate notification should be sent by the registered holder to the Division of Loans and Currency, Treasury Department, Washington, D. C. (Page 67.)

(b) *Interest on Registered Bonds.* Interest on registered bonds is paid by check direct from the Treasury Department. (Page 69.)

(c) *Rulings Respecting the Registry of Bonds.* To avoid errors in the issue of registered bonds, it is important that registry instructions be correct in every respect. It is requested that the banks utilize typewriting machines in making requests to the Federal Reserve Bank of New York for *registered* bonds. Important information with respect to having such bonds issued in the proper manner is given in detail on page 56.

### *Lost Coupon Bonds*

The Federal Reserve Bank of New York keeps on record a list of Liberty Bonds and Interim Certificates of the First, Second, Third and Fourth Liberty Loans which have been reported to it as either lost or stolen; and any banks, brokers, or persons having or obtaining possession of any lost bonds or interim certificates are requested to notify the Federal Reserve Bank of New York *as quickly as possible*, advising fully through what source such bonds were obtained.

### *Exchange of 3½% Interim Certificates*

Upon surrender of interim certificates, 3½% definitive First Liberty Loan bonds are delivered with all coupons attached, in denominations of \$50, \$100, \$500, and \$1,000. (See page 70.)

### *Conversion Privilege of First Liberty Loan 3½% Bonds*

Congress provided in the First Liberty Bond Act for the convertibility of First Liberty Loan 3½% bonds and the Secretary of the Treasury by virtue of the authority therein vested in him prescribed in Treasury Department Circular No. 78, under date of May 14, 1917, with respect to these bonds, that:

“If any subsequent series of bonds (not including Treasury certificates of indebtedness and other short-term obligations) shall be issued by the United States at a higher rate of interest than three and one-half per centum per annum *before the termination of the war* between the United States of America and the Imperial German Government (the date of such termination to be fixed by a proclamation of the President of the United States), the holders of any of the bonds of the present issue shall have the privilege of converting the same within such period and upon such further terms and conditions covering matters of detail as the Secretary of the Treasury may prescribe, into an equal par amount of bonds bearing such higher rate of interest and substantially identical with the bonds of such new series, except that the bonds issued upon such conversion are to be identical with the bonds of the present series as to maturity of principal and interest and terms of redemption.”

The Secretary of the Treasury has ruled that no privilege of conversion will arise in favor of the holders of 3½% bonds of the First Liberty Loan as a result of the issue of *notes* of the Victory Liberty Loan.

(See pages 12 and 15 for other conversion privileges.)

### *First Liberty Loan Subscriptions in Default*

Under date of February 5, 1919, the Secretary of the Treasury ruled that instalment payments upon subscriptions to First Liberty Loan 3½% bonds, properly made and filed, upon which subscriptions bonds had been allotted and upon which one or more subsequent instalment payments due had not been paid, are declared forfeited to the United States because of the failure to make further payment as required. See page 70, Treasury Department Circular No. 135.

### *Federal Reserve Bank of New York \$10 Participation Certificates*

During the first Liberty Loan campaign, when the partial payment plan had not been fully developed, the Federal Reserve Bank of New York issued its \$10 Participation Cer-



tificates, some of which are still outstanding. These certificates may be exchanged for First Liberty Loan 3½% bonds with all coupons attached when such certificates are presented for exchange in lots of five or multiples thereof.

## Payment of Interest Coupons

Matured interest coupons of the following securities are paid by the Federal Reserve Bank of New York to banks, trust companies or individuals. Banks or trust companies will be given checks if desired; and member banks may have the proceeds credited to their reserve accounts upon request.

Coupons from United States Government issues should be listed on the appropriate schedule (page 100) and inserted in the proper envelope (page 101). Coupons from each Liberty Loan should be included in a separate envelope.

### United States Government Issues

<i>Issue</i>	<i>Coupons Due</i>
4% Loan of 1925 .....	February 1, May 1, August 1 and November 1
2% Consolidated of 1930 .....	January 1, April 1, July 1 and October 1
2% Panama Canal Loan of 1916-1936 .....	February 1, May 1, August 1 and November 1
2% Panama Canal Loan of 1918-1938 .....	February 1, May 1, August 1 and November 1
3% Panama Canal Loan of 1961 .....	March 1, June 1, September 1 and December 1
1 Year Treasury Notes .....	April 1 and October 1
3% Conversion Bond .....	January 1, April 1, July 1 and October 1
2½% Postal Savings Consol .....	January 1 and July 1
2½% Postal Savings Series .....	January 1 and July 1
3½% First Liberty Loan 1932-47 .....	June 15 and December 15
4% First Liberty Loan Converted 1932-47 .....	June 15 and December 15
4¼% First Liberty Loan Converted 1932-47 .....	June 15 and December 15
4¼% First Liberty Loan Second Converted 1932-47 .....	June 15 and December 15
4% Second Liberty Loan 1927-42 .....	May 15 and November 15
4¼% Second Liberty Loan Converted 1927-42 .....	May 15 and November 15
4¼% Third Liberty Loan 1928 .....	March 15 and September 15
4¼% Fourth Liberty Loan 1933-38 .....	April 15 and October 15
3¾% Victory Liberty Loan Notes of 1922-23 .....	June 15 and December 15
4¾% Victory Liberty Loan Notes of 1922-23 .....	June 15 and December 15
Certificates of Indebtedness .....	As prescribed in the offerings

(On pages 98-99 will be found a table showing computation of interest and detailed coupon information respecting outstanding issues of Liberty Bonds and Victory Notes.)

### Federal Land Bank Farm Loan Issues

<i>Issue</i>	<i>Coupons Due</i>
Federal Land Bank of Baltimore, Md. ....	} May 1 and November 1
Federal Land Bank of Berkeley, Cal. ....	
Federal Land Bank of Columbia, S. C. ....	
Federal Land Bank of Houston, Texas ....	
Federal Land Bank of Louisville, Ky. ....	
Federal Land Bank of New Orleans, La. ....	
Federal Land Bank of Omaha, Neb. ....	
Federal Land Bank of St. Louis, Mo. ....	
Federal Land Bank of St. Paul, Minn. ....	
Federal Land Bank of Spokane, Wash. ....	
Federal Land Bank of Springfield, Mass. ....	
Federal Land Bank of Wichita, Kans. ....	

## Collection of British Government Coupons

Coupons from the following classes of British Government securities may be deposited by banking institutions with the Federal Reserve Bank of New York for collection.

(a) *Issues, interest on which is exempt from British income tax in the case of holders ordinarily resident outside the United Kingdom, include:*

<i>Title</i>	<i>Interest Due</i>
5% War Loan Bonds 1929-47 .....	June 1 and December 1
6% Exchequer Bonds 1920 .....	February 16 and August 16
5% Exchequer Bonds 1919 .....	April 5 and October 5
5% Exchequer Bonds 1920 .....	June 1 and December 1
5% Exchequer Bonds 1921 .....	April 5 and October 5
5% Exchequer Bonds 1922 .....	April 1 and October 1
5% National War Bonds 1922 .....	April 1 and October 1

5% National War Bonds 1923—2nd Series .....	April 1 and October 1
3rd Series .....	March 1 and September 1
5% National War Bonds 1924 .....	April 1 and October 1
5% National War Bonds 1925—2nd Series .....	April 1 and October 1
3rd Series .....	March 1 and September 1
5% National War Bonds 1927 .....	April 1 and October 1
5% National War Bonds 1928—2nd Series .....	April 1 and October 1
3rd Series .....	March 1 and September 1

(b) *Issues, interest on which is exempt from British income tax in the case of all holders, include:*

<i>Title</i>	<i>Interest Due</i>
4% War Loan Bonds 1929-42 .....	April 15 and October 15
4% National War Bonds 1927 .....	April 1 and October 1
4% National War Bonds 1928—2nd Series .....	April 1 and October 1
3rd Series .....	March 1 and September 1

(c) *Issues, interest on which is subject to British income tax in the case of all holders, include:*

<i>Title</i>	<i>Interest Due</i>
4½% War Loan Bonds 1925-45 .....	June 1 and December 1
3½% War Loan Bonds 1925-28 .....	March 1 and September 1
£2:10% Consolidated Stock Certificates .....	January 5, April 5, July 5 and October 5
£2:15% Annuities Stock Certificates .....	January 5, April 5, July 5 and October 5
£2:10% Annuities Stock Certificates .....	January 5, April 5, July 5 and October 5
Local Loans 3% Stock Certificates .....	January 5, April 5, July 5 and October 5
Guaranteed 3% Stock Certificates .....	January 1 and July 1
Guaranteed 2¾% Stock Certificates .....	January 1 and July 1
3% Exchequer Bonds 1920 .....	March 24 and September 24
3% Exchequer Bonds January 1, 1930 .....	January 1, April 1, July 1 and October 1
3% Exchequer Bonds January 28, 1930 .....	January 28 and July 28

Banking institutions presenting for collection coupons under subdivision (a) are required to accompany them with the proper schedule. See typical form (page 104), with a declaration of non-enemy ownership (page 105) and a declaration claiming tax exemption (page 102), together with supporting undertaking to be given by bankers presenting such coupons to the Federal Reserve Bank of New York. (Page 106.)

Banking institutions presenting for collection coupons under subdivision (b) are required to accompany such coupons with the proper schedule and with a declaration of non-enemy ownership only.

Banking institutions presenting for collection coupons under subdivision (c) follow the same procedure prescribed for subdivision (b).

Such coupons are received from banking institutions only and in presenting them to the Federal Reserve Bank of New York for collection the certificates of ownership (U. S. Internal Revenue Form 1001-A) should be *detached* by the first presenting bank and the coupons stamped "CERTIFICATE DETACHED AND INFORMATION FURNISHED," as required by the regulations of the Internal Revenue Department.

British Government coupons may be presented at any time, but not more than one month prior to their due date, and when so presented will be paid at the cable rate of exchange upon receipt of authority to pay from the Bank of England. No charge will be made for this service. It requires about one month or more from the time they are presented before payment can be made.

## Collection of Government Checks

While the collection of Government checks may properly be described under the fiscal agency operations of the Federal Reserve Bank of New York, it has been deemed advisable to omit a digest of this subject here and to include it under the heading of "Check Collections" in a separate circular to be issued consolidating the current normal activities of the Federal Reserve Bank of New York, exclusive of its functions as fiscal agent.

## War Finance Corporation

The Act of Congress creating the War Finance Corporation, approved April 5, 1918, provided as follows:

"The Federal Reserve Banks are hereby authorized to act as depositaries for and as fiscal agents of the Corporation in the general performance of the powers conferred by this title.

On March 28, 1919, the Federal Reserve Board consented to the provisions of a resolution adopted March 28, 1919, by the War Finance Corporation designating the Federal Reserve Bank of New York to act as depositary for the War Finance Corporation in the general performance of the powers conferred upon the Corporation by the above act as amended, and without in any way limiting or restricting the general application of such designation and of the range of activity which may result therefrom, the authority of this bank as such agent included specifically the exercise, under the direction of the Corporation, of the Corporation's power to take subscriptions for and to sell bonds of the Corporation, and to do all acts properly incidental to the exercise of such authority.

The Federal Reserve Bank of New York, as fiscal agent of the War Finance Corporation, is at present handling any details resulting from the sale of the \$200,000,000 issue of War Finance Corporation Series "A" 5% Gold Bonds. (See page 107.)

### Export of Coin, Bullion and Currency

By proclamation of the President of the United States, the export or earmarking of gold or silver coin, bullion or currency is prohibited except under license from the Federal Reserve Board acting in behalf of the Secretary of the Treasury. Applications for such exportation or earmarking are to be filed with the *Federal Reserve Bank of New York* in triplicate on the standard form entitled "Application for Permission to Export Coin, Bullion or Currency from the United States." (Pages 71-76.)

At present the Federal Reserve Bank of New York is authorized to issue *blanket licenses* for the exportation of Canadian silver coin and currency to Canada and of Mexican paper currency to Mexico, applicants obtaining such licenses being required to report each shipment made thereunder to the Federal Reserve Bank of New York by letter in triplicate. (Page 73.)

The restrictions described above apply also to travelers leaving the country except that travelers may carry on their persons or in their baggage:

- (a) United States notes, national bank notes, Federal Reserve notes, or Federal Reserve bank notes not to exceed \$1,000 for each adult; or an equivalent value of currency, bank notes and coin, other than gold, of the countries for which passports have been duly issued to them.
- (b) Subsidiary silver coins not to exceed \$100 for each adult, such coin to be in lieu of a like amount of notes under (a) above.

### *Restrictions on Exportation of Silver Removed \**

The Federal Reserve Board announced on May 6, 1919, that the limitations on the exportation of silver from the United States, which were imposed on August 15, 1918, had been removed and that the Board would hereafter grant freely and without condition all applications for the exportation of silver bullion or foreign silver coin. However, the Federal Reserve Board specially requests that all banks continue to segregate silver certificates received and forward them to the Federal Reserve Bank as heretofore.

The announcement issued by the Board in this connection is as follows:

"On August 15, 1918, the Federal Reserve Board announced that licenses for the export of silver would thereafter be granted only for civil or military purposes of importance in connection with the prosecution of the war and only in cases where the exporter certified that the silver to be exported had been purchased at a price which

(\*Note: See page 74.)

did not directly or indirectly exceed \$1.01½ per ounce one thousand fine at the point where silver is refined in the case of silver refined in the United States or at the point of importation in the case of imported silver. The occasion which required the above limitations on the export of silver having now passed, the Federal Reserve Board will hereafter, unless a governmental necessity should again arise, resume its former policy of granting freely and without condition all applications for the export of silver bullion or of silver coin of foreign mintage.

"This change of the policy of granting licenses does not do away with the necessity of filing an application for licenses to export silver bullion or silver coin of foreign mintage. Such applications must as heretofore be filed through the Federal Reserve Bank of the appropriate district but such applications will as stated above be freely granted by the Federal Reserve Board.

"The Secretary of the Treasury does not contemplate any further sales of silver under the Pittman Act, except to the Director of the Mint."

## Liberty Loan Associations

For the convenience of the public and of the banks and trust companies in New York City, the Liberty Loan Associations were organized by the Liberty Loan Committee and the Federal Reserve Bank of New York to facilitate the handling of the large volume of subscriptions to \$50 and \$100 bonds on the partial payment plan in both the Third and Fourth Liberty Loan campaigns. As, however, the activities of the Third and Fourth Liberty Loan Associations are in large measure separate and distinct from the ordinary functions of the Federal Reserve Bank of New York as fiscal agent of the United States, all inquiries respecting payments and deliveries of Third and Fourth Liberty bonds against coupon book accounts should be addressed to the Liberty Loan Association, 19 West 44th Street, New York City. Likewise matters regarding coupon receipt books relating to the Victory Liberty Loan should be taken up with the Victory Liberty Loan Association at the same address.

## Victory Liberty Loan

The Secretary of the Treasury has announced to the public the terms and character of the new Victory Liberty Loan Notes. The Secretary has stated that:

"The Victory Liberty Loan, which will be offered for popular subscription on April 21st, will take the form of 4¾%, three-four year convertible gold notes of the United States, exempt from state and local taxes, except estate and inheritance taxes, and from normal Federal income taxes. The notes will be convertible, at the option of the holder, throughout their life, into 3¾% three-four year convertible gold notes of the United States, exempt from all Federal, State and local taxes, except estate and inheritance taxes. In like manner the 3¾% notes will be convertible into the 4¾% notes.

"The amount of the issue will be \$4,500,000,000, which, with the deferred instalments of income and profits taxes payable, in respect to last year's income and profits, during the period covered by the maturity dates of Treasury certificates of indebtedness now outstanding, will fully provide for the retirement of such certificates. The issue will be limited to \$4,500,000,000, except as it may be necessary to increase or decrease the amount to facilitate allotment. Oversubscriptions will be rejected and allotments made on a graduated scale similar in its general plan to that adopted in connection with the First Liberty Loan. Allotment will be made in full on subscriptions up to and including \$10,000.

"The notes of both series will be dated and bear interest from May 20, 1919, and will mature on May 20, 1923. Interest will be payable on December 15, 1919, and thereafter semi-annually on June 15th and December 15th, and at maturity. All or any of the notes may be redeemed before maturity at the option of the United States on June 15 or December 15, 1922, at par and accrued interest.

"In fixing the terms of the issue, the Treasury has been guided largely by the desire to devise a security which will not only prove attractive to the people of the country in the first instance, but the terms of which should insure a good market for the notes after the campaign is over and identical prices for the two series, and should not affect injuriously the market for the existing bonds of the Liberty Loans."

The campaign for subscriptions opened April 21, 1919, and closed at the close of business, May 10, 1919.

### *Denominations*

Coupon notes \$50, \$100, \$500, \$1,000, \$5,000, \$10,000.  
Registered notes \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, \$50,000, \$100,000. (Registered notes will have coupons attached for interest payable December 15, 1919.)

### *Conversion Privilege*

4¾% notes will be convertible at the option of the holder into 3¾% three/four year convertible gold notes, and in like manner the 3¾% notes will be convertible into the 4¾% three/four year convertible gold notes. (See page 127 for full details.)

All conversions will be made with adjustment in respect of accrued interest but otherwise without any charge by the United States, and the privilege of conversion continues throughout the life of the notes or until date of redemption (if called for redemption before maturity) subject to such rules and regulations as may be prescribed by the Secretary of the Treasury. Due to the pressure of making initial deliveries, Victory Notes cannot be converted before July 15, 1919.

### *Retention of Subscription Data*

The Treasury Department requests that banks retain individual subscription data in their files in such manner that names, addresses, and amounts of subscriptions filed through them can be furnished if requested.

### *Final Report of Subscriptions*

Final report, Form 2, of subscriptions received by each bank must be in our hands before the close of business, May 20, 1919, accompanied by the required payment. Forms have been furnished providing for reporting the number of subscribers, the amount of each subscription, and the total of subscriptions in the following manner:

Class A \$50 to \$10,000 inclusive  
Above \$10,000 in detail.

In order that proper quota credit may be given for the entire subscription and number of subscribers, provision is made for reporting on this form the number of subscribers and amount of subscriptions represented by applications previously filed with the Federal Reserve Bank of New York for notes purchased for cash sales during the campaign.

Final report, Form 2, must be accompanied by the initial payment of 10% of the amount of such report or payment in full may be made for all or any subscriptions between \$50 and \$10,000. Forms will be provided for requisitioning either coupon or registered 3¾% or 4¾% notes for subscriptions of from \$50 to \$10,000 which have been paid in full on May 20, 1919. (Pages 119-123.)

### *Payments*

Payments on account of subscriptions are due as follows:

- 10% with subscription (to be remitted by banks with final report, Form 2, which must be in our hands before the close of business May 20, 1919).
- 10% July 15, 1919.
- 20% August 12, 1919.
- 20% September 9, 1919.
- 20% October 7, 1919.
- 20% November 11, 1919.

Full payment may be made on May 20, 1919, for all or any subscription up to and including \$10,000.

Payment in full for separate subscriptions over \$10,000 may be completed after allotment on June 3, 1919, with accrued interest from May 20, 1919, to date of payment, or on any of the instalment dates with accrued interest from May 20, 1919, on all instalment payments made subsequent to May 20, 1919. (See page 126.)

In the case of a partial allotment of subscription over \$10,000 the excess of the 10% payment will be applied upon the next instalment or instalments and no accrued interest will be charged on the amount so applied. (See pages 124-125.)

### *How Payments May Be Made*

Payments of all instalments (including the initial 10%) or payment in full may be made as follows (see details, page 113):

1. By *Advice of Credit* on the books of incorporated banks or trust companies which have qualified as depositories. (Form G D 10, page 111.)
2. By *Treasury Certificates of Indebtedness*: payment of the first instalment of 10% or full payment on May 20, may be made in United States Treasury Certificates of Indebtedness of Series V of any issue not previously matured, but not in Certificates of Tax Series of 1919. Payment on other instalment dates may be made in United States Certificates of Indebtedness of the issues, if any, maturing or called for redemption on said instalment dates, respectively. Such Certificates must not be presented in amounts larger than the amount to be paid. Certificates used to make payment for subscriptions will bear interest to the date of such payment and in the case of Certificates used to make the initial 10% payment or full payment on or before May 20, will draw interest until that date. Certificates will be received at their face amount. Interest will be remitted as a separate transaction.
3. By *cash or bank draft* (New York Funds).
4. By *payment through another bank* or banks. A bank instructing another bank or banks to make payment in this manner should send report Form 2, direct to the Federal Reserve Bank indicating in spaces provided by whom such payments will be made.

### *Delivery of Notes Full Paid May 20*

For that part of a subscription between \$50 and \$10,000 which is not subject to allotment and for which payment in full is made on May 20, either 3¾% or 4¾% coupon or registered notes will be delivered as soon as possible.

The delivery of registered notes cannot of course be made as expeditiously as of coupon notes, but the Treasury Department informs us that registered notes of the Victory Loan will be delivered promptly. The Treasury Department strongly advises subscribers to request registered notes in order to protect themselves against the risk of loss, theft and destruction of their notes. Coupon notes cannot be exchanged for registered notes until the original registration is complete. (See page 56.)

### *Delivery of Notes Full Paid During the Campaign*

Notes of the 4¾% issue only were available for delivery to subscribers who made payment in full in cash before May 10, 1919. They are, of course, convertible into 3¾% notes (page 127), but such conversion will not be physically possible before July 15, 1919. These notes could be obtained by banks upon filing application on Form L & C 182 provided (page 117) and payment therefor made in the following ways:

- By *Advice of Credit* by properly designated depositories (using Form G. D. 10).
- By *Certificates of Indebtedness* (Series 5A maturing May 6, 1919, and Series 5B maturing May 20, 1919, only).

By *cash or bank draft* (New York Funds).

Banks that desired to obtain the notes the same day payment was made were required to pay either by Advice of Credit, check on the Federal Reserve Bank or cash.

Reference is made to Treasury Department Circular No. 138, dated April 21, 1919 (page 113), for more detailed information.

### *Extension of Conversion Privilege*

Treasury Department Circular No. 137 (page 93) gives in full the terms concerning the extension of the conversion privilege of 4% gold bonds of 1932-47 of the First Liberty Loan Converted and 4% gold bonds of 1927-42 of the Second Liberty Loan.

Any 4% First Liberty Loan Converted coupon bonds presented for conversion prior to June 15, 1919, must have the coupon payable on that date detached as the first coupon on the 4¼% converted bond delivered in exchange will be payable December 15, 1919.

Registered bonds issued upon conversion will bear interest at the rate of 4¼% per annum from the semi-annual interest payment date next succeeding the date of presentation for conversion.

No adjustment of interest will be required upon conversion of either coupon or registered bonds.

The transportation charges on bonds presented for conversion must be paid by the holders. Converted registered bonds will be returned without expense. Form BI-85 (page 112) is requested to be used if it is desired to have the Federal Reserve Bank of New York effect insurance on mail shipments of coupon bonds in either direction. This notice accompanied by check should be mailed in advance of the bonds.

In making application for conversion, banks are requested to use form L & C 25-A (page 95).

### *Notes Receivable in Payment of Estate or Inheritance Taxes*

Victory notes of the 4¾% series, 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 tax imposed by the United States under or by virtue of any present or future law upon such estate or the inheritance thereof.

Victory notes of 3¾% series are not receivable in payment of estate or inheritance taxes. (See Treasury Department Circular No. 132, page 81, for full details.)

### *Tax Exemptions*

Victory Notes and Liberty Bonds are entitled to the exemptions from taxation as indicated in Treasury Department Circular L & C 197 (page 110).

**End of Digest, Part I.**



## APPENDIX—Part II

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**T**HIS appendix, comprising pages 16 to 137, contains extracts from certain Acts of Congress and detailed Treasury Department regulations of interest and importance to banking institutions, together with reprints of necessary forms, governing the operations of the Federal Reserve Bank of New York, as fiscal agent of the United States. The details of the appendix are outlined and referred to in the Digest. (Part I—pages 4 to 15.)

The “Index to Forms” (page 138) and the “Numerical Index” (page 139) refer to the matters contained in the Appendix.

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### Statutory Authority

The Federal Reserve Act provides in Section 15 that:

“The moneys held in the general fund of the Treasury . . . may, upon the direction of the Secretary of the Treasury, be deposited in Federal reserve banks, which banks, when required by the Secretary of the Treasury, shall act as fiscal agents of the United States; and the revenues of the Government, or any part thereof may be deposited in such banks, and disbursements may be made by checks drawn against such deposits.”

Under the authority of said Act and by virtue of an appointment of the Secretary of the Treasury, the Federal Reserve Bank of New York became fiscal agent of the United States and has been and is now acting in that capacity.

The several Liberty Bond Acts each provided:

“That the Secretary of the Treasury, in his discretion, is hereby authorized to deposit in such banks and trust companies as he may designate the proceeds, or any part thereof, arising from the sale of the bonds and certificates of indebtedness authorized by this act.”

The Second Liberty Bond Act included also “War Savings Certificates” and the Third Liberty Bond Act amended the Second Liberty Bond Act to include in addition “the proceeds arising from the payment of income and excess-profits taxes.”

See page 77, giving in full the Victory Liberty Loan Act, and page 139 for references to Acts of Congress.

(Note: Different type in reproducing the following circulars and forms has been utilized in order to have the reprints resemble as nearly as possible the appearance of the originals. For ready reference the indexes should be consulted freely.)



**SPECIAL DEPOSITS OF PUBLIC MONEYS UNDER THE ACT OF CONGRESS APPROVED SEPTEMBER 24, 1917,  
AS AMENDED AND SUPPLEMENTED.**

**1919.**

**Department Circular No. 92  
Amended and Supplemented.**

**Division of Public Moneys.**

**TREASURY DEPARTMENT,**

**OFFICE OF THE SECRETARY,**

*Washington, April 17, 1919.*

*To Federal Reserve Banks and other banks and trust companies incorporated under the laws of the United States or of any State:*

Department Circular No. 92, of September 21, 1918, as amended and supplemented December 16, 1918, is hereby amended and supplemented so as to read as follows:

Any incorporated bank or trust company in the United States desiring to participate in deposits of public moneys, however arising, under the act of Congress approved September 24, 1917, as heretofore and hereafter amended and supplemented, should make application to the Federal Reserve Bank of its district.

Applications hereafter made for deposits of public moneys under said act should be, and all applications for such deposits made after April 30, 1919, must be, in Form H-5, hereto attached, and be accompanied by a certified copy of resolutions duly adopted by the board of directors of the applicant in Form J-5, hereto attached. (Pages 20-21.)

Depositories already qualified to a sufficient amount pursuant to Department Circular No. 92, of September 21, 1918, will not be required to file anew formal applications or resolutions, but if they desire to receive or retain deposits after April 30, 1919, must so notify the Federal Reserve Bank of the district in which they are located by letter or telegram; and they will, by the acceptance or retention of deposits after April 30, 1919, be conclusively presumed to have assented to all the terms and provisions hereof, and to the retention of collateral security theretofore pledged as collateral security hereunder.

In fixing the maximum amount of deposits for which it will apply, the applicant bank or trust company should be guided by the amount of the payments which it expects to have to make, for itself and others, on account of bonds, notes, and certificates of indebtedness of the United States issued under authority of said act, and income and profits taxes, as the case may be, and, as well, by any statutory limitations upon the amount of deposits which the applicant bank or trust company may receive from any one depositor. Any application may be rejected or the applicant may be designated for a smaller maximum amount than that applied for. After receiving the recommendation of the Federal Reserve Bank, the Secretary of the Treasury will designate approved depositories. (Page 21.)

**COLLATERAL SECURITY.**

Designated depositories will be required, before receiving deposits, to qualify by pledging, as collateral security for such deposits, including interest thereon, securities of the following classes, to an amount, taken at the rates below provided, at least equal to such deposits:

(a) Bonds, notes, and certificates of indebtedness of the United States Government, of any issue, including interim certificates or receipts for payment therefor; all at par.

(b) Bonds issued under the United States farm loan act, bonds of the War Finance Corporation, bonds of Porto Rico and the District of Columbia, and bonds and certificates of indebtedness of the Philippine Islands; all at par.

(c) The  $3\frac{1}{2}$  per cent bonds of the Territory of Hawaii at 90 per cent of market value; and other bonds of said Territory at market value.

(d) Bonds of any State of the United States, at market value; and approved notes, certificates of indebtedness, and warrants issued by any State of the United States, at 90 per cent of market value.

(e) Approved bonds of any country, city, or political subdivision in the United States; and approved notes, certificates of indebtedness and warrants with a fixed maturity issued by any county or city in the United States which are direct obligations of the county or city as a whole, or which are payable from general taxes levied on all taxable property in such county or city: all at 90 per cent of market value; but not including any such bonds which are at a market price to yield more than five and one-half per cent per annum, nor any such other obligations which are at a market price to yield more than six per cent per annum, if held to maturity, according to standard tables of bond values.

(f) Approved dollar bonds and obligations, issued since July 30, 1914, of foreign Governments (and of the dependencies thereof) engaged in war against Germany on September 21, 1918, at 90 per cent of the market value thereof in the United States, and approved dollar bonds and obligations of any province or city within the territory of any such foreign Government or dependency, issued since July 30, 1914, at 75 per cent of the market value thereof in the United States.

(g) Approved bonds, listed on some recognized stock exchange, and notes, of domestic railroad companies within the United States; approved equipment trust obligations of such domestic railroad companies; and approved bonds and notes of domestic electric railway and traction companies, telephone and telegraph companies, electric light, power, and gas companies, and industrial companies, secured (directly or by the pledge of mortgage bonds) by mortgage upon physical properties in the United States, and listed on some recognized stock exchange: all at 75 per cent of market value; but not including any such bonds or obligations maturing after October 1, 1925, which are at a market price to yield more than 7 per cent per annum, nor any such bonds or obligations maturing on or before October 1, 1925, nor any such notes, which are at a market price to yield more than 8 per cent per annum, if held to maturity, according to standard tables of bond values.

(h) Commercial paper and bankers' acceptances, having maturity at the time of pledge of not to exceed six months, exclusive of days of grace, and which are otherwise eligible for rediscount or purchase by Federal Reserve Banks; and which have been approved by the Federal Reserve Bank of the district in which the depositary is located; at 90 per cent of face value. All such commercial paper and acceptances must bear the indorsement of the depositary bank or trust company.

(i) Customers' notes, drafts, and bills of exchange indorsed by a correspondent incorporated bank or trust company and rediscounted by the depositary bank or trust company, when approved by the Federal Reserve bank of the district in which the depositary is located, at 75 per cent of face value. All such notes, drafts, and bills of exchange must bear the indorsement of the depositary bank or trust company.

(j) Notes and bills payable of a correspondent incorporated bank or trust company secured by customers' notes, drafts, or bills of exchange to at least an equal amount, when approved by the Federal Reserve bank of the district in which the depositary is located, at 75 per cent of face value. All such notes and bills payable must bear the indorsement of the depositary bank or trust company.

No security shall be valued at more than par. No State or municipal bond, obligation, or evidence of indebtedness shall be accepted if the State or municipality has made default in payment of principal or interest during the past 10 years.

The right is reserved to call for additional collateral security at any time.

The approval and valuation of securities is committed to the several Federal Reserve Banks, acting under the direction of the Secretary of the Treasury. The withdrawal of securities, the pledge of additional securities, and the substitution of securities shall be made from time to time as required or permitted by the Federal Reserve Banks acting under like direction.

#### SECURITIES COMMITTEES.

Each Federal Reserve Bank is authorized to designate a committee, or committees, to be composed of experienced bankers, in such city or cities in its district as may be deemed necessary, to be known as the securities committee. Each securities committee shall consist of not more than three nor less than two members, who shall serve without compensation. It shall be the duty of such securities committee to examine the lists of securities tendered as collateral security for deposits and to transmit them promptly to the Federal Reserve Bank of the district with the committee's recommendation.

#### CUSTODY OF SECURITIES.

All securities accepted as collateral security for deposits hereunder must be deposited with the Federal Reserve Bank of the district in which the depositary is located, as fiscal agent of the United States, or, by the direction and subject to the order of the Federal Reserve Bank, as such agent, with a custodian or custodians designated by it, and under rules and regulations prescribed by it under the direction or with the approval of the Secretary of the Treasury.

#### HOW DEPOSITS ARE TO BE MADE.

Each qualified depositary will be required to open and maintain or continue for the account of the Federal Reserve Bank of its district, as fiscal agent of the United States, a separate account for deposits to be made hereunder, to be known as the "War Loan Deposit Account."

Qualified depositories may, if and to the extent from time to time hereafter authorized by the Secretary of the Treasury, be permitted to make payment by credit when due of amounts payable on subscriptions made by or through them for bonds, notes, and certificates of indebtedness of the United States issued under authority of said act. In order to make payment by credit, the depository must notify the Federal Reserve Bank of the district, by letter or telegram to reach it on or before the date when such payment is due, and must on said date issue a certificate of advice to such Federal Reserve Bank stating, that a sum specified (in addition to all other amounts standing to the credit of said fiscal agent with such depository) has been deposited with such depository for the account of such Federal Reserve Bank as fiscal agent of the United States in the War Loan Deposit Account. Such certificate of advice must be substantially in Form K-2 hereto attached. (Page 25.)

If and to the extent that payment by credit shall be so authorized, any qualified depository may make payment by credit of amounts which its correspondent banks or trust companies would otherwise pay by check upon such qualified depository. This may be done whether such qualified depository and correspondent bank or trust company are in the same district or in different districts. In cases where they are in different districts, the Federal Reserve Bank of the district where the subscription is made must be notified by telegraph by the Federal Reserve Bank of the district where payment is made, and the Federal Reserve Bank of the district where the subscription is made will accept such telegraphic advice in lieu of payment to it by the subscriber. Banks and trust companies desiring to avail themselves of this method of payment must give ample notice to the depository which they expect to call upon to make payment in order that such depository may be prepared to make such payment, and to avoid the possibility of payment not reaching the Federal Reserve Bank on time. The object of this procedure is to avoid unnecessary dislocation of funds and to reduce the float as far as practicable.

The unexpended cash proceeds, if any, of the sale of any issue of bonds, notes, or certificates issued under authority of said act will be redeposited among the qualified depositories making application to receive such redeposits as nearly as may be in proportion to the subscriptions made by or through them.

Payment of income and profits taxes can not be made by credit. Out of the unexpended cash proceeds, if any, arising from the payment of income and profits taxes, deposits may be made through the Federal Reserve Banks, under direction of the Secretary of the Treasury, with qualified depositories throughout the United States, as may be hereafter announced by the Secretary of the Treasury.

All deposits and withdrawals will be made by the Federal Reserve Banks by direction of the Secretary of the Treasury.

The amount deposited with any depository shall not in the aggregate exceed at any one time (a) the maximum amount for which it shall have been designated as a depository, nor (b) the aggregate amount of the collateral security pledged by it taken at the rates hereinbefore provided.

#### WITHDRAWAL OF DEPOSITS.

All deposits will be payable on demand without previous notice.

#### INTEREST ON DEPOSITS.

Each depository will be required to pay interest at the rate of two per cent per annum on daily balances. Interest must be paid on the amount deposited in connection with (a) any issue of Treasury certificates of indebtedness, or (b) any date fixed for installment payment or payment in full on account of bonds or notes, or (c) any income and profits tax payment date, when the last withdrawal is made from the amount so deposited.

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This circular may be amended and supplemented by the Secretary of the Treasury from time to time by Treasury Department Circular mailed to the Federal Reserve Banks and generally to banks and trust companies incorporated under the laws of the United States or of any State.

**CARTER GLASS,**  
*Secretary of the Treasury,*

**RESOLUTIONS AUTHORIZING APPLICATION FOR DEPOSITS**

I hereby certify that the following resolutions were duly adopted at a meeting of the board of directors of the below-named bank (trust company), which meeting was duly called and duly held on the.....day of....., 1919....., a quorum being present, and that the said resolutions were spread upon the minutes of said meeting:

*Resolved*, That, in accordance with the provisions of Treasury Department Circular No. 92, of April 17, 1919, this bank (trust company) makes application for the deposit of public moneys with it from time to time under the act of Congress approved September 24, 1917, as heretofore and hereafter amended and supplemented, the aggregate amount of such deposits not to exceed at any one time \$.....; and assign and agree to pledge from time to time to and with the Federal Reserve Bank of New York, as fiscal agent of the United States, as collateral security for such deposits as may be made from time to time pursuant to such application, securities of the character and amount required by said circular; and

*Resolved*, That the president, or any vice-president, or cashier, or secretary, of the undersigned bank (trust company) is hereby authorized to make application, assignment, and agreement as aforesaid and from time to time to deliver to and pledge with said Federal Reserve Bank, or any custodian or custodians appointed by it, securities of the undersigned bank (trust company) of a character and amount at least sufficient to secure such deposits according to the terms of said Treasury Department circular as amended and supplemented as aforesaid, and from time to time to withdraw securities and to substitute other securities and to pledge and deposit additional securities.

In witness whereof I have hereunto signed my name and affixed the seal of the

..... of .....

(Seal)

.....

*Cashier (Secretary.)*

**APPLICATION FOR DEPOSITS.**

TO THE FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States.

.....

Date.....

The undersigned bank or trust company, in accordance with the provisions of Treasury Department Circular No. 92 of April 17, 1919, and pursuant to due action of its board of directors, hereby makes application for the deposit of public moneys with it from time to time under the act of Congress approved September 24, 1917, as heretofore and hereafter amended and supplemented, the aggregate amount of such deposits not to exceed at any one time \$.....; and assigns and agrees to pledge, from time to time, to and with the Federal Reserve Bank of New York, as fiscal agent of the United States, as collateral security for such deposits as may be made from time to time pursuant to this application, securities of the character and amount required by said circular.

.....

By .....

*President (Vice-President.)*

Street .....

City or Town.....

State .....

**CERTIFICATE OF APPROVAL OF FISCAL AGENT.**

The foregoing application is hereby approved upon deposit with ..... of the securities listed and described. The applying bank is authorized to transfer to the Federal Reserve Bank of New York as fiscal agent of the United States, War Loan Deposit Account \$....., to be held subject to immediate withdrawal.

FEDERAL RESERVE BANK OF NEW YORK

*Fiscal Agent of the United States.*

By.....

*Asst. Cashier.*

**CERTIFICATE OF CUSTODIAN.**

The securities described in the within-attached list have been this day received from....., of ..... to be held as collateral security for the deposit of Government funds in accordance with Treasury Department Circular No. 92, as amended and supplemented. (See pages 22, 23, 24.)

Date.....

.....

*Custodian.*

# COLLATERAL SECURITY BONDS

Offered by .....  
(Name of bank or trust company)

of .....for deposits of public moneys made under Treasury  
Department Circular No. 92, as amended and supplemented. (Page 17.)

FULL NAME OF CORPORATION ISSUING BONDS	FULL NAME OF LIEN. SERIAL BONDS LISTED SEPARATELY AS TO MATURITIES	Rate of Interest	MATURITY (MONTH, DAY AND YEAR)	DATE OF COUPON NEXT MATURING ATTACHED	PAR VALUE	COLLATERAL VALUE To be filled in by Federal Reserve Bank

**SECURITIES APPROVED BY**

**SECURITIES CHECKED BY**

# COLLATERAL SECURITY COMMERCIAL PAPER

(See arrangement of details, page 24.)

Offered by ..... of .....  
(Name of bank or trust company) (Place)

*For deposits of public moneys made under Treasury Department Circular No. 92, as amended and supplemented. (Page 17.) (Instructions as to listing on next page hereof.)*

NUMBER FROM 1 UP	MAKER OR ACCEPTOR		ADDRESS	BUSINESS	EST'D NET WORTH (OR RATING) (BY _____)	MATURITY	DEPOSITORS OR PURCHASED	STATEMENT	AMOUNT
	INDORSER OR DRAWER								

**COMMERCIAL PAPER APPROVED**

\_\_\_\_\_ 1919

# INSTRUCTIONS

List notes in order of their maturities.

Please give, with respect to each name, commercial agency rating if available, or your estimate of present net worth, if your files contain such information. Indicate your estimate of the net worth by placing the letters "N.W." before your figures. Insert the name of the agency at the top of the column if ratings are given.

Insert either a "D" or a "P" in the column headed "Depositors or Purchased" to indicate whether the paper was discounted for a depositor or purchased. The "D" should appear on the line with the name of the discounteur.

Insert an "S" in the column headed "Statement," on the line with each party whose statement is on file. Statements should be on file for all names whose notes amount to \$5,000 or more, either as maker or indorser. In listing notes under that amount no statement is necessary, but you should indicate what purpose the proceeds of each note were used for.

Notes, drafts, bills of exchange and acceptances submitted as collateral security should be indorsed in blank in the following form:

First National Bank, Blankville, N. Y.

.....  
Cashier

Each indorsement of a member bank should be signed by an officer whose signature and authority to indorse have been filed with this bank.

Industrial, agricultural or commercial paper must have a maturity not exceeding six months from date offered as collateral.

## SPECIMEN FORM OF APPLICATION SHOWING DESIRED ARRANGEMENT OF DETAILS

NUMBER FROM 1 UP	MAKER OR ACCEPTOR		ADDRESS	BUSINESS	EST'D NET WORTH OR RATING X Agency [ BY _____ ]	MATURITY	DEPOSITORS OR PURCHASED	STATEMENT	AMOUNT
	INDORSER OR DRAWER								
1	C. P. Scudder A. P. Crawford		Blankville " " For purchase of	Farmer Feed & Grain feed.	N. W. 10,000 50/75-1 1/2	8/3	D	S	\$ 50
2	W. B. Richter Annie Richter		Blankville " " For purchase of	Mfr. Baskets Wife materials.	20/35-2 N. W. 1,000	7/3	D	S	1,050
3	Western Packing Co.		Chicago	Packers	Over 1,000,000	8/30	P	S	5,000
									\$6,100
<b>PLEASE NOTE SPACE LEFT BETWEEN EACH ITEM.</b>									



The depository will forward this by first mail to the Federal Reserve Bank of New York.

K.2  
Form G. D. 1

TO BE USED IN REPORTING PAYMENTS FOR CERTIFICATES OF INDEBTEDNESS ONLY

.....  
(Title of bank or trust company.)

.....  
(Location.)

..... 191  
(Date.)

I HEREBY CERTIFY that there has been deposited this day with the above bank or trust company, to the credit of the Federal Reserve Bank of New York, as Fiscal Agent of the United States War Loan Deposit Account, to be held subject to withdrawal on demand, the sum of..... Dollars,

\$.....

(Blue Copy)

.....  
Cashier or Vice President.

Advice of Credit (G. D. 1)

INSTRUCTIONS

Make reports on this form when *payments for certificates of indebtedness subscriptions* are made through credit in the FEDERAL RESERVE BANK OF NEW YORK as FISCAL AGENT OF THE UNITED STATES WAR LOAN DEPOSIT ACCOUNT in your books, forwarding to the Federal Reserve Bank of New York.

Demands for withdrawal of deposits in the above account will be made through the Federal Reserve Bank of New York as fiscal agent of the United States.

# Federal Reserve Bank of New York

OFFERING A MINIMUM OF

\$600,000,000

OF

UNITED STATES TREASURY 4½% CERTIFICATES OF INDEBTEDNESS  
SERIES 5D

Dated January 16, 1919

Due June 17, 1919

Dear Sirs:

The Secretary of the Treasury, under authority of act approved September 24, 1917, as amended by act approved April 4, 1918, offers for subscription through the Federal reserve banks at par and accrued interest a minimum of \$600,000,000 United States Treasury certificates of indebtedness dated January 16, 1919, payable June 17, 1919, with interest at the rate of 4½% per annum.

Upon ten days public notice given in such manner as may be determined by the Secretary of the Treasury the certificates of this series may be redeemed as a whole at par and accrued interest, on or after any date occurring before maturity of such certificates set for the payment of the first installment of the subscription price of any bonds offered for subscription by the United States after the offering and before the maturity of such certificates.

The certificates of this series, whether or not called for redemption, will be accepted at par with adjustment of accrued interest if tendered on such installment date in payment on the subscription price then payable of any such bonds subscribed for by and allotted to holders of such certificates.

The certificates of this series do not bear the circulation privilege and will not be accepted in payment of taxes.

The certificates will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000 and \$100,000 payable to bearer.

Interest will be computed for the exact number of days elapsed, on the basis of 365 days to the year.

Treasury certificates of indebtedness of Series 4F, dated September 17, 1918, and maturing January 16, 1919, will be accepted at par with an adjustment of accrued interest in payment for any certificates of this series which shall be subscribed for and allotted.

Subscriptions will be received by the Federal Reserve Bank of New York as fiscal agent of the United States up to close of business on Tuesday, January 21, 1919, and certificates will be allotted in full in the order of receipt of applications, but the right is reserved to reject any subscriptions and to allot less than the amount applied for and to close the subscriptions at any time without notice.

Payments for certificates allotted must be made to the Federal Reserve Bank of New York at par and accrued interest on and after January 16, 1919, up to January 21, 1919, inclusive, and must reach the bank before 3:00 o'clock p. m. on the day to which accrued interest is paid.

In connection with the foregoing offering of certificates of indebtedness of the United States, the Secretary of the Treasury announces that qualified depositaries will be permitted to make payment by credit for certificates allotted to them for themselves and their customers up to the amount for which each shall have qualified in excess of existing deposits when so notified by Federal reserve bank.

Interim receipts will be issued if necessary pending delivery of definitive certificates.

Said certificates 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.

However, 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.

Please note that payment may be made at par and accrued interest either by book credit by certificates of indebtedness of Series 4F aforesaid, or by check on this bank or other funds available in New York on the day of receipt not later than January 21, 1919.

The Federal Reserve Bank of New York, if desired by subscribing banks, will receive and hold in custody for their account, subject to their order, their certificates of indebtedness of this and future issues.

This is the fourth issue of the series of certificates to be offered in anticipation of the Fifth Liberty Loan, as announced in letter of the Secretary of the Treasury dated November 27, addressed to the banks of the country,

Respectfully,

R. H. TREMAN,

Deputy Governor.

January 10, 1919.

Dated at.....

.....191

FEDERAL RESERVE BANK OF NEW YORK,  
NEW YORK, N. Y.

ATTENTION OF SECURITIES DEPARTMENT

DEAR SIRs:

Pursuant to the terms stated in your letter of January 10, 1919, please enter our subscription at par and accrued interest from January 16, 1919, for \$.....  
United States Treasury 4½ per cent Certificates of Indebtedness dated January 16, 1919, due June 17, 1919, and we agree to pay for any certificates allotted to us on account of this subscription at the Federal Reserve Bank of New York on.....  
DATE

Please be governed by the following instructions:

Issue the certificates in the following denominations:

..... at \$ . 500 \$.....  
..... at 1,000 .....  
..... at 5,000 .....  
..... at 10,000 .....  
..... at 100,000 .....  
Total \$.....

Regarding disposition of certificates:

.....  
.....

Method of payment designated by X:

- Debit our reserve account ( ): \_\_\_\_\_
- Check enclosed ( ): \_\_\_\_\_
- Book credit; Form G. D. #1 attached ( ): \_\_\_\_\_
- Certificates of indebtedness Series 4 F, authorized by the Secretary of the Treasury.

Signed.....

Address.....

**IMPORTANT—Is this a confirmation of a previous subscription sent by telegraph or otherwise?.....**

(Blue Copy)

Form of offering of Certificates of Indebtedness acceptable in payment of income and war-profits and excess profits taxes

# Federal Reserve Bank of New York

Offering of

United States Treasury  $4\frac{1}{2}\%$  Certificates of Indebtedness  
RECEIVABLE IN PAYMENT OF FEDERAL INCOME AND PROFITS TAXES

Dated and bearing interest from June 3, 1919.

Series T 4, due September 15, 1919.

Series T 5, due December 15, 1919.

Dear Sirs:

The Secretary of the Treasury, under authority of act of Congress approved September 24, 1917, as amended, offers for subscription at par and accrued interest, a limited amount of Treasury certificates of indebtedness, in two series, both dated and bearing interest from June 3, 1919, at the rate of  $4\frac{1}{2}\%$  per annum, the certificates of Series T 4 being payable on September 15, 1919, and the certificates of Series T 5 on December 15, 1919.

Certificates of these series will be accepted at par with an adjustment of accrued interest during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury, in payment of income and profits taxes payable at the maturity of the certificates respectively. They do not bear the circulation privilege and will not be accepted in payment on Victory Loan subscriptions.

In accordance with the above, subscriptions will be received by the Federal Reserve Bank of New York as fiscal agent of the United States and allotments will be made in full in the order that subscriptions are received, but the right is reserved to reject any subscription and to allot less than the amount of certificates of either or both series applied for and to close the subscriptions as to either or both series at any time without notice.

Payment at par and accrued interest for certificates allotted must be made on or before June 3, 1919, or on later allotment. Upon payment, interim receipts will be issued pending delivery of the definitive certificates. **Treasury certificates of indebtedness of any and all series maturing on or before July 1, 1919, and not overdue (with any unmatured interest coupons attached), will be accepted at par with an adjustment of accrued interest in payment for any certificates of the Series T 4 and T 5 now offered which shall be subscribed for and allotted.** Qualified depositaries will be permitted to make payment by credit for certificates allotted to them for themselves and their customers up to an amount for which each shall have qualified in excess of existing deposits when so notified by Federal reserve bank.

Bearer certificates with one interest coupon attached, payable at the maturity of the certificates, respectively, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000 and \$100,000.

They 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.

However, the interest on an amount of bonds and certificates authorized by the 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.

Respectfully,  
BENJAMIN STRONG,  
Governor.

May 19, 1919.

Dated at.....

 This subscription blank is to be used in subscribing to the issue of Certificates of Indebtedness, Series T-5, dated June 3, 1919, receivable in payment of Federal income and profits taxes payable December 15, 1919.

FEDERAL RESERVE BANK OF NEW YORK, .....1919  
 NEW YORK, N. Y.

**ATTENTION OF SECURITIES DEPARTMENT**

DEAR SIRs:

Pursuant to the terms stated in your letter of May 19, 1919, please enter our subscription at par and accrued interest from June 3, 1919 for \$.....  
 United States Treasury 4½ per cent Certificates of Indebtedness dated June 3, 1919, due December 15, 1919, and we agree to pay for any certificates allotted to us on account of this subscription at the Federal Reserve Bank of New York on.....

Please be governed by the following instructions: DATE

Issue the certificates in the following denominations:

.....at \$ 500 \$.....  
 .....at 1,000 .....  
 .....at 5,000 .....  
 .....at 10,000 .....  
 .....at 100,000 .....  
 Total \$.....

Regarding disposition of certificates:

.....  
 .....

Method of payment designated by X:


- Debit our reserve account (     ):
- Check enclosed             (     ):
- Book credit; Form G. D. #1 attached (     ):

	DATE OF ISSUE	DATE OF MATURITY	
Series 5C*	Jan. 2, 1919	June 3, 1919	(     )
Series 5D*	Jan. 16, 1919	June 17, 1919	(     )
Series 5E	Jan. 30, 1919	July 1, 1919	(     )
Series T2	Jan. 16, 1919	June 17, 1919	(     )
Series T3	Mar. 15, 1919	June 16, 1919	(     )

(\*NOTE: If payment after allotment is made after June 3, 1919, certificates of Series 5C cannot be used; likewise if payment is made after June 17, 1919, certificates of Series 5D cannot be used, etc.)

Signed.....

Address.....

 **IMPORTANT**—Is this a confirmation of a previous subscription sent by telegraph or otherwise? .....

(See amendment, page 65.)

# UNITED STATES OF AMERICA

## WAR-SAVINGS CERTIFICATES

### SERIES OF 1918.

**1917.**  
Department Circular No. 94,  
(War-Savings Circular No. 1.)

Loans and Currency.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,

Washington, November 15, 1917.

The Secretary of the Treasury offers for sale to the people of the United States an issue of United States War-Savings Certificates, Series of 1918, authorized by act of Congress, approved September 24, 1917. Payments for or on account of such War-Savings Certificates must be evidenced by United States War-Savings Certificate Stamps, Series of 1918, which are to be affixed thereto. The sum of such War-Savings Certificates outstanding shall not at any one time exceed in the aggregate \$2,000,000,000 (maturity value). The amount of War-Savings Certificates sold to any one person at any one time shall not exceed \$100 (maturity value), and it shall not be lawful for any one person at any one time to hold War-Savings Certificates to an aggregate amount exceeding \$1,000 (maturity value). (See page 66.)

War-Savings Certificates, War-Savings Certificate Stamps, and United States Thrift Stamps (described below) may be purchased, at the prices hereinafter mentioned, at post offices, and at numerous banks and other agencies to be appointed by the Secretary of the Treasury. Advance sales will begin December 3, 1917. All sales of War-Savings Certificates and War-Savings Certificate Stamps made in December, 1917, will be at the January, 1918, price, and the date of issue of all certificates so sold will be deemed January 2, 1918.

#### DESCRIPTION OF WAR-SAVINGS CERTIFICATES

A United States War-Savings Certificate, Series of 1918, will be an obligation of the United States when, and only when, one or more United States War-Savings Certificate Stamps, Series of 1918, shall be affixed thereto. Each of such War-Savings Certificates will have spaces for 20 War-Savings Certificate Stamps, Series of 1918, and each of such stamps thereto affixed will have a maturity value of \$5 on January 1, 1923, which will accordingly give each such certificate, when bearing its full complement of such stamps, a maturity value of \$100 on said date. No War-Savings Certificate will be issued unless at the same time one or more War-Savings Certificate Stamps shall be purchased and affixed thereto, but no additional charge will be made for the War-Savings Certificate itself. The name of the owner of each War-Savings Certificate must be written upon such certificate at the time of the issue thereof.

War-Savings Certificate Stamps, Series of 1918, will be issued in 1918 at the following prices:

January	.....	\$4.12	April	.....	\$4.15	July	.....	\$4.18	October	.....	\$4.21
February	....	4.13	May	.....	4.16	August	.....	4.19	November	...	4.22
March	.....	4.14	June	.....	4.17	September	...	4.20	December	...	4.23

The average issue price above fixed for the year 1918 with interest at 4 per cent per annum compounded quarterly for the average period to maturity will amount to \$5 on January 1, 1923.

**PAYMENT AT MATURITY.**

Owners of War-Savings Certificates will be entitled to receive, on January 1, 1923, at the Treasury Department in Washington, or at a money-order post office, upon surrender of such certificates and upon compliance with all other provisions thereof, \$5 in respect of each War-Savings Certificate Stamp, Series of 1918, then affixed thereto, but no post office shall be required to make any such payment until 10 days after receiving written demand therefor.

**PAYMENT PRIOR TO MATURITY.**

Any owner of a War-Savings Certificate, at his option, will be entitled to receive at any time after January 2, 1918, and prior to January 1, 1923, at a money-order post office, upon surrender of his certificate and upon compliance with all other provisions thereof, in respect of each War-Savings Certificate Stamp, Series of 1918, then affixed to such certificate, the amount indicated in the following table, but no post office shall make any such payment until 10 days after receiving written demand therefor:

Month.	1918	1919	1920	1921	1922
January .....	\$4.12	\$4.24	\$4.36	\$4.48	\$4.60
February .....	4.13	4.25	4.37	4.49	4.61
March .....	4.14	4.26	4.38	4.50	4.62
April .....	4.15	4.27	4.39	4.51	4.63
May .....	4.16	4.28	4.40	4.52	4.64
June .....	4.17	4.29	4.41	4.53	4.65
July .....	4.18	4.30	4.42	4.54	4.66
August .....	4.19	4.31	4.43	4.55	4.67
September .....	4.20	4.32	4.44	4.56	4.68
October .....	4.21	4.33	4.45	4.57	4.69
November .....	4.22	4.34	4.46	4.58	4.70
December .....	4.23	4.35	4.47	4.59	4.71
<b>January 1, 1923, \$5.</b>					

**REGISTRATION.**

War-Savings Certificates may be registered without cost to the owners at any post office of the first, second, or third class, subject to such regulations as the Postmaster General may from time to time prescribe, and payment in respect of any certificate so registered will be made only at the post office where registered. Unless registered, the United States will not be liable if payment in respect of any certificate or certificates be made to a person not the rightful owner thereof.

**WAR-SAVING CERTIFICATES NOT TRANSFERABLE.**

War-Savings Certificates are not transferable and will be payable only to the respective owners named thereon, except in the case of the death or disability of any such owner.

**TAX EXEMPTION.**

War-Savings Certificates 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 of September 24, 1917, 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.



**THRIFT CARDS AND THRIFT STAMPS**

Payments on account of War-Savings Certificates may also be evidenced by United States Thrift Stamps, having a face value of 25 cents each but bearing no interest. United States Thrift Stamps, however, must not be affixed to War-Savings Certificates but only to Thrift Cards, which may be obtained without cost. Thrift Stamps as such are not directly redeemable in cash, but each Thrift Card will have spaces for 16 such Thrift Stamps, and a Thrift Card, when bearing its full complement of such stamps, may be exchanged at a post office, or other authorized agency, on or before December 31, 1918, for a War-Savings Certificate Stamp, Series of 1918, and upon such exchange the owner of such Thrift Card must pay the difference between \$4 and the current issue price of War-Savings Certificate Stamps during the month in which such exchange is made, as shown by the following table.

January .....	\$4.12	April .....	\$4.15	July .....	\$4.18	October .....	\$4.21
February ....	4.13	May .....	4.16	August .....	4.19	November ...	4.22
March .....	4.14	June .....	4.17	September ...	4.20	December ...	4.23

**METHOD OF DISTRIBUTION AND SALE****POST OFFICES AND FEDERAL RESERVE BANKS.**

On or about December 3, 1917, War-Savings Certificate Stamps and United States Thrift Stamps (together with Thrift Cards and War-Savings Certificates, with suitable pocket envelopes for such certificates) will be furnished (1) to post offices for sale to the public and to agents of the first class and (2) to Federal Reserve Banks, as fiscal agents of the United States, for distribution to agents of the second class and also for sale to banks which are agents of the first class; the classification of such agents being hereinafter provided for. Post offices and Federal Reserve Banks will maintain available supplies of stamps, certificates, and cards in amounts sufficient to meet the requirements for such distribution and sales.

**OTHER AGENCIES.**

Banks, bankers, and trust companies; railroad and express companies; department and other retail stores; the duly authorized representatives of labor, fraternal, and other associations; and other corporations, partnerships, and individuals; who patriotically offer their services without expense, either to the United States or to purchasers, will be among those whom the Secretary of the Treasury will in his discretion appoint as agents to sell War-Savings Certificate Stamps and United States Thrift Stamps and to issue War-Savings Certificates and Thrift Cards.

Blank forms of application for appointment as agent, with necessary information as to execution and filing, may be obtained from any money-order post office, from agent banks, or from State or local representatives of the National War-Savings Committee. Appointments will be made only under authorization of the Secretary of the Treasury.

No agent shall sell any United States Thrift Stamp at any price other than 25 cents for each stamp, nor any War-Savings Certificate Stamp at any price other than the current issue price of such stamp during the month in which sold, as hereinabove specified.

**CLASSIFICATION OF AGENTS.**

Two classes of agents will be appointed: First, agents of the first class, who may neither obtain nor hold at any one time in excess of \$1,000 of War-Savings Certificate Stamps (maturity value) second, agents of the second class, who may obtain at any time or times in excess of \$1,000 of such stamps (maturity value) for sale to the public.

**AGENTS OF THE FIRST CLASS.**

Agents of the first class may obtain, for sale to the public, from post offices, agent banks or other authorized agents, War-Savings Certificate Stamps in any amount desired, not, however, in excess of \$1,000 (maturity value), together with an adequate supply of War-Savings Certificates, upon payment for such stamps at the current issue price thereof during the month in which such stamps are thus obtained. Similarly, agents of the first class may obtain, for sale to the public, United States Thrift Stamps, together with an adequate supply of Thrift Cards, in any amount desired upon payment for such stamps at 25 cents each.

**AGENTS OF THE SECOND CLASS.**

Agents of the second class will be required to deposit with the Secretary of the Treasury, or with such agencies as he may designate, United States bonds of any Liberty Loan, or United States certificates of indebtedness, the aggregate par value of which shall be at least equal to the aggregate amount of War-Savings Certificate Stamps, at the issue price thereof during December, 1918, as specified above, plus the aggregate face value of United States Thrift Stamps obtained by such agents, respectively. A further Treasury Department circular will shortly be issued specifying the terms and conditions for the deposit of such securities, or of such other securities, the deposit of which may be permitted by such circular under the conditions to be therein specified, and covering other matters of detail particularly concerning such agents of the second class.

**OTHER DETAILS**

War-Savings Certificates will not be receivable as security for deposits of public money and will not bear the circulation privilege.

The Secretary of the Treasury reserves the right at any time to revoke any or all appointments of agents, to withdraw War-Savings Certificates, War-Savings Certificate Stamps, or United States Thrift Stamps from sale, to refuse to issue or to permit to be issued any War-Savings Certificates or Thrift Cards, and to refuse to sell or to permit to be sold any War-Savings Certificates or War-Savings Certificate Stamps or United States Thrift Stamps to any person, firm, corporation, or association.

The right is also reserved to make from time to time any supplemental or amendatory regulations which shall not modify or impair the terms and conditions of War-Savings Certificates issued or to be issued in pursuance of said act of September 24, 1917.

Further details may be announced by the Secretary of the Treasury from time to time, information as to which will be promptly furnished to postmasters at money-order post offices and to other agents.

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

(See amendment, page 65.)

## AGENTS OF THE SECOND CLASS FOR SALE OF WAR-SAVINGS CERTIFICATES.

1917.  
Department Circular No. 95.  
(War-Savings Circular No. 2.)  
Loans and Currency.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, November 30, 1917.

*To Agents for Sale of War-Savings Certificates, War-Savings Certificate Stamps, and United States Thrift Stamps:*

As provided in Treasury Department Circular No. 94 (War-Savings Circular No. 1), dated November 15, 1917, any agent for the sale of War-Savings Certificates, War-Savings Certificate Stamps and United States Thrift Stamps may obtain from a Federal Reserve Bank, War-Savings Certificate Stamps in excess of \$1,000 (maturity value), for sale to the public, upon deposit of collateral security therefor with such Federal Reserve Bank. The terms and conditions upon which such deposits shall be made are hereinafter set forth. Any agent who thus obtains War-Savings Certificate Stamps in excess of \$1,000 (maturity value) is sometimes referred to below, and also in Treasury Department Circular No. 94, as an agent of the second class. All agents appointed by the Secretary of the Treasury in accordance with Treasury Department Circular No. 94 will be deemed agents of the first class except such as become agents of the second class under the provisions of this circular. (See page 31.)

### COLLATERAL SECURITY TO BE DEPOSITED AND PLEDGED BY AGENTS OF THE SECOND CLASS

To obtain War-Savings Certificate Stamps in excess of \$1,000 (maturity value), an agent must deposit and pledge with a Federal Reserve Bank, as Fiscal Agent of the United States (or, by the direction and subject to the order of such Federal Reserve Bank, with a custodian or custodians designated by it and under rules and regulations prescribed by it), as collateral security, for the faithful performance of the obligations assumed by such agent, as provided below, United States bonds of any Liberty Loan or United States certificates of indebtedness of any issue, the par value of which shall be at least equal to the aggregate amount of War-Savings Certificate Stamps, at the issue price thereof during December, 1918, as specified in Treasury Department Circular No. 94, plus the aggregate face value of United States Thrift Stamps to be obtained by such agent (such bonds and certificates of indebtedness, as well as any other securities, the pledge of which is provided for below, so deposited and pledged, being sometimes referred to below as "collateral security"). Any collateral security deposited with any custodian designated by a Federal Reserve Bank shall be deemed deposited with the Federal Reserve Bank designating such custodian.

In case the aggregate amount of War-Savings Certificate Stamps, at such December, 1918, issue price, plus the aggregate face value of Thrift Stamps, which any agent shall desire to obtain, shall be \$50,000 or more, then such agent may deposit and pledge as collateral security, as herein provided, any securities described in paragraphs (a) to (h), both inclusive, of Treasury Department Circular No. 92 (Liberty Loan Circular No. 7), dated October 6, 1917, at the rates therein provided. (See Circular No. 92, as amended, page 17.) No such security shall, however, be valued at more than par. No State or municipal bond, obligation, or evidence of indebtedness shall be accepted if the State or municipality has made default in payment of principal or interest during the past 10 years. The approval and valuation of any such securities are committed to the several Federal Reserve Banks acting under the direction of the Secretary of the Treasury.

The withdrawal of securities, the pledging of additional securities, and the substitution of securities shall be made from time to time, as required or permitted by the several Federal Reserve Banks acting under direction of the Secretary of the Treasury. Each agent, so long as such agent shall not be in default in respect of any obligation assumed by such agent, as herein provided, shall be entitled to collect and retain any and all interest upon the collateral security deposited and pledged by such agent with a Federal Reserve Bank.

Any agent, upon depositing and pledging collateral security, as herein provided, and upon executing, and delivering to a Federal Reserve Bank, a Pledge Agreement, in Form 1021, hereto attached (copies of which may be had from any Federal Reserve Bank), if recommended by such Federal Reserve Bank, and approved by the Secretary of the Treasury, as an agent of the second class, may obtain, from time to time, from such Federal Reserve Bank War-Savings Certificate Stamps, taken at such December, 1918, issue price, and United States Thrift Stamps, at 25 cents each, up to the collateral value, taken as provided above, of such collateral security, but not in excess thereof. Such agent may also obtain an adequate supply of War-Savings Certificates and Thrift Cards. (Page 39.)

From time to time, as any such agent shall sell War-Savings Certificate Stamps or Thrift Stamps and shall pay over the proceeds of any such sales to the Federal Reserve Bank to which such agent is required to account, as provided below, additional amounts of such stamps (War-Savings Certificate Stamps being taken at such December, 1918, issue price), in lieu of such stamps so sold, may be obtained from such Federal Reserve Bank, not, however, in excess of the aggregate amount of such stamps theretofore sold and for which payment shall have been made to such Federal Reserve Bank, unless additional collateral security shall be similarly deposited and pledged.

Any agent of the second class may from time to time voluntarily deposit and pledge additional collateral security with the Federal Reserve Bank with which such agent shall have theretofore deposited and pledged collateral security, as provided above, and thereupon obtain additional amounts of War-Savings Certificate Stamps and Thrift Stamps, up to the collateral value of such additional collateral security, upon like terms and conditions as upon the original deposit and pledge of collateral security.

Any Pledge Agreement executed by a corporation, or by the legally authorized representative of an unincorporated association acting on behalf of such association, must be accompanied by a duly certified copy of resolutions, as provided in Form 1022, hereto attached, duly adopted by the board of directors, board of trustees, or other governing body of such corporation or unincorporated association, as the case may be. In the first instance, however, a Federal Reserve Bank may accept from any corporation a duly certified copy of resolutions (substantially in Form 1022) duly adopted by an executive committee of the board of directors of such corporation, having authority to act, when accompanied by a duly certified copy of the provisions of the by-laws of such corporation, under which such executive committee may be constituted, but in every such case there shall be delivered to such Federal Reserve Bank within 30 days thereafter a duly certified copy of resolutions of the board of directors of such corporation, as provided above. (Page 40.)

#### ACCOUNTING BY AGENTS OF THE SECOND CLASS

Each agent of the second class, on or before the tenth day of each month, must render to the Federal Reserve Bank, with which such agent shall have deposited and pledged such collateral security, an account, in Form 1023, hereto attached (copies of which may be had from any Federal Reserve Bank), in respect of all War-Savings Certificate Stamps and United States Thrift Stamps obtained by such agent from such Federal Reserve Bank and sold by such agent, during the preceding calendar month, and stating the respective amounts of such stamps, if any, remaining unsold in the hands of such agent at the close of such calendar month. (Page 41.)

Each agent of the second class, before or upon the rendering of any such account, must deposit the aggregate amount of the proceeds of all sales of War-Savings Certificate Stamps and Thrift Stamps, obtained as provided above, in such Federal Reserve Bank, as Fiscal Agent of the United States; but each agent of the second class, in accounting for the proceeds of sales of War-Savings Certificate Stamps and United States Thrift Stamps, shall be entitled to a credit of \$4 in respect of each Thrift Card, bearing its full complement of United States Thrift Stamps, transmitted to the Federal Reserve Bank, as Fiscal Agent of the United States, with any account rendered by such agent to such bank, as provided above.

#### **OBLIGATIONS OF AGENTS OF THE SECOND CLASS**

Each Federal Reserve Bank, as Fiscal Agent of the United States, shall hold the collateral security, deposited and pledged with such bank by the several agents of the second class, as collateral security for the faithful performance of their respective obligations as such agents, including, among others (but not excluding, by the following specific enumeration, any other obligation to be performed by such agents), the obligation—

(1) Not to sell any United States Thrift Stamps at any price other than 25 cents for each stamp, and not to sell any War-Savings Certificate Stamp at any price other than the current issue price of such stamp during the month in which sold, as specified in Treasury Department Circular No. 94. (Page 31.)

(2) Duly to account to a Federal Reserve Bank, as Fiscal Agent of the United States, as provided above, in respect of all War-Savings Certificate Stamps and United States Thrift Stamps obtained and sold or remaining unsold;

(3) To cause to be duly paid into the Treasury of the United States, as provided above, the proceeds of any and all such sales; and

(4) To deliver to a Federal Reserve Bank, as Fiscal Agent of the United States, whenever required by the Secretary of the Treasury, any and all War-Savings Certificate Stamps, United States Thrift Stamps, Thrift Cards, and War-Savings Certificates obtained from such Federal Reserve Bank but not theretofore issued or sold, and, whenever required, to account forthwith in respect of the proceeds of all sales of such stamps theretofore made.

Any agent of the second class who shall have fully complied with all the terms of such agency may at any time surrender such agency and withdraw the collateral security deposited and pledged by such agent with a Federal Reserve Bank, upon delivery to such bank, as Fiscal Agent of the United States, of all War-Savings Certificate Stamps and United States Thrift Stamps (together with all unissued War-Savings Certificates and Thrift Cards) obtained from such Federal Reserve Bank and then held by such agent, and upon duly accounting and making payment, as herein provided, in respect of all such War-Savings Certificate Stamps and United States Thrift Stamps obtained or sold by such agent.

#### **OTHER DETAILS**

The Secretary of the Treasury reserves the right, from time to time, to call for the deposit and pledge of additional collateral security by any agent of the second class and to withdraw this circular as a whole, or to amend, from time to time, any of the provisions hereof.

The Secretary of the Treasury reserves the right, at any time, to terminate any agency of the second class and to require any agent of the second class to deliver to the Secretary of the Treasury, or to a Federal Reserve Bank, as Fiscal Agent of the United States, any and all War-Savings Certificate Stamps, United States Thrift Stamps, Thrift Cards, and War-Savings Certificates, obtained from such Federal Reserve Bank but not theretofore issued or sold by such agent, and to require any agent of the second class to render any account and to make payment,

at any time or times, in addition to the monthly account and payment, hereinbefore required, in respect of the proceeds of all sales of such stamps theretofore made and not theretofore accounted for.

Agents of the second class shall be subject to all of the terms and provisions of Treasury Department Circular No. 94, so far as applicable, as well as the terms and provisions of this circular.

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

**PLEDGE AGREEMENT**

To the Federal Reserve Bank of New York,  
as Fiscal Agent of the United States.

The undersigned desires to become an agent of the second class for the issue and sale of War-Savings Certificates, War-Savings Certificate Stamps, and Thrift Stamps, in accordance with the respective provisions of Treasury Department Circulars Nos. 128 and 130, and to obtain, from time to time, for sale to the public, as provided in such circulars, War-Savings Certificate Stamps, and Thrift Stamps, in the aggregate total amount of \$..... (such War-Savings Certificate Stamps to be taken, at the December, 1919, issue price and such Thrift Stamps, at 25 cents each), and, as and when such stamps shall be sold and accounted and paid for, to obtain in lieu thereof, from time to time thereafter, additional War-Savings Certificate Stamps (at such December, 1919, issue price) and Thrift Stamps (at 25 cents each) up to but not exceeding, at any time, the total amount stated above.

The undersigned hereby agrees that none of such stamps obtained by the undersigned shall be sold or disposed of otherwise than as provided in such circulars, or either of them, and further agrees faithfully to perform all other obligations to be performed by agents of the second class, as therein and herein provided.

The undersigned agrees, in accordance with the provisions of Treasury Department Circular No. 130, before or upon the delivery to the undersigned of War-Savings Certificate Stamps and Thrift Stamps, in the aggregate total amount stated above, to deliver to such Federal Reserve Bank (or to a custodian designated by it, and to pledge with such Federal Reserve Bank, in negotiable form, and, in the case of coupon bonds with all unmatured coupons attached,

- \$....., face amount, of United States bonds of the First Liberty Loan;
- \$....., face amount, of United States bonds of the First Liberty Loan Converted 4%;
- \$....., face amount, of United States bonds of the First Liberty Loan Converted 4¼%;
- \$....., face amount, of United States bonds of the Second Liberty Loan;
- \$....., face amount, of United States bonds of the Second Liberty Loan Converted 4¼%;
- \$....., face amount, of United States bonds of the Third Liberty Loan;
- \$....., face amount, of United States bonds of the Fourth Liberty Loan;
- \$....., face amount, of United States certificates of indebtedness;
- \$....., face amount, of securities described in Treasury Department Circular No. 92, as heretofore or hereafter amended and supplemented, which may be deposited and pledged as provided in Treasury Department Circular No. 130, and which are specified in Schedule A, hereto attached (see pages 65 and 17).

Total, \$..... ;  
to be held by such Federal Reserve Bank, as Fiscal Agent of the United States, as collateral security for the faithful performance of the obligation of the undersigned, now or hereafter from time to time arising, as an agent of the second class for the issue and sale of War-Savings Certificates, War-Savings Certificate Stamps, and Thrift Stamps, in accordance with the respective provisions of Treasury Department Circulars Nos. 128 and 130, and of any supplemental or amendatory regulations made from time to time as therein provided; the undersigned, however, so long as not in default hereunder to be entitled to collect from time to time and to retain any and all interest upon such collateral security.

In case the undersigned shall make any default in the faithful performance, as provided above, of each and every obligation of the undersigned as such agent of the second class, such collateral security may be sold, in whole or in part, at one time or from time to time, at public or private sale, with or without notice to the undersigned, either as to the time or place of any such sale or sales, or otherwise, and the proceeds of any such sale or sales shall be applied to make good any loss or damage sustained by the United States by reason of any such default or defaults (the amount thereof to be conclusively determined by the Secretary of the Treasury) and the balance of such proceeds, if any, after satisfying and making good any such loss or damage, and after payment of any and all expenses connected with any such sale or sales, shall, in such case, be paid over to the undersigned.

Upon delivery to the undersigned of any War-Savings Certificate Stamps or Thrift Stamps, desired to be obtained hereunder, this Pledge Agreement shall become binding upon the undersigned, who shall thereupon become an agent of the second class.

Dated,....., 191...

Signature in full.....

by.....  
(Authorized signature required.)

Address, number and street .....

City or Town.....

County.....

State.....

(5)

(After executing, kindly return to Federal Reserve Bank of New York, 120 Broadway, New York)

(Form 1022.)

RESOLUTIONS AUTHORIZING PLEDGE AGREEMENT

I hereby certify that the following resolutions were duly adopted at a meeting of the board of { trustees } of the { association } named below, which meeting was duly called and duly held on the.....day of.....191...., a quorum being present, and that said resolutions were spread upon the minutes of said meeting and remain in full force and effect.

Resolved, That in accordance with the respective provisions of Treasury Department Circular No. 128, dated December 18, 1918, and of Treasury Department Circular No. 130, dated December 23, 1918, ..... of this { association } be and he hereby is authorized and directed, { on behalf of this corporation; } { corporation } { as the legally authorized representative of this association; }

(1) To execute and deliver to the Federal Reserve Bank of New York a Pledge Agreement, a copy of which is hereto annexed, in order to obtain from said Federal Reserve Bank, from time to time, an aggregate amount of War-Savings Certificate Stamps, taken at the December, 1919, issue price, plus an aggregate amount of United States Thrift Stamps, at 25 cents each, aggregating up to, but not in excess of, \$....., at any one time, not theretofore sold, and accounted and paid for, as provided in such Pledge Agreement; and

(2) To assign to, and to pledge with, said Federal Reserve Bank, as Fiscal Agent of the United States, securities owned by this { corporation } of the character and amount required by said Treasury Department Circular No. 130, as specified in said Pledge Agreement, as collateral security for the faithful performance of each and every obligation of { this corporation } said.....as the legally author- } as an agent of the second class, as provided in said pledge Agreement; and further

Resolved, That said Federal Reserve Bank be and it hereby is authorized and requested to deliver War-Savings Certificates, War-Savings Certificate Stamps, Thrift Stamps, and Thrift Cards, as specified in such Pledge Agreement, to ..... (Name) (Title of Officer) of this { corporation, on behalf of this corporation, } { association, as the legally authorized representative of this association } and from time to time to permit said .....to withdraw securities and to substitute other securities and to deposit and pledge additional securities, all as provided in Treasury Department Circulars Nos. 128 and 130; and further

Resolved, That { the....., or any assistant ....., of this corporation, } { ....., as the legally authorized representative of this association, } be and he hereby is authorized and directed, from time to time, to render accounts and to cause payments to be made to said Federal Reserve Bank, as Fiscal Agent of the United States, as required by Treasury Department Circular No. 130.

In witness whereof, I,....., of ..... have hereunto signed my name and affixed the seal of ..... this ..... day of ....., 191....

(6)

(File with Federal Reserve Bank of New York, 120 Broadway, New York)



(Form 1023.)

MONTHLY ACCOUNT OF SALES AND HOLDINGS OF WAR-SAVINGS CERTIFICATE STAMPS AND UNITED STATES THRIFT STAMPS

Dated, ....., 191...

To Federal Reserve Bank of New York, as Fiscal Agent of the United States, Second Federal Reserve District, 120 Broadway, New York City

The undersigned hereby renders the following account of sales of War-Savings Certificate Stamps and United States Thrift Stamps made by the undersigned during the month of ....., 191., and of the respective amounts of such stamps obtained from the Federal Reserve Bank, (1) during such month, (2) held at the close of such month, and (3) held at the close of the preceding month, and incloses herewith, in accordance with the provisions of Treasury Department Circular No. 95 (War-Savings Circular No. 2)—(page 35)

- (a) \$....., in cash; or
(b) \$....., by bank draft, or by check drawn upon the Federal Reserve Bank, or upon any member bank located in such Federal Reserve district, payable to order of "Federal Reserve Bank of New York, as Fiscal Agent of the United States;" or
(c) \$....., in United States Thrift Cards (each with full complement of Thrift Stamps attached), aggregating, in all, \$....., in payment of the amount due in respect of such sales of War-Savings Certificate Stamps and Thrift Stamps, as shown by such account.

(Name of agent.)
By.....
(Official signature required.)
(Address.)

Table with 4 columns: Description, War-Savings Certificate Stamps, United States Thrift Stamps, Totals. Rows include Balance on hand close of preceding month, Add amounts obtained during month, Deduct balances on hand close of month, Sales during month, Gross amount due, Less amounts paid, Net amount due.

A similar account must be rendered on or before the tenth day of each month.

No medium of payment other than above provided will be accepted by the Federal Reserve Bank, except at its own risk, and no agent shall be entitled to credit, in respect of any payment to be made by check or draft except when such check or draft shall be collected by the Federal Reserve Bank, as Fiscal Agent of the United States.

(7)

(See amendment, page 65.)

## CASH AGENTS OF THE SECOND CLASS FOR SALE OF WAR-SAVINGS CERTIFICATES.

*Obtaining War-Savings Certificate Stamps and United States Thrift Stamps for Cash.*

1917.

Department Circular No. 96.  
(War-Savings Circular No. 3.)  
Loans and Currency.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, January 2, 1918.

As an alternative to the method provided in Treasury Department Circular No. 95, any agent for the sale of War-Savings Certificates, War-Savings Certificate Stamps, and United States Thrift Stamps (as well as individuals, partnerships, corporations, and the duly authorized representatives of labor fraternal, and other associations, even though not previously appointed agents) may obtain from a Federal Reserve Bank, for sale to the public, War-Savings Certificate Stamps in excess of \$1,000 (maturity value), and also United States Thrift Stamps, with an adequate supply of War-Savings Certificates and Thrift Cards, upon the conditions stated below.

Any one desiring to obtain War-Saving Certificate Stamps and United States Thrift Stamps as provided in this circular must execute and deliver to a Federal Reserve Bank an application on Form No. 1025, hereto attached (copies of which may be had from any Federal Reserve Bank). (Page 44.)

Such application must bear the recommendation of a Federal Director of War-Savings, a State Director of War-Savings, or of some other person acceptable to such Federal Reserve Bank. Upon approval of such application by such Federal Reserve Bank the applicant may, from time to time, deposit cash with such Federal Reserve Bank, as Fiscal Agent of the United States, and obtain therefor deliveries of War-Savings Certificate Stamps at the current cost price thereof during the month in which such stamps shall be obtained, as stated thereon, and United States Thrift Stamps at 25 cents each. Upon delivery of any such stamps the applicant becomes a cash agent of the second class.

The aggregate amount of War-Savings Certificate Stamps and United States Thrift Stamps obtained by any such agent less amounts reported as sold by such agent shall not exceed the aggregate amount stated in the application of such agent. Such application may, however, be amended, with the approval of such Federal Reserve Bank, so as to include such additional amount of War-Savings Certificate Stamps and United States Thrift Stamps as such agent may desire to obtain.

Each cash agent of the second class, whenever from time to time required by the Secretary of the Treasury, shall render a report to such Federal Reserve Bank, substantially in Form No. 1026, hereto attached (copies of which may be had from such Federal Reserve Bank), of the number of War-Savings Certificate Stamps and United States Thrift Stamps obtained from such Federal Reserve Bank theretofore sold by such agent. (Page 45.)

Any cash agent of the second class who shall have complied with the terms of such agency may at any time surrender such agency and redeliver to such Federal Reserve Bank, as Fiscal Agent of the United States, (1) all unsold War-Savings Certificate Stamps and United States Thrift Stamps and (2) all unissued War-Savings Certificates and Thrift Cards obtained by such agent from such Federal Reserve Bank.

Any cash agent of the second class whose agency shall have been terminated shall thereupon, and each cash agent of the second class shall in any event, on or before December 31, 1918, redeliver to such Federal Reserve Bank, as Fiscal Agent of the United States, (1) all unsold War-Savings Certificate Stamps and United States Thrift Stamps and (2) all unissued War-Savings Certificates and Thrift Cards obtained by such agent from such Federal Reserve Bank.

Upon any redelivery of stamps, as provided in either of the two preceding paragraphs, such Federal Reserve Bank, as Fiscal Agent of the United States, shall return to such agent the amount deposited with such Federal Reserve Bank by such agent for each War-Savings Certificate Stamp redelivered and 25 cents for each United States Thrift Stamp redelivered. In determining the amount deposited with such Federal Reserve Bank by any cash agent of the second class for War-Savings Certificate Stamps so redelivered, sales shall be deemed to have been made by such agent in the order in which deliveries of such stamps may have been obtained by such agent, so that earlier sales shall be deemed to have been made out of earlier deliveries.

The Secretary of the Treasury reserves the right to withdraw this circular, or to amend from time to time any of the provisions hereof, and to terminate any agency created hereunder.

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

(See page 42.)

3

(FORM 1025.)

**APPLICATION.**

TO THE FEDERAL RESERVE BANK OF NEW YORK,  
*As Fiscal Agent of the United States:*

The undersigned desires to become an agent of the second class for the issue and sale of War-Savings Certificates, War-Savings Certificate Stamps, and United States Thrift Stamps, in accordance with and subject to the respective provisions of Treasury Department Circulars Nos. 94 and 96, and to obtain from such Federal Reserve Bank, from time to time, for sale to the public, as provided in such circulars, War-Savings Certificate Stamps and United States Thrift Stamps in the aggregate amount of \$. . . . . (the amount to be inserted may be more than the amount presently desired and should be ample to cover the agent's requirements), and from time to time to obtain additional War-Savings Certificate Stamps and United States Thrift Stamps, in place of stamps reported sold by the undersigned. Such War-Savings Certificate Stamps shall be taken at the current cost price thereof during the month when obtained, as stated thereon, and such Thrift Stamps shall be taken at 25 cents each.

The undersigned hereby agrees—

- (a) To sell War-Savings Certificate Stamps, obtained by the undersigned, for cash only and at the current cost price stated thereon;
- (b) To sell United States Thrift Stamps for cash only and at 25 cents each;
- (c) To endeavor to sell such stamps as promptly as possible; and
- (d) Faithfully to perform all other obligations of an agent of the second class, as herein and in said circulars provided or as provided in any supplemental or amendatory regulations.

Upon delivery to the undersigned of any War-Savings Certificate Stamps or United States Thrift Stamps desired to be obtained hereunder, the agreement contained in this application shall become binding upon the undersigned, who shall thereupon become a cash agent of the second class.

Dated, . . . . . 191 . . . . .

Signature in full . . . . .

Authorized Signature required.)

Address, number and street . . . . .

City or town . . . . .

County . . . . .

State . . . . .

Application recommended by . . . . ., 191 . . . . .

Application approved by Federal Reserve Bank of New York . . . . . 191 . . . . .

by . . . . .

(See page 42.)

(FORM 1026.)

**REPORT OF SALES OF WAR-SAVINGS CERTIFICATE STAMPS AND UNITED STATES THRIFT STAMPS.**

Dated ..... 191....

TO FEDERAL RESERVE BANK OF NEW YORK,  
as Fiscal Agent of the United States:

The undersigned hereby renders the following report of sales of War-Savings Certificate Stamps and United States Thrift Stamps obtained by the undersigned from such Federal Reserve Bank:

	War-Savings Certificate Stamps.	United States Thrift Stamps.
*Sales to..... 191.... not previously reported (number of stamps)		

\* Note.—Agents should fill in date to which they are able conveniently to make report of sales unless some specific date is required by the Secretary of the Treasury.

(If additional stamps are desired to replace stamps sold, the following requisition should be filled in.)

**REQUISITION FOR STAMPS.**

The Application filed by the undersigned states that the undersigned desires to obtain War-Savings Certificate Stamps and Thrift Stamps to an amount not in excess of ..... \$.....

War-Savings Certificate Stamps (obtained, but not now nor heretofore reported sold, at \$..... each..... \$.....

Thrift Stamps (obtained, but not now nor heretofore reported sold), at 25 cents each .....

Total .....

Difference (being aggregate amount of such stamps presently obtainable upon deposit of cash) .....

Against which the undersigned desires to obtain, upon deposit of cash therefor, as provided in Treasury Department Circular No. 96:

War-Savings Certificate Stamps, at \$..... each..... \$.....

Thrift Stamps, at 25 cents each .....

..... Total .....

By .....  
(Name of agent.)  
.....  
(Official signature required.)  
.....  
(Address.)

## INTERCHANGE AND TRANSFER OF LIBERTY BONDS.

1917.  
Department Circular No. 100.  
(Liberty Loan Circular No. 9.)

Loans and Currency.

(Covering also Interchanges and Transfers of the remaining  
outstanding issues of Liberty Loans not herein specifically  
referred to, issued prior to the Victory Liberty Loan.)

### TREASURY DEPARTMENT, OFFICE OF THE SECRETARY.

*Washington, December 26, 1917.*

The following regulations will govern transactions involving interchanges of bonds of different denominations and of coupon and registered bonds and transfers of registered bonds of the First and Second Liberty Loans of 1917 and of the First Liberty Loan of 1917 Converted:

#### Denominations in which coupon and registered bonds are issued.

First Liberty Loan of 1917:

United States 3½ per cent convertible gold bonds of 1932-1947—

Coupon, \$50, \$100, \$500, \$1,000.

Registered, \$100, \$500, \$1,000, \$5,000, \$10,000, \$50,000, \$100,000.

Second Liberty Loan of 1917:

United States 4 per cent convertible gold bonds of 1927-1942—

Coupon, \$50, \$100, \$500, \$1,000, \$5,000, \$10,000.

Registered, \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, \$50,000, \$100,000.

First Liberty Loan of 1917 Converted:

United States 4 per cent convertible gold bonds of 1932-1947—

Coupon, \$50, \$100, \$500, \$1,000, \$5,000, \$10,000.

Registered, \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, \$50,000, \$100,000.

#### General provisions.

Registered bonds are recorded only on the books of the Treasury Department in Washington, and, accordingly, all transactions involving registered bonds must be made at the Treasury Department, such transactions including interchanges of registered bonds, interchanges of coupon and registered bonds and transfers of registered bonds. Except for interchanges of registered bonds not involving change in title, none of these transactions may be made during the period when the transfer books of registered bonds are closed, as provided below, as to the particular issue involved.

As interchanges of coupon bonds of different denominations do not involve the issue or cancellation of registered bonds, such interchanges may be made at any Federal Reserve Bank as well as at the Treasury Department in Washington.

No charge will be made for any bonds issued upon exchange or transfer. Bonds presented for exchange or transfer must be delivered to the Secretary of the Treasury, Division of Loans and Currency, Washington (or at the option of the owner to a Federal Reserve Bank when coupon bonds are presented for exchange for coupon bonds), with all transportation charges prepaid. Coupon bonds issued upon any exchange will be expressed at the risk and expense of the several owners to their respective addresses as filled in on the respective requests for such exchanges, unless such bonds shall be delivered directly to such owners or their duly authorized representatives

upon any such exchange. Registered bonds issued upon exchange or transfer, unless delivered directly 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 bonds will be delivered by express if written request for such delivery be made, in which case the express charges must be paid by the registered owner.

**Exchange of coupon bonds for coupon bonds of other denominations.**

Coupon bonds with all unmatured coupons attached may be presented at any time for exchange for an equal face amount of coupon bonds of any other authorized denomination or denominations of the same issue. Such exchanges may be made at any Federal Reserve Bank as well as at the Treasury Department in Washington. Form 1029 must be used, copy annexed. (Page 50.)

**Exchange of registered bonds for registered bonds of other denominations.**

Registered bonds may be presented at any time for exchange for an equal face amount of registered bonds of any other authorized denomination or denominations of the same issue. No such exchange involving any change of title may be made when the transfer books are closed as provided below. In case of any exchange involving any change of title the bonds presented must be duly assigned. To effect an exchange not involving any change of title no assignment of the bonds is necessary. Form 1030 must be used, copy annexed. (Page 51.)

**Exchange of coupon bonds for registered bonds.**

Coupon bonds with all unmatured coupons attached may be presented at any time (except when the transfer books are closed as provided below) for exchange for an equal face amount of registered bonds of any authorized denomination or denominations of the same issue. Such coupon bonds must be accompanied by specific instructions for the issue and delivery of the registered bonds. Form 1031 must be used, copy annexed. (Pages 52, 56.)

**Exchange of registered bonds for coupon bonds.**

Registered bonds may be presented at any time (except when the transfer books are closed as provided below) for exchange for an equal face amount of coupon bonds of any authorized denomination or denominations of the same issue. Registered bonds so presented for exchange for coupon bonds must be duly assigned to the "Secretary of the Treasury for exchange" in the manner prescribed below and must be accompanied by specific instructions for the issue and delivery of the coupon bonds desired. Form 1032 must be used, copy annexed. (Page 53.)

**Transfers of registered bonds.**

In order to effect the transfer of a registered bond the registered holder thereof, or some one duly authorized to act for him, must go before one of the officers authorized by the Secretary of the Treasury to witness assignments, must establish his identity, and in the presence of such witnessing officer must execute an assignment using the form appearing on the back of the registered bond. The registered bond must then be sent to the Secretary of the Treasury, Division of Loans and Currency, Washington, accompanied by specific instructions for the issue and delivery of the new bonds. Form 1033 must be used, copy annexed. (Page 54.)

The officers authorized to witness the execution and acknowledgment of the assignments of registered bonds are the following: Judges and clerks of United States courts; United States district attorneys; collectors of customs; collectors of internal revenue; assistant treasurers of

the United States located in Boston, New York, Philadelphia, Baltimore, Cincinnati, New Orleans, Chicago, St. Louis, and San Francisco; executive officers of Federal Reserve Banks and their branches located in Boston, New York, Philadelphia, Cleveland, Richmond (with branch at Baltimore), Atlanta (with branch at New Orleans), Chicago, St. Louis, Minneapolis, Kansas City (with branches at Omaha and Denver), Dallas, and San Francisco (with branches at Seattle, Spokane, and Portland); executive officers of national banks and of other incorporated banks and trust companies organized under the laws of any State, whether or not members of the Federal Reserve System; and in the District of Columbia the executive officers of any trust company doing business in said District under the laws of Congress. Registered bonds also may be assigned at the Treasury Department, Washington. In the absence of any officer authorized to witness assignments upon application to the Secretary of the Treasury, Division of Loans and Currency, Washington, special authority will be issued for a postmaster to act. Notaries public are not authorized to witness assignments. In all cases the officer before whom an assignment is executed and acknowledged must add his official designation, residence, and seal, if he has one, same being affixed to the bond. (See Treasury Department regulations for further details regarding assignments.)

#### **Closing of transfer books.**

In order to prepare for the payment of interest the transfer books of registered bonds of the Liberty Loans will close at the Treasury Department, Washington, one month before the interest-payment date and will reopen on the day following such interest-payment date. Accordingly, the transfer books will be closed as follows:

##### First Liberty Loan of 1917:

United States 3½ per cent convertible gold bonds of 1932-1947—

From close of business November 15 to opening of business December 16 and from close of business May 15 to opening of business June 16.

##### Second Liberty Loan of 1917:

United States 4 per cent convertible gold bonds of 1927-1942—

From close of business October 15 to opening of business November 16 and from close of business April 15 to opening of business May 16.

##### First Liberty Loan of 1917 Converted:

United States 4 per cent convertible gold bonds of 1932-1947—

From close of business November 15 to opening of business December 16 and from close of business May 15 to opening of business June 16.

(See page 7 for closed periods for other issues.)

In case any date for the closing of the transfer books shall fall on a Sunday or legal holiday the books shall be closed on the day preceding such date, and in case any date for the opening of the transfer books shall fall on a Sunday or legal holiday the books shall be opened on the day following such date.

During any period when the transfer books for any particular Loan shall be closed no transfers of registered bonds of such Loan or interchanges of coupon and registered bonds of such Loan will be made, but if requests for transfers of any such registered bonds or interchanges of any such coupon and registered bonds are received during any such period the requests will receive attention upon the reopening of the books.



**Change of address of owners of registered bonds.**

Notification of change of post-office address of the owner of United States registered bonds should immediately be sent the Secretary of the Treasury, Division of Loans and Currency, Washington. Notice of change of address of owner of coupon bonds is not required or desired. In sending notification of change of address, Form 1034 must be used, copy annexed. (Page 55.)

**Address for communications.**

All communications relating to the bonds of the United States and interest thereon should be addressed to the Secretary of the Treasury, Division of Loans and Currency, Washington. Copies of any forms appearing in this circular may be obtained upon application to that office, or to any Federal Reserve Bank, or to any assistant treasurer of the United States.

**General regulations governing bond transactions.**

All general regulations of the Treasury Department with respect to transactions in United States bonds, including the issue of duplicates for bonds defaced, or destroyed, or for lost registered bonds, will remain in full force, to which regulations holders of United States bonds are referred for provisions not included in this circular. The Secretary of the Treasury reserves the right to withdraw or to amend from time to time all or any of the foregoing regulations.

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

**FORM OF REQUEST FOR EXCHANGE OF COUPON BONDS FOR COUPON BONDS OF OTHER DENOMINATIONS OF SAME ISSUE.**

Date.....

To the FEDERAL RESERVE BANK OF NEW YORK,  
*Fiscal Agent of the United States,*

The undersigned presents herewith \$.....face amount United States coupon bonds of the.....

Liberty Loan of ..... with all unmatured interest coupons attached thereto, as follows:  
(If converted loan, so state.)

Number of bonds.	Denomination of bonds.	Serial numbers of bonds.	Amount.
.....	\$50	.....	\$.....
.....	100	.....	.....
.....	500	.....	.....
.....	1,000	.....	.....
.....	5,000	.....	.....
.....	10,000	.....	.....
Total amount.....			\$.....

and requests in lieu thereof the issue of coupon bonds of said loan as follows:

Number of bonds.	Denomination of bonds.	Amount.
.....	\$50	\$.....
.....	100	.....
.....	500	.....
.....	1,000	.....
.....	5,000	.....
.....	10,000	.....
Total amount (which must correspond exactly with total amount above).....		\$.....

Such last-mentioned bonds are to be forwarded to the undersigned by express at the risk and expense of the undersigned at the address given below:

Signature.....  
(Write plainly)

Address.....  
(Street and number)

.....  
(City or town)

.....  
(State)

NOTE.—\$5,000 and \$10,000 denomination coupon bonds are not available for the First Liberty Loan of 1917.

Treasury Department.  
Loans and Currency.  
Form 1030.

**FORM OF REQUEST FOR EXCHANGE OF REGISTERED BONDS FOR REGISTERED BONDS OF OTHER DENOMINATIONS OF SAME ISSUE.**

Date, .....

To the SECRETARY OF THE TREASURY,  
Division of Loans and Currency,  
Washington, D. C.

The undersigned presents herewith \$.....face amount United States registered bonds of the.....  
Liberty Loan of .....as follows:  
(If converted loan, so state.)

Number of bonds.	Denomination of bonds.	Serial numbers of bonds.	Amount.
.....	\$.....	.....	\$.....
.....	.....	.....	.....
.....	.....	.....	.....
Total amount.....			\$.....

and requests in lieu thereof the issue of registered bonds of said loan as follows, said bonds to be inscribed in the same manner as the bonds presented for exchange:

Number of bonds.	Denomination of bonds.	Amount.	[Do not use this space.]
.....	\$.....	\$.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
Total amount (which must correspond exactly with total amount above).....	.....	\$.....	.....

Said last-mentioned bonds are to be forwarded to the undersigned at the address given below { by mail.  
by express with  
charges collect.

Signature.....  
(Write plainly.)

Address.....  
(Street and number.)

.....  
(City or town.)

.....  
(State.)

**FORM OF REQUEST FOR EXCHANGE OF COUPON BONDS FOR REGISTERED BONDS OF SAME ISSUE.**

Date.....

To the SECRETARY OF THE TREASURY,  
Division of Loans and Currency,  
Washington, D. C.

The undersigned presents herewith \$.....face amount United States coupon bonds of the.....

Liberty Loan of ..... with all unmatured interest coupons attached, as follows:  
(If converted loan, so state.)

Number of bonds.	Denomination of bonds.	Serial numbers of bonds.	Amount.
.....	\$50	.....	\$.....
.....	100	.....	.....
.....	500	.....	.....
.....	1,000	.....	.....
.....	5,000	.....	.....
.....	10,000	.....	.....
Total amount.....			\$.....

and requests in lieu thereof the issue of registered bonds of said loan as follows:

Number of bonds.	Denomination of bonds.	Amount.	[Do not use this space.]
.....	\$.....	\$.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
Total amount (which must correspond exactly with total amount above).....		\$.....	.....

said bonds to be registered in the name of .....

Address for mail and interest checks:

(See page 56.)

.....  
(Street and number.)  
.....  
(City or Town.) (State.)

Address for delivery of bonds (to be filled in only in case different from mail address above. { .....

Said last-mentioned bonds to be forwarded { by mail.  
by express with charges collect.

Signature.....  
Address.....

Treasury Department.  
Loans and Currency.  
Form 1032.

**FORM OF REQUEST FOR EXCHANGE OF REGISTERED BONDS FOR COUPON BONDS OF SAME ISSUE.**

Date.....

To the SECRETARY OF THE TREASURY,  
Division of Loans and Currency,  
Washington, D. C.

The undersigned presents herewith \$.....face amount United States registered bonds of .....  
Liberty Loan of ....., duly assigned to *The Secretary of the Treasury (for exchange)*, as follows:  
(If converted loan, so state.)

Name of registered holder.	Number of bonds.	Denomination of bonds.	Amount.
.....	.....	\$.....	\$.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
<b>Total amount</b> .....	.....	.....	\$.....

and requests in lieu thereof the issue of coupon bonds of said loan as follows:

Number of bonds.	Denomination of bonds.	Amount.
.....	\$50	\$.....
.....	\$100	.....
.....	\$500	.....
.....	\$1,000	.....
.....	\$5,000	.....
.....	\$10,000	.....
<b>Total amount (which must correspond exactly with total amount above)</b> .....	.....	\$.....

Such last-mentioned bonds are to be forwarded to the undersigned by express at the risk and expense of the undersigned at the address given below:

Signature.....  
(Write plainly.)

Address.....  
(Street and number.)

.....  
(City or town.)

.....  
(State.)

NOTE.—\$5,000 and \$10,000 denomination coupon bonds are not available for the First Liberty Loan of 1917.

FORM OF REQUEST FOR TRANSFER OF REGISTERED BONDS OF SAME ISSUE.

Date.....

To the SECRETARY OF THE TREASURY,  
Division of Loans and Currency,  
Washington, D. C.

The undersigned presents herewith for transfer \$..... face amount United States registered bonds of the  
..... Liberty Loan of ..... (each bond having been duly assigned in the manner  
(If converted loan, so state.)  
prescribed on the back of such bond), as follows:

Name of registered holder.	Number of bonds.	Denomination of bonds.	Amount.
.....	.....	\$.....	\$.....
.....	.....	.....	.....
.....	.....	.....	.....
Total amount.....	.....	.....	\$.....

and requests the transfer thereof per assignments and the issue of registered bonds of said loan as follows:

Number of bonds.	Denomination of bonds.	Amount	[Do not use this space.]
.....	\$.....	\$.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
Total amount (which must correspond exactly with total amount above).....	.....	\$.....	.....

Said last-mentioned bonds are to be forwarded to the undersigned at the address given below { by mail.  
by express with charges collect.

Signature.....  
(Write plainly.)

Address.....  
(Street and number.)

.....  
(City or town.)

.....  
(State.)

NOTIFICATION OF CHANGE OF POST-OFFICE ADDRESS.

Date.....

To the SECRETARY OF THE TREASURY,  
Division of Loans and Currency,  
Washington, D. C.

The undersigned owner of registered bonds of the ..... Liberty Loan of .....  
hereby gives notice of change of post-office address: (If converted loan, so state.)

Former address: .....

New address: .....

Signature of registered owner: .....

NOTE.—This notice must be signed in the same form that the name appears on the registered bond in order that the account may be identified.

## THE FORM IN WHICH REGISTERED BONDS SHOULD BE ISSUED

(As prescribed by the Treasury Department, Washington.)

1. **Name and address of subscriber.** Full given name and full middle name, if any, of subscriber should be submitted, with the prefix (in the case of women) Mrs., or Miss, and post office address in full, including street address, should be furnished.
2. **Bonds registered in names of married women.** Bonds cannot be registered as, for example, "Mrs. John C. Jones." A married woman's own name should be used, as "Mrs. Helen Jones."
3. **Bonds registered in guardians' names.** Bonds should not be registered in the name of "James Smith, Guardian," but should be inscribed "Mary Jones, under guardianship of James Smith," or, "James Smith as Guardian of Mary Jones," or, "Mary Jones, by James Smith, her Guardian."
4. **Bonds registered in the name of a minor.** Requisitions should not be submitted for registered bonds in the name of a minor. The name of a guardian should in all cases be furnished, as indicated in 3 next above.
5. **Bonds registered in the name of a copartnership.** It is advisable that the registration should disclose that the owner is a firm or copartnership, as for instance, "James Smith & Co., a copartnership." Registration will not be refused in the name of the firm without more, but in such cases, upon assignment, the description must be added to the signature on the assignment (as, for instance, "James Smith & Co., a copartnership, by William Brown, member of the firm"), or an affidavit will be required showing the nature of the organization.
6. **Bonds registered in the name of an unincorporated association, lodge or society.** Registration of bonds should not be in the name of unincorporated associations, lodges or societies but one or more trustees should be designated by such associations, lodges or societies, and the bonds registered in such trustees' names, as, for example, "John Brown and Joseph Smith, or their successors, as trustees for the Harmony Society of Richmond, Virginia."
7. **Bonds registered in the name of an incorporated association, lodge or society.** Registration of bonds should not be in the names of any of the officers, but the legal corporate title of the organization should be furnished.
8. **Bonds registered in trustees' names.** Bonds should not be registered as, for example, "John Jones and James Smith, as trustees," but the trust should in all cases be identified; for example, "John Jones and James Smith, as trustees under the will of Henry Smith." The same applies where such trustees are acting under an indenture of trust or an agreement of trust. It applies also to executors or administrators of estates; for example, bonds should not be issued "John Jones, executor," but should be registered "John Jones, as executor under the will of Henry Jones."
9. **Bonds registered in more than one name.** The full name of each individual should be given, as "John Smith and Mary Smith," rather than "John and Mary Smith." Bonds so registered will be assignable only by both, and will be payable to both. Interest will be paid to any one of several joint holders. In case of death of any joint holders, the survivor or survivors will be recognized as having full authority, upon due proof of such death and survivorship.
10. **Bonds registered in the name of schools.** Bonds should not be registered in the name of "Johnson Public School," nor "Eighth Grade, Jefferson School," but a representative should be designated, in whose name the bonds will be registered, the name to be followed by descriptive title identifying such representatives with a particular school, etc., as "John Smith, or his successors, Principal, Johnson Public School."
11. **Bonds registered in names of military detachments, etc.** As indicated in the cases of schools next above, a representative should be designated, in whose name the bond will be registered, and descriptive title should be furnished, as for example, "James Jones, or his successors, Treasurer, Mess Fund, Fifteenth Cavalry." In such cases it is suggested that the commanding officer be consulted as to the appropriate person in whose name the bond shall be registered.



(See amendment on page 65.)

**UNITED STATES OF AMERICA**  
**WAR-SAVINGS CERTIFICATES**  
**SERIES OF 1918.**

**REGULATIONS GOVERNING THE APPOINTMENT OF AUTHORIZED AGENTS, TOGETHER WITH  
INSTRUCTIONS AND INFORMATION FOR THE GUIDANCE OF SUCH AGENTS.**

**1918.**  
**Department Circular No. 101.**  
**(War-Savings Circular No. 5.)**  
**Loans and Currency.**

**TREASURY DEPARTMENT,**  
**OFFICE OF THE SECRETARY.**  
*Washington, February 19, 1918.*

**APPOINTMENT OF AUTHORIZED AGENTS**

Applications for appointment by the Secretary of the Treasury as authorized agents for the sale of War-Savings Certificates, War-Savings Certificate Stamps, and United States Thrift Stamps, in accordance with Treasury Department Circular No. 94 (War-Savings Circular No. 1), dated November 15, 1917, should be made upon the forms provided for that purpose and must be transmitted to the Secretary of the Treasury, Division of Loans and Currency, Washington.

Such applications should bear the indorsement of a money-order postmaster or of an incorporated bank or trust company.

Such applications must also bear the indorsement of the National War-Savings Committee, to be evidenced by the signature of some person designated by such committee to act on its behalf. Such last-mentioned indorsement, however, need not be obtained before such applications are transmitted to the Secretary of the Treasury, as all applications received without such indorsement will immediately be presented to the National War-Savings Committee, which will either give or withhold such indorsement, as it may deem advisable.

On approval of any such application by the Secretary of the Treasury, a certificate of appointment of the applicant named therein as an authorized agent will be forwarded as promptly as possible.

Upon special request of the National War-Savings Committee, appointments as authorized agents may, in special instances, be made in advance of actual receipt of applications by the Secretary of the Treasury, provided the Secretary of the Treasury shall approve such applications and shall be satisfied that such applications have actually been made and forwarded.

**AGENTS OF THE SECOND CLASS UNDER TREASURY DEPARTMENT CIRCULAR NO. 95**

Any authorized agent desiring to become an agent of the second class under Treasury Department Circular No. 95 (War-Savings Circular No. 2) must execute and deliver to a Federal Reserve Bank a Pledge Agreement, on the form to be supplied by such banks (Form No. 1021), as required by such circular. Any such Pledge Agreement so executed and delivered will operate as an application by the person executing the same to become an agent of the second class, and no other special form of application is required. (Page 39.)

Upon receipt of any such Pledge Agreement executed by an authorized agent, a Federal Reserve Bank, if willing to recommend the applicant as an agent of the second class, should execute Form 1035, hereto attached, inserting therein the name and address of the applicant and

the aggregate amount of War-Savings Certificate Stamps and Thrift Stamps desired to be obtained by such applicant, as specified in such Pledge Agreement. Such form so executed, *together with a copy thereof*, should then promptly be forwarded to the Secretary of the Treasury, Division of Loans and Currency, Washington. (Page 60.)

In due course the Federal Reserve Bank will be notified by the Secretary of the Treasury, by return of a copy of Form 1035, with appropriate notation thereon, whether or not such applicant to become an agent of the second class is approved by the Secretary of the Treasury.

Upon receiving notice of such approval the Federal Reserve Bank shall accept the pledge of the collateral security described in the Pledge Agreement, and may then, but not prior thereto, make deliveries of War-Savings Certificate Stamps and United States Thrift Stamps up to the amount specified in such Pledge Agreement, upon the requisitions of such agent of the second class.

Upon special request of the National War-Savings Committee, applications contained in Pledge Agreements, to become agents of the second class, in special instances, may be approved by the Secretary of the Treasury upon telegraphic recommendation and notification from a Federal Reserve Bank that an applicant has executed and delivered a Pledge Agreement and specifying the amount of War-Savings Certificate Stamps and Thrift Stamps to be obtained under such Pledge Agreement. Such telegraphic recommendation and notification must promptly be confirmed on Form No. 1035 in the manner provided above.

Any person not previously appointed an authorized agent, desiring to become an agent of the second class under Treasury Department Circular No. 95, must, in addition to executing and delivering such Pledge Agreement, make application for appointment as an authorized agent, which application should accompany Form 1035.

#### **CASH AGENTS OF THE SECOND CLASS UNDER TREASURY DEPARTMENT CIRCULAR NO. 96**

Cash agents of the second class may be appointed as provided in Treasury Department Circular No. 96 (War-Savings Circular No. 3), dated January 2, 1918. (Page 42.)

#### **SALES OF STAMPS BY PERSONS OTHER THAN AUTHORIZED AGENTS**

Any person, firm, or corporation, whether or not an authorized agent, may purchase War-Savings Certificate Stamps and United States Thrift Stamps from a money-order post office or other agency, in amounts not in excess of \$100 (maturity value) at any one time, and may, without becoming an authorized agent, establish a sales-station to resell such stamps for cash at the current cost price, as indicated thereon; but no such person, firm, or corporation shall hold more than \$1,000 (maturity value) of such War-Savings Certificate Stamps at any one time. An adequate supply of War-Savings Certificates may be obtained with such stamps at a money-order post office or other agency.

#### **CASH REIMBURSEMENT TO AUTHORIZED AGENTS FOR FILLED THRIFT CARDS**

Any authorized agent (except agents of the second class who have qualified under Treasury Department Circular No. 95) who receives in exchange for War-Savings Certificate Stamps Thrift Cards with full complements of 16 Thrift Stamps affixed, and who does not desire to exchange such filled Thrift Cards for War-Savings Certificate Stamps, may secure cash reimbursement therefor at the rate of \$4 for each of such filled Thrift Cards through the agent's own bank or trust company, if such bank or trust company is willing to act for such agent.

Any incorporated bank or trust company is authorized to cash such filled Thrift Cards, or to receive them for collection for an authorized agent. Such bank or trust company is authorized to forward such filled Thrift Cards to the Federal Reserve Bank of its district, and upon receipt thereof such Federal Reserve Bank, as Fiscal Agent of the United States, will pay such bank or trust company \$4 in respect of each filled Thrift Card so received.

The foregoing provisions apply only to filled Thrift Cards received by authorized agents (except agents of the second class under Treasury Department Circular No. 95), in exchange for War-Savings Certificate Stamps. Banks and trust companies must not cash or collect filled Thrift Cards except for such authorized agents.

The Secretary of the Treasury will make provision for the exchange of Thrift Stamps after December 31, 1918, into War-Savings Certificates, Series of 1918, upon payment of the additional amount then required, or into some other Series, or will otherwise protect the interest of holders of Thrift Stamps.

#### INSTRUCTIONS AND INFORMATION FOR AUTHORIZED AGENTS AND SALES STATIONS

The following instructions and information are furnished for the guidance of authorized agents for the sale of War-Savings Certificates, War-Savings Certificate Stamps, and United States Thrift Stamps:

1. Promote saving and thrift by selling as many War-Savings Certificate Stamps and United States Thrift Stamps as possible.
2. Agents of the first class and sales stations should buy War-Savings Certificate Stamps and Thrift Stamps, as needed for resale to the public, from money-order post offices or from agents of the second class. Agents of the second class should obtain such stamps from a Federal Reserve Bank.
3. Do not sell War-Savings Certificate Stamps in an amount in excess of \$100 (maturity value) at any one time to any one person other than an agent. After the purchase and sale of any \$100 (maturity value) of War-Savings Certificate Stamps has been definitely completed by the payment of the money by the purchaser and the delivery of the stamps by the agent, the agent may sell to the same purchaser another \$100 (maturity value) of such stamps.
4. It is not lawful for any one person, at any one time, to hold War-Savings Certificates (or War-Savings Certificate Stamps) to an aggregate amount exceeding \$1,000 (maturity value). Therefore, do not knowingly sell War-Savings Certificate Stamps to any person holding War-Savings Certificates (or War-Savings Certificate Stamps) to an aggregate amount exceeding \$1,000 (maturity value), for such person will not be able to collect upon such War-Savings Certificates.
5. Sell United States Thrift Stamps only at 25 cents for each stamp.
6. Sell War-Savings Certificate Stamps only at the current cost price of such stamps during the month in which sold, as indicated thereon.
7. Issue a War-Savings Certificate (except to other agents or to persons who have established, or propose to establish, sales-stations) only when one or more War-Savings Certificate Stamps shall be purchased at the same time and affixed thereto, but make no additional charge for the War-Savings Certificate itself.
8. Do not make any charge for a Thrift Card.
9. Do not distribute envelopes with Thrift Cards, but only with War-Savings Certificates. Thrift Cards must not be distributed as publicity material.
10. *Do not issue any War-Savings Certificates (except to other agents, or to persons who have established or propose to establish sales-stations) without writing thereon clearly and legibly the name and address of the owner in the space provided for that purpose.* The names of holders of Thrift Cards are not required to be written thereon, but it is suggested that this be done by the holders themselves.
11. Read carefully Treasury Department Circular No. 94 (War-Savings Circular No. 1), dated November 15, 1917, and comply with its provisions. (Page 31.)
12. Agents who may neither obtain nor hold at any one time War-Savings Certificate Stamps in excess of \$1,000 (maturity value) are agents of the first class.

13. Any agent desiring to obtain or to hold at any one time War-Savings Certificate Stamps in excess of \$1,000 (maturity value) and to become an agent of the second class, should read carefully Treasury Department Circular No. 95 (War-Savings Circular No. 2) and Treasury Department Circular No. 96 (War-Savings Circular No. 3), and comply with the provisions of one or the other of such circulars. (Pages 35, 42.)

14. Copies of Treasury Department Circulars Nos. 94, 95, and 96 may be obtained from the Treasury Department in Washington or at a Federal Reserve Bank.

15. Any agent failing to comply with the provisions of any circular or regulations at any time issued by the Secretary of the Treasury will be liable to forfeiture of his agency.

16. Sell War-Savings Certificate Stamps for cash only, except that Thrift Cards, each with a full complement of 16 United States Thrift Stamps attached, should be accepted in payment of \$4 each for War-Savings Certificate Stamps, when accompanied by payment in cash of the difference between \$4 and the current cost price of War-Savings Certificate Stamps, as provided in Treasury Department Circular No. 94.

17. Thrift Cards, each with a full complement of 16 United States Thrift Stamps attached, may be exchanged at a money-order post office or through an authorized agent for War-Savings Certificate Stamps, upon payment in cash of the difference between \$4 and the current cost price of War-Savings Certificate Stamps, as provided in Treasury Department Circular No. 94.

18. Do not redeem any War-Savings Certificate Stamp or any Thrift Stamp. War-Savings Certificates may be redeemed, as therein provided, only at a money-order post office.

The Secretary of the Treasury reserves the right to withdraw this circular, or to amend from time to time any of the provisions hereof.

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

[Form 1035.]

....., 191...

TO THE SECRETARY OF THE TREASURY,  
*Washington, D. C.*

SIR: The undersigned hereby notifies the Secretary of the Treasury that—  
(Name in full:)  
(Address, number and street:) of  
(City or town:)  
(County:) (State:)

{ an authorized agent of the Treasury Department for the issue of War-Savings Certificate Stamps and Thrift Stamps }  
{ whose application to become an authorized agent of the Treasury Department for the issue of War-Savings Certificate Stamps and Thrift Stamps is inclosed herewith }  
has duly executed and delivered to the undersigned a Pledge Agreement (Form No. 1021), as provided in Treasury Department Circular No. 95 (War-Savings Circular No. 2), dated November 30, 1917, containing an application to become an agent of the second class for the issue of War-Savings Certificate Stamps and Thrift Stamps and stating that the aggregate total amount of such War-Savings Certificate Stamps, at the December, 1918, cost price, and such Thrift Stamps, at 25 cents each, desired to be obtained thereunder is \$.....

The approval of the Secretary of the Treasury of such application to become an agent of the second class is hereby recommended by the undersigned.

Very truly yours,  
FEDERAL RESERVE BANK OF NEW YORK.

....., 191...

The above-mentioned application is { approved.  
not approved.

(See page 65.)

UNITED STATES OF AMERICA—WAR-SAVINGS CERTIFICATES, SERIES OF 1919

1918.  
Department Circular No. 128.  
Loans and Currency.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,

Washington, D. C., December 18, 1918.

The Secretary of the Treasury offers for sale to the people of the United States an issue of United States War-Savings Certificates, Series of 1919, authorized by act of Congress, approved September 24, 1917, as amended and supplemented. Payments for or on account of such War-Savings Certificates must be evidenced by United States War-Savings Certificate Stamps, Series of 1919, which are to be affixed thereto. The sum of War-Savings Certificates of all issues outstanding shall not at any one time exceed in the aggregate \$4,000,000,000 (maturity value). It shall not be lawful for any one person at any one time to hold War-Savings Certificates of any one series to an aggregate amount exceeding \$1,000 (maturity value).

War-Savings Certificates, Series of 1919, War-Savings Certificate Stamps, Series of 1919, and United States Thrift Stamps (described below) may be purchased, on and after January 1, 1919, at the prices hereinafter mentioned, at post offices, and at numerous banks and other agencies appointed by the Secretary of the Treasury.

1. DESCRIPTION OF WAR-SAVINGS CERTIFICATES, SERIES OF 1919.

A United States War-Savings Certificate, Series of 1919, will be an obligation of the United States when, and only when, one or more United States War-Savings Certificate Stamps, Series of 1919, shall be affixed thereto. Each of such War-Savings Certificates will have spaces for 20 War-Savings Certificate Stamps, Series of 1919, and each of such stamps thereto affixed will have a maturity value of \$5 on January 1, 1924, which will accordingly give each such certificate when bearing its full complement of such stamps, a maturity value of \$100 on said date. No War-Savings Certificate will be issued unless at the same time one or more War-Savings Certificate Stamps shall be purchased and affixed thereto, but no additional charge will be made for the War-Savings Certificate itself. The name of the owner of each War-Savings Certificate must be written upon such certificate at the time of the issue thereof.

War-Savings Certificate Stamps, Series of 1919, will be issued in 1919 at the following prices:

January .....	\$4.12	May .....	4.16	September .....	4.20
February .....	4.13	June .....	4.17	October .....	4.21
March .....	4.14	July .....	4.18	November .....	4.22
April .....	4.15	August .....	4.19	December .....	4.23

The average issue price above fixed for the year 1919 with interest at 4 per cent per annum compounded quarterly for the average period to maturity will amount to \$5 on January 1, 1924.

War-Savings Certificate Stamps, Series of 1919, shall not be affixed to War-Savings Certificates, Series of 1918, nor shall War-Savings Certificate Stamps, Series of 1918, be affixed to War-Savings Certificates, Series of 1919. Such stamps affixed to War-Savings Certificates of another series will not add to the value thereof.

## 2. PAYMENT AT MATURITY.

Owners of War-Savings Certificates, Series of 1919, will be entitled to receive, on January 1, 1924, at the Treasury Department in Washington, or at a money-order post office (the office where registered in the case of a registered certificate), upon surrender of such certificates and upon compliance with all other provisions thereof, \$5 in respect of each War-Savings Certificate Stamp, Series of 1919, then affixed thereto, but no post office shall be required to make any such payment until 10 days after receiving written demand therefor.

## 3. PAYMENT PRIOR TO MATURITY.

Any owner of a War-Savings Certificate, Series of 1919, at his option, will be entitled to receive, at any time after January 10, 1919, and prior to January 1, 1924, at a money-order post office (the office where registered in the case of a registered certificate), upon surrender of his certificate and upon compliance with all other provisions thereof, in respect of each War-Savings Certificate Stamps, Series of 1919, then affixed to such certificate, the amount indicated in the following table, but no post office shall make any such payment until 10 days after receiving written demand therefor, and such certificate must be surrendered for payment within 60 days after such demand, otherwise the demand will be deemed to be waived and a new demand will be required before payment.

Month.	1919	1920	1921	1922	1923
January .....	\$4.12	\$4.24	\$4.36	\$4.48	\$4.60
February .....	4.13	4.25	4.37	4.49	4.61
March .....	4.14	4.26	4.38	4.50	4.62
April .....	4.15	4.27	4.39	4.51	4.63
May .....	4.16	4.28	4.40	4.52	4.64
June .....	4.17	4.29	4.41	4.53	4.65
July .....	4.18	4.30	4.42	4.54	4.66
August .....	4.19	4.31	4.43	4.55	4.67
September .....	4.20	4.32	4.44	4.56	4.68
October .....	4.21	4.33	4.45	4.57	4.69
November .....	4.22	4.34	4.46	4.58	4.70
December .....	4.23	4.35	4.47	4.59	4.71
<b>January 1, 1924, \$5.00.</b>					

## 4. REGISTRATION.

War-Savings Certificates, Series of 1919, may be registered without cost to the owners at any post office of the first, second, or third class, or at certain specially authorized post offices of the fourth class, subject to such regulations as the Postmaster General may from time to time prescribe, and payment in respect of any certificate so registered will be made only at the post office where registered. Unless registered, the United States will not be liable if payment in respect of any certificate or certificates be made to a person not the rightful owner thereof. The Postmaster General may, by regulation, provide for the transmission of registered certificates by mail to the post office of registration for payment, and return of proceeds by money order, in cases in which it appears that the owner is unable to secure payment personally, or by a representative, pursuant to regulations therefor.

War-Savings Certificates, Series of 1919, are not transferable and will be payable only to the respective owners named thereon, except in the case of the death or disability of any such owner.

## 5. TAX EXEMPTION.

War-Savings Certificates, Series of 1919, 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.

## 6. THRIFT CARDS AND THRIFT STAMPS.

Payments on account of War-Savings Certificates, Series of 1919, may also be evidenced by United States Thrift Stamps, issued at any time on or after December 3, 1917, having a face value of 25 cents each but bearing no interest. United States Thrift Stamps, however, must not be affixed to War-Savings Certificates but only to Thrift Cards, which may be obtained without cost. Thrift Stamps as such are not directly redeemable in cash, but each Thrift Card will have spaces for 16 such Thrift Stamps, and a Thrift Card, when bearing its full complement of such stamps, may be exchanged at a post office, or other authorized agency, after December 31, 1918, and on or before December 31, 1919, for a War-Savings Certificate Stamp, Series of 1919, and upon such exchange the owner of such Thrift Card must pay the difference between \$4 and the current issue price of War-Savings Certificate Stamps, Series of 1919, during the month in which such exchange is made, as shown by the following table:

January .....	\$4.12	April .....	\$4.15	July .....	\$4.18	October .....	\$4.21
February .....	4.13	May .....	4.16	August .....	4.19	November .....	4.22
March .....	4.14	June .....	4.17	September .....	4.20	December .....	4.23

## 7. RIGHTS OF HOLDERS OF WAR-SAVINGS CERTIFICATES, SERIES OF 1919.

All the provisions of Treasury Department Circular No. 108 (War-Savings Circular No. 8), dated January 21, 1918, further defining rights of holders of War-Savings Certificates, apply to and govern rights of holders of War-Savings Certificates, Series of 1919, except as herein expressly modified with respect to War-Savings Certificates, Series of 1919, to wit:

(a) In paragraph I thereof, the maturity date specified shall read "January 1, 1924."

(b) In paragraph VI thereof, the \$1,000 limitation on the holdings of a single person will refer to a maturity value of \$1,000 of certificates of the Series of 1919, without reference to any holdings of certificates of any other Series.

(c) In paragraph XI there shall be inserted in the receipt thereby required to be signed after the words "War-Savings Certificates" the words "of any one Series."

(d) In paragraph XIV the aggregate amount of certificates received and held as therein provided will refer to the aggregate amount of certificates of the Series of 1919 without reference to any holdings of certificates of any other Series.

## 8. OTHER DETAILS.

War-Savings Certificates, Series of 1919, will not be receivable as security for deposits of public money, and will not bear the circulation privilege.

The Secretary of the Treasury reserves the right at any time to withdraw this circular as a whole, or to amend from time to time any of the provisions thereof, to withdraw War-Savings

Certificates, Series of 1919, War-Savings Certificate Stamps, Series of 1919, or United States Thrift Stamps from sale, to refuse to issue or to permit to be issued any War-Savings Certificates, Series of 1919, or Thrift Cards, and to refuse to sell or to permit to be sold any War-Savings Certificates, Series of 1919, or War-Savings Certificate Stamps, Series of 1919, or United States Thrift Stamps to any person, firm, corporation, or association.

The right is also reserved to make from time to time any supplemental or amendatory regulations which shall not modify or impair the terms and conditions of War-Savings Certificates issued or to be issued in pursuance of said Act of September 24, 1917, as amended and supplemented.

Further details may be announced by the Secretary of the Treasury from time to time, information as to which will be promptly furnished to postmasters at money-order post offices and to other agents.

**CARTER GLASS,**  
*Secretary.*



**DISTRIBUTION AND SALE OF WAR SAVINGS CERTIFICATES AND STAMPS.  
SERIES OF 1919.**

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**1918.**  
**Department Circular No. 130.**  
**Loans and Currency.**

**TREASURY DEPARTMENT,**  
**OFFICE OF THE SECRETARY,**  
*Washington, D. C., December 23, 1918.*

*To Federal Reserve Banks, all agents for the sale of War Savings  
Certificates and Stamps and others concerned:*

The provisions of department circular No. 94, (War Savings Circular No. 1) dated Nov. 15, 1917 under the title "Method of Distribution and Sale," of department circular No. 95, (War Savings Circular No. 2) dated Nov. 30, 1917, department circular No. 96, (War Savings Circular No. 3) dated January 2, 1918, and department circular No. 101, (War Savings Circular No. 5), dated February 19, 1918 are hereby extended, subject to the provisions hereof and of department circular No. 128, dated Dec. 18, 1918 to the distribution and sale of United States War Savings Certificates and War Savings Certificates Stamps series of 1919, and to the distribution and sale of United States Thrift Stamps after December 31, 1918. (Pages 31, 35, 42, 57, 61.)

All provisions of said circulars with reference to War Savings Certificates and War Savings Certificates Stamps, series of 1918, issued under department circular No. 94, as heretofore and hereby modified, shall, mutatis mutandis, apply with equal force and effect to War Savings Certificates and War Savings Certificates Stamps series of 1919, issued under department circular No. 128, dated December 18, 1918. (Page 61.)

War Savings Certificate Stamps, series of 1919, and United States Thrift Stamps (together with Thrift Cards and War Savings Certificates series of 1919), will be furnished (1) to post offices for sale to the public and to agents of the first class, and (2) to Federal Reserve Banks as fiscal agents of the United States, for distribution to agents of the second class and also for sale to agents of the first class, such agents being classified as provided in the above described circulars. Post offices and Federal Reserve Banks will maintain available supplies of stamps, certificates and cards in amounts sufficient to meet the requirements for such distribution and sale.

Agents of the first class and cash agents of the second class duly appointed for the sale of War Savings Certificates and War Savings Certificates Stamps series of 1918, may act as such agents, respectively, for the sale of such certificates and stamps, series of 1919, without further application; and they will by the receipt or sale of War Savings Certificates or War Savings Certificates Stamps, series of 1919, or by the receipt or sale of United States Thrift Stamps after December 31, 1918, be conclusively presumed to have assented to all the terms and provisions hereof.

Collateral agents of the second class already qualified to a sufficient amount pursuant to department circulars numbers 95 and 101 for the sale of War Savings Certificates and War Savings Certificates Stamps, series of 1918, will not be required to file anew formal applications for appointment as agents, nor resolutions and pledge agreements, and they will, by the receipt or sale of War Savings Certificates or War Savings Certificate Stamps, series of 1919, or by the receipt or sale of United States Thrift Stamps after December 31, 1918, be conclusively presumed to have assented to all the terms and provisions hereof. Collateral security pledged or to be pledged under any of the circulars above mentioned will be conclusively deemed to be pledged as collateral security thereunder and hereunder. (Pages 35, 57.)

Forms of applications for new appointments as agents hereunder will be furnished on application. The provision that the amount of War Savings Certificates sold to any one person at any one time should not exceed \$100 has been repealed by the act approved Sept. 24, 1918, and is no longer in force. (Page 31.)

Collateral agents of the second class may obtain from a Federal Reserve Bank War Savings Certificate Stamps, series of 1919, in amounts of \$1,000 (maturity value) or less, as well as in amounts in excess of \$1,000 (maturity value). In determining the collateral security to be deposited and pledged by such agents, War Savings Certificate Stamps, series of 1919, shall be taken at the December, 1919, issue price. Any such agent desiring to obtain War Savings Certificate Stamps, series of 1919, at such December, 1919, issue price, and Thrift Stamps to the aggregate amount of \$50,000 or more, may deposit and pledge as collateral security, subject to the provisions hereof, any securities of the classes described in Treasury Department Circular No. 92, of Sept. 21, 1918, as heretofore or hereafter amended and supplemented. (Page 17.)

The Secretary of the Treasury will make provision for the exchange of Thrift Stamps after December 31, 1919, into War Savings Certificates series of 1919 upon payment of the additional amount then required, or into some other series, or will otherwise protect the interest of holders of Thrift Stamps.

No agent shall sell any United States War Savings Certificate Stamps, series of 1919, at any price other than the current issue price of such stamps during the month in which sold as specified in department circular No. 128. (Page 61.)

It is not lawful for any one person at any one time to hold War Savings Certificates, series of 1919 (and War Savings Certificates Stamps, series of 1919) to an aggregate amount exceeding \$1,000 (maturity value) ; it is lawful to hold War Savings Certificates, series of 1919 (and War Savings Certificates Stamps, series of 1919) up to an aggregate maturity value of \$1,000 regardless of the amount of War Savings Certificates and War Savings Certificates Stamps of the series of 1918 that may already be held.

The Secretary of the Treasury reserves the right to withdraw this circular or to amend, from time to time, any of the provisions hereof and to terminate any agency created or existing hereunder.

**CARTER GLASS,**  
*Secretary.*

# Regulations with Respect to Lost Bonds of the United States

## Relief in Cases of Destroyed or Defaced Coupon Bonds and Destroyed, Defaced, or Lost Registered Bonds

[Extract from "Regulations of the Treasury Department in relation to United States Bonds"—1915.]

The following are the provisions of the Revised Statutes of the United States concerning relief that may be granted in cases of destroyed and defaced coupon and registered bonds and lost registered bonds of the United States:

### Provisions of Law

SEC. 3702. Whenever it appears to the Secretary of the Treasury, by clear and unequivocal proof, that any interest-bearing bond of the United States has, without bad faith upon the part of the owner, been destroyed, wholly or in part, or so defaced as to impair its value to the owner, and such bond is identified by number and description, the Secretary of the Treasury shall, under such regulations and with such restrictions as to time and retention for security or otherwise as he may prescribe, issue a duplicate thereof, having the same time to run, bearing like interest as the bond so proved to have been destroyed or defaced, and so marked as to show the original number of the bond destroyed and the date thereof. But when such destroyed or defaced bonds appear to have been of such a class or series as has been or may, before such application, be called in for redemption, instead of issuing duplicates thereof, they shall be paid, with such interest only as would have been paid if they had been presented in accordance with such call.

SEC. 3703. The owner of such destroyed or defaced bond shall surrender the same, or so much thereof as may remain, and shall file in the Treasury a bond in a penal sum of double the amount of the destroyed or defaced bond, and the interest which would accrue thereon until the principal becomes due and payable, with two good and sufficient sureties, residents of the United States, to be approved by the Secretary of the Treasury, with condition to indemnify and save harmless the United States from any claim upon such destroyed or defaced bond.

SEC. 3704. Whenever it is proved to the Secretary of the Treasury, by clear and satisfactory evidence, that any duly registered bond of the United States, bearing interest, issued for valuable consideration in pursuance of law, has been lost or destroyed, so that the same is not held by any person as his own property, the Secretary shall issue a duplicate of such registered bond, of like amount, and bearing like interest and marked in the like manner as the bond so proved to be lost or destroyed.

SEC. 3705. The owner of such missing bond shall first file in the Treasury a bond in the penal sum equal to the amount of such missing bond, and the interest which would accrue thereon, until the principal thereof becomes due and payable, with two good and sufficient sureties, residents of the United States, to be approved by the Secretary of the Treasury, with condition to indemnify, and save harmless the United States from any claim because of the lost or destroyed bond.

### Department Regulations

Parties presenting claims on account of a coupon or registered bond of the United States which has been destroyed wholly or in part, or on account of a registered bond which has been lost, will be required to present evidence showing—

1. The number, denomination, date of authorizing act, and rate of interest of such bond; whether coupon or registered, and, if registered, the name of the payee. In the case of a registered bond, it should also be stated whether it had been *assigned or not* previous to the alleged loss or destruction, and, if assigned, by whom, and whether assigned in blank or to some person specifically by name; and if assigned in the latter manner, the name of the assignee should be given.

2. The time and place of purchase, of whom purchased, and the consideration paid.

3. The specific place of deposit of the missing bond (that is, if the bond was kept in house or office, it should be shown in what part thereof, whether in a desk, box, etc., and whether under lock and key; if kept in a bank vault, the name of the bank should be given): whether or not any person or persons, other than the owner, had access thereto: and in the event of its having been accessible to other parties, their affidavits, in addition to that of the owner, should be furnished, showing their knowledge of the existence of the bond, and of the fact of its loss or destruction.

- 4. The material facts and circumstances connected with the loss or destruction of the bond.
- 5. It must be shown *by the affidavits of two credible persons*, if practicable by United States officers, that the statements of the claimant as set forth in his affidavit are worthy of the confidence of the Treasury Department, and that he is the identical person named in the application. Like evidence of credibility must accompany the affidavit of any person who may have had access to the bond, besides the claimant.

All affidavits sworn to before a notary public, a United States commissioner, or a justice of the peace must be accompanied by a certificate from the proper court, showing that the officer was in commission on the date of the execution of the document.

In all cases, the evidence should be as full and clear as possible, that there may be no doubt of the good faith of the claimant. Proofs may be made by affidavits duly authenticated, and by such other competent evidence as may be in the possession of the claimant.

**General Form of Affidavit**

(To be used as a guide only.)

Personally appeared before me, a ..... in and for the city of ....., county of ....., and State of ....., the subscriber, ..... of ....., county of ....., and State of ....., who, being duly sworn according to law, deposes and says that ..... is the lawful owner of the following-described registered bond of the United States, viz.:

No. ...., for \$. ...., ..... per cent, ....., registered in name of .....  
(Title of loan. If postal savings, state the series.)  
 on the books of the Treasury Department ....., 19.... (if more than one bond lost, stolen or destroyed, each bond must be described); that no assignment or transfer of said bond has been made or authorized by ..... or ..... attorney, either in blank or by a specific assignment, or in any manner whatever (if assigned, state by whom and whether assigned in blank or to some person specifically by name; if in latter manner name of the assignee must be given. See par. 1 of regulations, above); that said bond has not, by hypothecation, pledge, loan, or otherwise, passed from the custody or control of said ..... with [his or her] knowledge or consent; that said bond was purchased ....., ....., at ....., of ....., and the consideration paid was ..... dollars; that the place of deposit of the bond was ..... and that no person but deponent had access thereto [in the event of the bond having been accessible to other parties it should be so stated, and their affidavits must be furnished]; that the said bond was stolen [if lost or destroyed, the material facts connected therewith should be given] from the said ....., at ....., on the ....., ....., by some person or persons unknown to deponent; and that due diligence has been exercised in endeavoring to recover the said bond, without success. [*State what has been done.*]

.....  
 of .....

Sworn to and subscribed before me, this the ..... day of ....., A. D. 19...; and I certify that said ..... is personally well known to me to be the identical person mentioned in the foregoing affidavit.

[SEAL.]

.....  
 .....

(See par. 6 as to notaries public, etc.)

For relief on account of *destroyed coupon bonds* change form to suit the case.

Affidavits and other evidence pertaining to the claim should be transmitted to the SECRETARY OF THE TREASURY, Division of Loans and Currency. Upon receipt of such documentary evidence, it will be referred to the Comptroller of the Treasury for his opinion as to its sufficiency. The applicant will be advised of the decision as soon as it is reached; IF IT BE FAVORABLE TO SUCH APPLICANT, a blank indemnity bond will be forwarded to him for execution; and when this indemnity bond shall have been duly executed, returned to the department, and approved by the Comptroller and the Secretary, the relief desired will be granted.

The acts of August 13, 1894, and March 23, 1910, authorize the acceptance of a surety company, duly incorporated and duly authorized to do business by the Secretary of the Treasury, in lieu of the two sureties prescribed in sections 3703 and 3705 above quoted. When a surety company has been duly accepted by the Treasury Department its sufficiency need not be certified as is required in the case of personal sureties. A married woman as a surety on an indemnity bond will not be

accepted by the department. If an unmarried woman acts as surety she must furnish a statement setting forth the fact that she is unmarried.

A duplicate in lieu of a lost registered bond will not be issued within six months from the time of the alleged loss.

The interest on an uncalled registered bond will be paid to the payee thereof, even though the bond has been lost or destroyed.

In case relief is granted by the issue of new bonds for destroyed or defaced coupon bonds the new bonds will be in registered form.

These regulations do not apply in any way to coupon bonds which have been lost or to coupons lost or destroyed which have been detached from the bonds to which they belonged, as no relief, in such cases, can be granted under existing laws.

Registered bonds assigned in blank become, in effect, bonds payable to bearer, and if lost or stolen no relief can be granted on account thereof under existing laws.

TREASURY DEPARTMENT,  
*Division of Loans and Currency.*

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### **Interest on Registered Bonds**

Interest on registered bonds is paid by check drawn at the Treasury Department in Washington and mailed to the owners of bonds.

Interest checks should not be held but should be presented for payment promptly. When interest checks are presented for payment the endorsement must be in ink or indelible pencil and must correspond exactly with the name as printed on the face of the check. Holders should not write their names or any other matter on their bonds.

Further information will be given upon request to the

FEDERAL RESERVE BANK OF NEW YORK

## FIRST LIBERTY LOAN SUBSCRIPTIONS IN DEFAULT

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1919.  
Department Circular No. 135.  
Loans and Currency.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, February 5, 1919.

Pursuant to the provisions of Treasury Department Circular No. 78, dated May 14, 1917, any and all installment payments made to the Treasury Department or to a Federal Reserve bank upon subscriptions to First Liberty Loan  $3\frac{1}{2}$  per cent gold bonds of 1932-1947 filed with an official agency designated in said circular, upon which bonds have been allotted, and upon which one or more of the subsequent installment payments due pursuant to such circular and allotment has not been paid, are hereby declared to be forfeited to the United States; and such subscriptions and all right and interest in the bonds allotted thereon are hereby declared to be forfeited because of the failure to make further payment as required by said circular. Installment payments hereby forfeited will be credited by the several Federal Reserve banks to the general account of the Treasurer of the United States (if not already credited), as "Forfeited First Liberty Loan installment payments," and will be covered into the Treasury to the credit of "Miscellaneous Receipts." Federal Reserve banks will attach to every transcript showing such credits a schedule giving with respect to each such subscription the name of the subscriber, the amount of bonds allotted, and the amount of payment or payments received against the subscription and therewith credited. If such installment payments have previously been credited to the general account of the Treasurer of the United States, Federal Reserve banks will forthwith send to the Treasurer of the United States a like schedule to accompany the transcript on which such credits appeared, identifying such transcript by date. On receipt of all such forfeited installment payments against any subscription, the allotment to the Federal Reserve bank in question will be reduced accordingly.

All interim certificates now outstanding, issued by or on behalf of any Federal Reserve bank pursuant to Department Circular No. 78, for installment payments representing less than payment in full for the bonds therein described, are hereby declared to be in default, and such certificates and all rights thereunder are hereby declared to be forfeited pursuant to the terms thereof and of said circular for failure to make payment of subsequent installments due as therein required.

The Treasury Department, or Federal Reserve bank, as the case may be, with whom a subscription has been filed on which any installment payment is forfeited pursuant hereto, will advise the subscriber of the forfeiture by registered mail at the last known address of such subscriber.

**CARTER GLASS,**  
*Secretary of the Treasury.*

(See page 11.)

## REGULATIONS GOVERNING THE EXPORTATION OF COIN, BULLION, AND CURRENCY.

(Revised.)

### EXECUTIVE ORDER.

By virtue of the authority vested in me, I direct that the regulations, orders, limitations, and exceptions prescribed in relation to the exportation of coin, bullion, and currency shall be administered by and under the authority of the Secretary of the Treasury; and upon the recommendation of the Secretary of the Treasury I hereby prescribe the following regulations in relation thereto:

1. Any individual, firm, or corporation desiring to export from the United States or any of its Territorial possessions to any foreign country named in the proclamation dated September seventh, nineteen hundred and seventeen, any coin, bullion, or currency, shall first file an application in triplicate with the Federal Reserve Bank of the district in which such individual, firm, or corporation is located, such application to state under oath and in detail the nature of the transaction, the amount involved, the parties directly and indirectly interested, and such other information as may be of assistance to the proper authorities in determining whether the exportation for which a license is desired will be compatible with the public interest.

2. Each Federal Reserve Bank shall keep a record copy of each application filed with it under the provisions of this regulation and shall forward the original application and a duplicate to the Federal Reserve Board at Washington together with such information or suggestions as it may believe proper in the circumstances and shall in addition make a formal recommendation as to whether or not in its opinion the exportation should be permitted.

3. The Federal Reserve Board, subject to the approval of the Secretary of the Treasury, is hereby authorized and empowered upon receipt of such application and the recommendation of the Federal Reserve Bank to make such ruling as it may deem proper in the circumstances and if in its opinion the exportation in question be compatible with the public interest, to permit said exportation to be made; otherwise to refuse it.

WOODROW WILSON.

THE WHITE HOUSE, *September 7, 1917.*

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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

### A PROCLAMATION.

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Whereas Congress has enacted, and the President has on the fifteenth day of June, one thousand nine hundred and seventeen, approved a law which contains the following provisions:

Whenever during the present war the President shall find that the public safety shall so require and shall make proclamation thereof, it shall be unlawful to export from or ship from or take out of the United States to any country named in such proclamation any article or articles mentioned in such proclamation, except at such time or times, and under such regulations and orders, and subject to such limitations and exceptions as the President shall prescribe, until otherwise ordered by the President or by Congress: *Provided, however,* That no preference shall be given to the ports of one State over those of another.

Any person who shall export, ship, or take out, or deliver or attempt to deliver for export, shipment, or taking out, any article in violation of this title, or of any regulation or order made hereunder, shall be fined not more than \$10,000, or, if a natural person, imprisoned for not more than two years, or both; and any article so delivered or exported, shipped, or taken out, or attempted to be so delivered or exported, shipped, or taken out, shall be seized and forfeited to the

United States; and any officer, director, or agent of a corporation who participates in any such violation shall be liable to like fine or imprisonment, or both.

Whenever there is reasonable cause to believe that any vessel, domestic or foreign, is about to carry out of the United States any article or articles in violation of the provisions of this title, the collector of customs for the district in which such vessel is located is hereby authorized and empowered, subject to review by the Secretary of Commerce, to refuse clearance to any such vessel, domestic or foreign, for which clearance is required by law, and by formal notice served upon the owners, master, or person or persons in command or charge of any domestic vessel for which clearance is not required by law to forbid the departure of such vessel from the port, and it shall thereupon be unlawful for such vessel to depart. Whoever, in violation of any of the provisions of this section shall take, or attempt to take, or authorize the taking of any such vessel out of port or from the jurisdiction of the United States, shall be fined not more than \$10,000 or imprisoned not more than two years, or both; and, in addition, such vessel, her tackle, apparel, furniture, equipment, and her forbidden cargo shall be forfeited to the United States.

And whereas the President has heretofore by proclamation, under date of the twenty-seventh day of August in the year one thousand nine hundred and seventeen, declared certain exports in time of war unlawful, and the President finds that the public safety requires that such proclamation be amended and supplemented in respect to the articles hereinafter mentioned:

Now, therefore, I, Woodrow Wilson, President of the United States of America, do hereby proclaim to all whom it may concern, that the public safety requires that, except at such time or times, and under such regulations and orders, and subject to such limitations and exceptions as the President shall prescribe, until otherwise ordered by the President or by Congress, the following articles, namely: Coin, bullion, and currency shall not, on and after the tenth day of September, in the year one thousand nine hundred and seventeen, be exported from or shipped from or taken out of the United States or its territorial possessions to Albania, Austria-Hungary, Belgium, Bulgaria, Denmark, her colonies, possessions or protectorates, Germany, her colonies, possessions or protectorates, Greece, Leichtenstein, Luxembourg, The Kingdom of the Netherlands, Norway, Spain, her colonies, possessions or protectorates, Sweden, Switzerland or Turkey, Abyssinia, Afghanistan, Argentina, Bolivia, Brazil, China, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, Egypt, France, her colonies, possessions or protectorates, Guatemala, Haiti, Honduras, Italy, her colonies, possessions or protectorates, Great Britain, her colonies, possessions or protectorates, Japan, Liberia, Mexico, Monaco, Montenegro, Morocco, Nepal, Nicaragua, the colonies, possessions or protectorates of The Netherlands, Oman, Panama, Paraguay, Persia, Peru, Portugal, her colonies, possessions or protectorates, Roumania, Russia, Salvador, San Marino, Serbia, Siam, Uruguay, or Venezuela.

The regulations, orders, limitations, and exceptions prescribed will be administered by and under the authority of the Secretary of the Treasury, from whom licences in conformity with said regulations, orders, limitations, and exceptions will issue.

Except as hereby amended and supplemented, the above-mentioned proclamation under date of August 27, 1917, shall continue in full force and effect.

In witness whereof I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this seventh day of September, in the year of our Lord one thousand nine hundred and seventeen, and of the independence of the United States of America the one hundred and forty-second.

WOODROW WILSON.

By the President:  
 ROBERT LANSING,  
*Secretary of State.*



## ADMINISTRATIVE PROCEDURE.

### METHOD OF MAKING APPLICATION

Individuals, firms, and corporations desiring to obtain licenses for the exportation of coin, bullion, and currency must file an application with the Federal Reserve Bank of the district in which the applicant resides or where the transaction requiring the shipment originates. These applications must be made on a standard form, which has been furnished to all Federal Reserve Banks.

### EXPORTS OF GOLD.

It is the practice of the Board not to authorize the exportation of gold except in cases where the desirability of permitting such shipment is clearly established as being compatible with the national interest. In reaching its conclusions, however, the Board will consider all attending circumstances in each particular case. (See page 74.)

### SHIPMENTS OF CANADIAN SILVER COIN AND CURRENCY.

Until further notice the Board will approve all applications for the exportation of Canadian silver coin and currency to Canada, and of Mexican paper currency to Mexico, without limitation. The Treasury Department has instructed collectors of customs to pass such shipments when approved by the Federal Reserve Bank of the district from which the shipments are made. Continuous permits for shipments of Canadian silver coin and currency and of Mexican paper currency, without requiring an application in each case, may be granted by Federal Reserve Banks upon condition that each transaction will be reported to it without delay. The Federal Reserve Banks will transmit to the Board weekly reports of all applications of every kind passed upon by them, showing the amount of each shipment.

### EXPORTS OF SILVER BULLION AND SILVER COIN OF FOREIGN MINTAGE.

Applications for the exportation of silver bullion and silver coin of foreign mintage will in general be approved by the Federal Reserve Board upon recommendation of the Federal Reserve Bank with which the application is filed. (See page 11.)

### UNITED STATES NOTES, NATIONAL BANK NOTES, FEDERAL RESERVE NOTES, AND FEDERAL RESERVE BANK NOTES.

Applications for the exportation of United States notes, national bank notes, Federal Reserve notes, and Federal Reserve bank notes will as a rule be approved by the Federal Reserve Board, but each application must come before the Board for its determination before shipment is made, unless authority to pass upon such applications locally has been delegated by the Board to the respective Federal Reserve Banks.

### TRAVELERS LEAVING THE COUNTRY.

Instructions have been issued by the Treasury Department to collectors of customs to permit travelers leaving the country to carry on their persons or in their baggage:

- (a) United States notes, national-bank notes, Federal reserve notes, or Federal reserve bank notes not to exceed \$1,000 for each adult; or an equivalent value of currency, bank notes and coin, other than gold, of the countries for which passports have been duly issued to them.
- (b) Subsidiary silver coins not to exceed \$100 for each adult, such coin to be in lieu of a like amount of notes under (a) above.

Collectors of customs have been informed that in dealing with travelers they may act in accordance with these regulations, without communicating with the Federal Reserve Board or with the Federal Reserve Bank of their district.

Travelers who desire to take with them silver dollars or gold coin, or gold or silver certificates in any amount, must obtain a license from the Federal Reserve Bank of their district, from which application blanks may be obtained. Whenever such licenses are issued, the Federal Reserve Bank will give due notice to the collector of customs at the port from which the applicant expects to leave the United States, and collectors of customs have been notified that in dealing with travelers to whom such licenses have been issued they may act without communicating with the Federal Reserve Board.

GENERAL.

Shipments of coin or currency which appear to be or are suspected of being for enemy account or for the benefit of the enemy, or to destinations whence such shipments might readily be made available to enemies, will not be permitted. These regulations are issued subject to change without notice, and no application granted will be regarded as constituting a precedent.

FEDERAL RESERVE BOARD,  
By W. P. G. HARDING, *Governor*.

Approved:

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

WASHINGTON, D. C., *May 11, 1918.*

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FEDERAL RESERVE BOARD

*Washington, June 9, 1919.*

(The following ruling was received from the Federal Reserve Board concerning the termination of the control of foreign exchange transactions, etc., while this pamphlet was in process of printing.)

“After consultation with the Secretary of the Treasury and with the approval of the President, the Federal Reserve Board has terminated the control heretofore exercised over transactions in foreign exchange and over the exportation of coin, bullion and currency, except as to the importation or exportation of rouble notes or exchange operations with that part of Russia now under the control of the so-called Bolshevik Government and except as to exchange transactions with territories in respect of which such transactions are at present permitted only through the American Relief Administration. Hereafter applications for exports of gold will, like applications for exports of silver, be granted freely irrespective of amount or destination except as above indicated. Applications for both gold and silver exports must, however, continue to be made to the Federal Reserve Board until such time as the President shall by proclamation formally bring to an end the present control. The control now exercised over foreign exchange including the reports required to be made by dealers will continue until the President shall formally put an end to present requirements, but with respect to specific transactions licenses will be granted freely, except for the exportation or importation of rouble notes or for foreign exchange transactions with that part of Russia now under Bolshevik control and except as to exchange transactions with territories in respect of which such transactions are at present permitted only through the American Relief Administration.”

ORIGINAL

APPLICATION FOR PERMISSION TO EXPORT COIN,  
BULLION OR CURRENCY FROM THE UNITED STATES

(To be filed with the *Federal Reserve Bank of New York*)

To the *Federal Reserve Board*,

(To be executed in triplicate and forwarded through the *Federal Reserve Bank of New York*)

SIRS:

The undersigned hereby makes application for permission to export from the United States coin, bullion or currency as hereinafter set forth:

1. Description of shipment (i. e. gold coin, silver bullion, currency, etc.).....
2. Value .....
3. Date and place of shipment.....
4. Destination .....
5. Proposed route (including name of vessel, if possible).....
6. Consignor .....
7. Consignee .....
8. Name and address of person, firm, corporation or government for whose account shipment has been ordered .....
9. Name and address of person, firm, corporation or government to whose account shipment will be charged .....
10. Names and addresses of all other persons interested in the transaction, directly or indirectly.....
11. Specific transaction which resulted in order for shipment .....

NOTE. If shipment is in payment of balance due consignee or on exchange operations, give full details of commercial transactions of which such balance or exchange operations are the result.

12. If shipment is made for applicant's own account, state whether the purpose is to furnish customers with exchange. If so, give names and addresses of such customers.....

13. Additional information indicating that  
the exportation will be compatible  
with the public interest .....

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I, ..... on oath depose and say that I  
know the facts hereinabove set forth to be true, and that I have no knowledge of any material  
facts in connection with the proposed shipment above described which have not been set forth in  
this application.

Subscribed and sworn to before me this

day of 191

.....  
(Signature of Applicant)

.....  
(Address)

Notary Public.

**RECOMMENDATION OF FEDERAL RESERVE BANK OF NEW YORK**

The above application is forwarded to the Federal Reserve Board with a recommendation  
that the license applied for be { granted  
refused for the following reasons:  
suspended

Respectfully,

.....  
Assistant Cashier.

To the  
Federal Reserve Board  
Washington.

## Victory Liberty Loan Act

TO AMEND THE LIBERTY BOND ACTS AND THE WAR FINANCE CORPORATION ACT, AND FOR OTHER PURPOSES.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Second Liberty Bond Act is hereby amended by adding thereto a new section to read as follows:

SEC. 18. (a) That in addition to the bonds and certificates of indebtedness and war-savings certificates authorized by this Act and amendments thereto, the Secretary of the Treasury, with the approval of the President, is authorized to borrow from time to time on the credit of the United States for the purposes of this Act, and to meet public expenditures authorized by law, not exceeding in the aggregate \$7,000,000,000, and to issue therefor notes of the United States at not less than par in such form or forms and denomination or denominations, containing such terms and conditions, and at such rate or rates of interest, as the Secretary of the Treasury may prescribe, and each series of notes so issued shall be payable at such time not less than one year nor more than five years from the date of its issue as he may prescribe, and may be redeemable before maturity (at the option of the United States) in whole or in part, upon not more than one year's nor less than four month's notice, and under such rules and regulations and during such period as he may prescribe.

"(b) The notes herein authorized may be issued in any one or more of the following series as the Secretary of the Treasury may prescribe in connection with the issue thereof:

"(1) Exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes) 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;

"(2) 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;

"(3) Exempt, both as to principal and interest, as provided in paragraph (2); and with an additional exemption from the taxes referred to in clause (b) of such paragraph, of the interest on an amount of such notes the principal of which does not exceed \$30,000, owned by any individual, partnership, association, or corporation; or

"(4) 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) all income, 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.

"(c) If the notes authorized under this section are offered in more than one series bearing the same date of issue, the holder of notes of any such series shall (under such rules and regulations as may be prescribed by the Secretary of the Treasury) have the option of having such notes held by him converted at par into notes of any other such series offered bearing the same date of issue.

"(d) None of the notes authorized by this section shall bear the circulation privilege. The principal and interest thereof shall be payable in United States gold coin of the present standard of value. The word 'bond' or 'bonds' where it appears in sections 8, 9, 10, 14, and 15 of this Act as amended, and sections 3702, 3703, 3704, and 3705 of the Revised Statutes, and section 5200 of the Revised Statutes as amended, but in such sections only, shall be deemed to include notes issued under this section.

SEC. 2. (a) That until the expiration of five years after the date of the termination of the war between the United States and the German Government, as fixed by proclamation of the President, in addition to the exemptions provided in section 7 of the Second Liberty Bond Act in respect to the interest on an amount of bonds and certificates, authorized by such Act and amendments thereto, the principal of which does not exceed in the aggregate \$5,000, and in addition to all other exemptions provided in the Second Liberty Bond Act or the Supplement to Second Liberty

Bond Act, the interest received on and after January 1, 1919, on an amount of bonds of the First Liberty Loan Converted, dated November 15, 1917, May 9, 1918, or October 24, 1918, the Second Liberty Loan, converted and unconverted, the Third Liberty Loan, and the Fourth Liberty Loan, the principal of which does not exceed \$30,000 in the aggregate, 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.

(b) In addition to the exemption provided in subdivision (a), and in addition to the other exemptions therein referred to, the interest received on and after January 1, 1919, on an amount of the bonds therein specified the principal of which does not exceed \$20,000 in the aggregate, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes therein specified: *Provided*, 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 three times the principal amount of notes of the Victory Liberty Loan originally subscribed for by such owner and still owned by him at the date of his tax return.

SEC. 3. That section 5 of the Second Liberty Bond Act, as amended by section 4 of the Third Liberty Bond Act, is hereby further amended by striking out the figures "\$8,000,000,000" and inserting in lieu thereof the figures "\$10,000,000,000."

SEC. 4. That section 3 of the Fourth Liberty Bond Act is hereby amended to read as follows:

"SEC. 3. That, notwithstanding the provisions of the Second Liberty Bond Act or of the War Finance Corporation Act or of any other Act, bonds, notes, and certificates of indebtedness of the United States and bonds of the War Finance Corporation shall, while beneficially owned by a non-resident alien individual, or a foreign corporation, partnership, or association, not engaged in business in the United States, be exempt both as to principal and interest from any and 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."

SEC. 5. That the privilege of converting 4 per centum bonds of the First Liberty Loan converted and 4 per centum bonds of the Second Liberty Loan into  $4\frac{1}{4}$  per centum bonds, which privilege arose on May 9, 1918, and expired on November 9, 1918, may be extended by the Secretary of the Treasury for such period, upon such terms and conditions and subject to such rules and regulations, as he may prescribe. For the purpose of computing the amount of interest payable, bonds presented for conversion under any such extension shall be deemed to be converted on the dates for the payment of the semi-annual interest on the respective bonds so presented for conversion next succeeding the date of such presentation.

SEC. 6. (a) That there is hereby created in the Treasury a cumulative sinking fund for the retirement of bonds and notes issued under the First Liberty Bond Act, the Second Liberty Bond Act, the Third Liberty Bond Act, the Fourth Liberty Bond Act, or under this Act, and outstanding on July 1, 1920. The sinking fund and all additions thereto are hereby appropriated for the payment of such bonds and notes at maturity, or for the redemption or purchase thereof before maturity by the Secretary of the Treasury at such prices and upon such terms and conditions as he shall prescribe, and shall be available until all such bonds and notes are retired. The average cost of the bonds and notes purchased shall not exceed par and accrued interest. Bonds and notes purchased, redeemed, or paid out of the sinking fund shall be canceled and retired and shall not be reissued. For the fiscal year beginning July 1, 1920, and for each fiscal year thereafter until all such bonds and notes are retired there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes of such sinking fund, an amount equal to the sum of (1)  $2\frac{1}{2}$  per centum of the aggregate amount of such bonds and notes outstanding on July 1, 1920, less an amount equal to the par amount of any obligations of foreign Governments held by the United States on July 1, 1920, and (2) the interest which would have been payable during the fiscal year for which the appropriation is made on the bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years.

The Secretary of the Treasury shall submit to Congress at the beginning of each regular session a separate annual report of the action taken under the authority contained in this section.

(b) Sections 3688, 3694, 3695, and 3696 of the Revised Statutes, and so much of section 3689 of the Revised Statutes as provides a permanent annual appropriation of 1 per centum of the entire debt of the United States to be set apart as a sinking fund are hereby repealed.

SEC. 7. (a) That until the expiration of eighteen months after the termination of the war between the United States and the German Government, as fixed by proclamation of the President, the Secretary of the Treasury, with the approval of the President, is hereby authorized on behalf of the United States to establish, in addition to the credits authorized by section 2 of the Second Liberty Bond Act, as amended, credits with the United States for any foreign government now engaged in war with the enemies of the United States, for the purpose only of providing for purchases of any property owned directly or indirectly by the United States, not needed by the United States, or of any wheat the price of which has been or may be guaranteed by the United States. To the extent of the credits so established from time to time the Secretary of the Treasury is hereby authorized to make advances to or for the account of any such foreign government and to receive at par from such foreign government for the amount of any such advances its obligations hereafter issued bearing such rate or rates of interest, not less than 5 per centum per annum, maturing at such date or dates, not later than October 15, 1938, and containing such terms and conditions, as the Secretary of the Treasury may from time to time prescribe. The Secretary, with the approval of the President, is hereby authorized to enter into such arrangements from time to time with any such foreign government as may be necessary or desirable for establishing such credits and for the payment of such obligations before maturity.

(b) The Secretary of the Treasury is hereby authorized from time to time to convert any short-time obligations of foreign governments which may be received under the authority of this section into long-time obligations of such foreign governments, respectively, maturing not later than October 15, 1938, and in such form and terms as the Secretary of the Treasury may prescribe; but the rate or rates of interest borne by any such long-time obligations at the time of their acquisition shall not be less than the rate borne by the short-time obligations so converted into such long-time obligations; and, under such terms and conditions as he may from time to time prescribe, to receive payment, on or before maturity, of any obligations of such foreign governments acquired on behalf of the United States under authority of this section, and, with the approval of the President, to sell any of such obligations (but not at less than par with accrued interest unless otherwise hereafter provided by law), and to apply the proceeds thereof, and any payments so received from foreign governments on account of the principal of such obligations, to the redemption or purchase, at not more than par and accrued interest, of any bonds of the United States issued under the authority of the First Liberty Bond Act or Second Liberty Bond Act as amended and supplemented, and if such bonds can not be so redeemed or purchased, the Secretary of the Treasury shall redeem or purchase any other outstanding interest-bearing obligations of the United States which may at such time be subject to redemption or which can be purchased at not more than par and accrued interest.

(c) For the purposes of this section there is appropriated the unexpended balance of the appropriations made by section 2 of the First Liberty Bond Act and by section 2 of the Second Liberty Bond Act as amended by the Third Liberty Bond Act and the Fourth Liberty Bond Act, but nothing in this section shall be deemed to prohibit the use of such unexpended balance or any part thereof for the purposes of section 2 of the Second Liberty Bond Act, as so amended, subject to the limitations therein contained.

SEC. 8. That the obligations of foreign governments acquired by the Secretary of the Treasury by virtue of the provisions of the First Liberty Bond Act and the Second Liberty Bond Act, and amendments and supplements thereto, shall mature at such dates as shall be determined by the Secretary of the Treasury: *Provided*, That such obligations acquired by virtue of the provisions of the First Liberty Bond Act, or through the conversion of short-time obligations acquired under such Act, shall mature not later than June 15, 1947, and all other such obligations of foreign governments shall mature not later than October 15, 1938.

SEC. 9. That the War Finance Corporation Act is hereby amended by adding to Title I thereof a new section, to read as follows:

"Sec. 21. (a) That the Corporation shall be empowered and authorized, in order to promote commerce with foreign nations through the extension of credits, to make advances upon such terms, not inconsistent with the provisions of this section, as it may prescribe, for periods not exceeding five years from the respective dates of such advances:

"(1) To any person, firm, corporation, or association engaged in the business in the United States of exporting therefrom domestic products to foreign countries, if such person, firm, corpora-

tion, or association is, in the opinion of the board of directors of the Corporation, unable to obtain funds upon reasonable terms through banking channels. Any such advance shall be made only for the purpose of assisting in the exportation of such products, and shall be limited in amount to not more than the contract price therefor, including insurance and carrying or transportation charges to the foreign point of destination if and to the extent that such insurance and carrying or transportation charges are payable in the United States by such exporter to domestic insurers and carriers. The rate of interest charged on any such advance shall not be less than 1 per centum per annum in excess of the rate of discount for ninety-day commercial paper prevailing at the time of such advance at the Federal reserve bank of the district in which the borrower is located; and

“(2) To any bank, banker, or trust company in the United States which after this section takes effect makes an advance to any such person, firm, corporation, or association for the purpose of assisting in the exportation of such products. Any such advance shall not exceed the amount remaining unpaid of the advances made by such bank, banker, or trust company to such person, firm, corporation, or association for such purpose.

“(b) The aggregate of the advances made by the Corporation under this section remaining unpaid shall never at any time exceed the sum of \$1,000,000,000.

“(c) Notwithstanding the limitation of section 1 the advances provided for by this section may be made until the expiration of one year after the termination of the war between the United States and the German Government as fixed by proclamation of the President. Any such advance made by the Corporation shall be made upon the promissory note or notes of the borrower, with full and adequate security in each instance by indorsement, guaranty, or otherwise. The Corporation shall retain power to require additional security at any time. The Corporation in its discretion may upon like security extend the time of payment of any such advance through renewals, the substitution of new obligations, or otherwise, but the time for the payment of any such advance shall not be extended beyond five years from the date on which it was originally made.”

SEC. 10. That section 15 of the War Finance Corporation Act is hereby amended to read as follows:

“SEC. 15. That all net earnings of the Corporation not required for its operations shall be accumulated as a reserve fund until such time as the Corporation liquidates under the terms of this title. Such reserve fund shall, upon the direction of the board of directors, with the approval of the Secretary of the Treasury, be invested in bonds and obligations of the United States, issued or converted after September 24, 1917, or upon like direction and approval may be deposited in member banks of the Federal Reserve System, or in any of the Federal reserve banks, or be used from time to time, as well as any other funds of the Corporation, in the purchase or redemption of any bonds issued by the Corporation. The Federal reserve banks are hereby authorized to act as depositories for and as fiscal agents of the Corporation in the general performance of the powers conferred by this title. Beginning twelve months after the termination of the war, the date of such termination to be fixed by a proclamation of the President of the United States, the directors of the Corporation shall proceed to liquidate its assets and to wind up its affairs, but the directors of the Corporation, in their discretion, may, from time to time, prior to such date, sell and dispose of any securities or other property acquired by the Corporation. Any balance remaining after the payment of all its debts shall be paid into the Treasury of the United States as miscellaneous receipts, and thereupon the Corporation shall be dissolved.”

SEC. 11. That the short title of this Act shall be “Victory Liberty Loan Act.”

Passed the House of Representatives February 26, 1919.

Attest:

SOUTH TRIMBLE,  
*Clerk.*

By J. C. SOUTH,  
*Chief Clerk.*



RECEIPT OF LIBERTY BONDS FOR ESTATE OR INHERITANCE TAXES.

(See page 15.)

1919.  
Department Circular No. 132.

Loans and Currency.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, January 30, 1919.

1. The following regulations are prescribed pursuant to section 14 of the Second Liberty Bond Act, approved September 24, 1917, as amended by Third Liberty Bond Act, approved April 4, 1918, which section, as so amended, reads as follows:

SEC. 14. That any bonds of the United States bearing interest at a higher rate than four per centum per annum (whether issued under section one of this Act or upon conversion of bonds issued under this Act or under said Act approved April twenty-fourth, nineteen hundred and seventeen), 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.

2. The bonds described in said section at present issued and outstanding are—

- (a) First Liberty Loan converted 4¼ per cent bonds of 1932-47, dated May 9, 1918.
- (b) First Liberty Loan second converted 4¼ per cent bonds of 1932-47, dated October 24 1918. (These bonds are of course not yet receivable in payment of taxes.)
- (c) Second Liberty Loan converted 4¼ per cent bonds of 1927-42, dated May 9, 1918.
- (d) Third Liberty Loan 4¼ per cent bonds of 1928, dated May 9, 1918.
- (e) Fourth Liberty Loan 4¼ per cent bonds of 1933-38, dated October 24, 1918. (These bonds are of course not yet receivable in payment of taxes.)

3. Bonds of the issues above described are receivable for such taxes only in case such bonds have been owned by the decedent continuously for at least six months prior to the date of his death and upon such date constitute part of his estate. The reckoning of the required period of ownership will begin on the date when the decedent acquired such bonds by original subscription, by purchase, by conversion of bonds of other issues, or otherwise. In the case of acquisition of bonds by conversion of bonds of other issues previously owned, the date of presentation for conversion to the Treasury Department or a Federal Reserve Bank will be deemed the date of acquisition. Exchange of coupon for registered bonds, or of registered for coupon bonds, or of bonds of one denomination for bonds of other denominations of the same issue, within six months prior to the date of death of the decedent, will not prevent the receipt of such bonds for estate or inheritance taxes, provided that no change of ownership takes place.

4. Bonds tendered for payment of taxes pursuant to this regulation must be accompanied by an affidavit of one or more of the legal representatives of the estate on Form 760 hereto attached, and the collector is authorized to require such further evidence as may be necessary to enable him to determine that the bond or bonds are properly receivable in payment of estate or inheritance taxes pursuant to law and these regulations.

5. On receipt of such bonds, and on making such determination, and provided that the bonds tendered conform to the other provisions of these regulations, the collector shall stamp or plainly write upon the face of each bond, the following:

..... This bond has this day been received in payment of estate (or inheritance) taxes on the  
 (Date.)  
 estate of ..... under authority of law, and the same will not be redeemed by the United States  
 (Name of decedent.)  
 except for credit of the undersigned. .... Collector of Internal Revenue for the.....  
 District of .....

and shall duly sign the same. Coupons, if any, attached to each bond, shall be stamped or marked "paid" on the face of each coupon in letters of sufficient size to be plainly legible.

6. The entire tax may be paid in bonds, or the tax may be paid partly in bonds, and partly by any other form of payment permitted by law or regulations duly in force. Collectors may not, however, receive bonds, the par value and accrued interest of which, computed in accordance with these regulations, aggregate a greater amount than the tax in payment of which the bonds are tendered.

#### COUPON BONDS

7. Coupon bonds received for such taxes must be delivered to the collector with all unmatured coupons attached and with all matured coupons detached. Detached matured coupons will not be receivable in payment of estate or inheritance taxes. The portion of the face amount of the current coupon which represents accrued interest to date of receipt of taxes will be determined in the manner prescribed by the interest table (b) hereto attached, and such accrued interest will be receivable for estate or inheritance taxes. (Page 85.)

8. Coupon bonds, after being received, and reception noted on the bonds, as above required, will be deposited by the collector in the Federal Reserve bank of the district in which his office is located as a deposit of the par value with accrued interest, determined as above required. Such bonds must be transmitted by registered mail but will not be insured. The collector will transmit with the bonds an accurate schedule on Form 761 hereto attached, showing the serial number and denomination of each bond transmitted, the issue, the date of issue, the face value and date of receipt for taxes, the amount of accrued interest and the amount for which credited against estate or inheritance taxes. Such schedule shall be made in quadruplicate, the original to accompany the bonds deposited with the Federal Reserve bank, the duplicate to be transmitted to such Federal Reserve bank under separate cover, the triplicate to be transmitted to the Secretary of the Treasury, Division of Loans and Currency, Washington, and the remaining copy to be retained by the collector. (Page 90.)

9. A Federal Reserve bank on receipt and examination of such bonds will charge the Treasurer's account with par and accrued interest to date of receipt for taxes as reported by the collector, give credit to the collector for like amount, and will issue a certificate of deposit in triplicate on National Bank Form 15, and transmit the original to the Secretary of the Treasury through the Treasurer of the United States with its transcript, and the duplicate and triplicate to the Collector, who will forward the duplicate to the Commissioner of Internal Revenue. Such Federal Reserve bank will then physically cancel the bonds and coupons attached, and transmit the same to the Treasurer of the United States with the original or duplicate of the Collector's schedule (Form 761), to which shall be added the Federal Reserve bank's certificate as shown thereon. (Page 90.)

#### REGISTERED BONDS

10. Registered bonds are also receivable for estate or inheritance taxes in accordance with these regulations. In addition to requiring the affidavit (Form 760) the collector shall determine that the registered owner whose name is inscribed on the bond is identical with the decedent whose estate is liable to estate (or inheritance) taxes and that the bond is presented from the custody or control of the legal representative or representatives of such estate. Such bond shall be assigned to "the Secretary of the Treasury for redemption in payment of estate (or inheritance) taxes" by the authorized representative or representatives of the deceased registered owner. Such representative or representatives must furnish to the collector a certificate under the seal of the court in which the estate is being administered or a duly authenticated copy of the letters testamentary or of administration, showing the appointment of such representative or representatives, and the date thereof. Such certificate must be dated within thirty days prior to its presentation to the

collector. If the representative be appointed to execute a will, a certified copy of the will must be furnished to the collector. All such documents of authority will be attached to the bond and forwarded therewith by the collector as hereinafter provided. Where there are two or more legal representatives, all must unite in an assignment, unless by decree of court or testamentary provision some one or more of them is or are designated or empowered to dispose of the bonds. The form printed on the back of the bond must be used for assignment, and the assignment must be dated and properly acknowledged as prescribed in the note printed on the back of the bond. Officers authorized to take acknowledgments of assignments of registered bonds in addition to those mentioned on the back of the bond are designated in the Regulations of the Treasury Department in Relation to United States Bonds. The collector will satisfy himself that the above-mentioned documents of authority and the requisite signatures and acknowledgments are in hand before noting on the bond its reception for taxes, as provided in paragraph 5 hereof, but the final determination of the correctness or validity of the assignment will be made by the Secretary of the Treasury, Division of Loans and Currency, at Washington, on receipt of all such bonds and documents, when transmitted as hereinafter provided.

11. *By reason of the periodical closing of the transfer books of the Treasury Department for the payment of interest on registered bonds, and the impossibility of stopping payment of interest to the registered holder during the period of such closing, registered bonds will not be receivable in payment of estate or inheritance taxes during the period of closing of the books of the issue in question.* The books are closed with respect to each issue for one month prior to each interest date. The closed periods with respect to each bond may therefore be determined by inspection of the bond itself, being one month prior to each interest payment date named thereon, and until the day following such interest payment date. The closed periods for each issue of bonds receivable for estate or inheritance taxes are also stated in table (d) hereto attached. (Page 90.)

12. Collectors will examine each registered bond tendered for estate or inheritance taxes to determine whether the transfer books of the issue in question are then opened or closed. If the books are then open but are due to close on a date too early to permit the bond to be transmitted to the Secretary of the Treasury, Division of Loans and Currency, and to be received by such division prior to the closing date, the collector will advise the Secretary of the Treasury, Division of Loans and Currency, by telegraph at the time of receipt of the bond, using Form (e) hereto attached, and will immediately confirm the same by mail. The Division of Loans and Currency will thereupon stop interest payment on such bond. The Secretary reserves the right (a) to refuse to receive in payment of estate or inheritance taxes any registered bond tendered to the collector during an open period but received at the Division of Loans and Currency during a closed period of the transfer books of the issue in question, unless the current payment of interest on such bond has been stopped, (b) to adjust the value at which such bond will be received in payment of estate or inheritance taxes at the equivalent of par and accrued interest on the date on which such bond was properly tendered to the collector. (Page 91.)

13. Registered bonds receivable in accordance with these regulations will be received at par and accrued interest, computed from the last preceding interest date as shown thereon, to the date of receipt, in accordance with Table (b) hereto attached. (Page 85.)

14. Registered bonds when so received, and bearing the stamp or writing required by paragraph 5 hereof, will be transmitted with all accompanying documents of authority to the Secretary of the Treasury, Division of Loans and Currency, Washington, by registered mail, but not insured. The collector will make an accurate schedule on Form 762 hereto attached in triplicate showing the date of death of the decedent, the serial number and denomination of each bond, the issue, the date of issue, the face value, the date of receipt for taxes, and the amount for which credited against estate or inheritance taxes. The original of this schedule must accompany the

bonds sent to the Secretary of the Treasury, Division of Loans and Currency; the duplicate shall be transmitted to the Secretary of the Treasury, Division of Loans and Currency, under separate cover; and the triplicate shall be retained by the collector. (Page 92.)

15. On receipt of such bonds, the Division of Loans and Currency will determine whether the assignment has been properly executed, whether the bonds are of an issue receivable for estate or inheritance taxes hereunder, whether the Department's record of registration is consistent with the affidavit of ownership (Form 760), and the amount at which such bonds are receivable for estate or inheritance taxes, and will, if it find the bonds in order, transmit them with its advice on Form L. & C. 122 to the Treasurer of the United States for redemption. The Treasurer will thereupon cancel the bonds and issue a certificate of deposit in the name of the collector, in triplicate, and will forward the original to the office of the Secretary of the Treasury, Division of Public Moneys, and transmit the duplicate and triplicate of such certificate to the Commissioner of Internal Revenue, Accounts Division, who will forward the triplicate to the collector. (Page 92.)

GENERAL.

16. Until certificates of deposit are received by the collector, the amounts of bonds deposited must be carried as "Cash on hand," and not credited as "Collections," as the dates of the certificates of deposit determine the dates of collections.

17. The right is reserved to amend or withdraw the foregoing regulations in whole or in part at any time.

**CARTER GLASS,**  
*Secretary of the Treasury.*

TREASURY DEPARTMENT,  
INTERNAL REVENUE,  
Form 760.

(See page 81.)

**AFFIDAVIT OF OWNERSHIP OF BONDS.**

STATE OF.....County of.....ss:

We (I), ..... the undersigned execut....., administrat....., beneficiar....., legal representative of the estate of..... deceased, who died on ....., 19....., do severally swear that the bond... described below bearing interest at a higher rate than 4 per centum per annum was (or were) each owned by the decedent continuously for at least six months prior to the date of his (or her) death and upon such date constituted part of his (or her) estate, and that the following statements with respect to each such bond are true to the knowledge of deponent, to wit:

Serial No.	Description of issue.	Date of issue.	Date of maturity.	Date of acquisition by decedent.	Face value.	Coupon or registered.

(Each bond must be entered separately.)

.....  
.....  
.....  
(Address for mail.)

Subscribed and sworn to before me at ..... this ..... day of ....., 19.....

.....  
*Notary Public, Deputy Collector.*

TABLE (b).

TREASURY DEPARTMENT.  
DIVISION OF LOANS AND CURRENCY  
Form L. & C. 90.  
(Ed. 50,000—Sept. 16, 1918.)

(See page 81.)

## LIBERTY LOAN

### INTEREST TABLE FOR 4¼ PER CENT BONDS.

*Interest on \$100 at 4¼ per cent per annum, payable semiannually (2½ per cent per half year).*

[Tables prepared by Government Actuary.]

NOTE.—Interest on United States bonds is computed on actual days basis within the interest period. For any given interest computation the appropriate column to be used may be determined from the following:

NUMBER OF DAYS IN EACH HALF YEAR.

*Half year ending the 15th day of—*

Regular years—	Days.	Leap years—	Days.
March, May, July, August.....	181	March, May, July, August.....	182
April, June.....	182	April, June, October, December	183
October, December.....	183	January, February, September,	
January, February, September,		November.....	184
November.....	184		

Days.	Half year of 181 days.	Half year of 182 days.	Half year of 183 days.	Half year of 184 days.
1.....	\$0.01174033	\$0.01167582	\$0.01161202	\$0.01154891
2.....	.02348066	.02335165	.02322404	.02309783
3.....	.03522099	.03502747	.03483607	.03464674
4.....	.04696133	.04670330	.04644809	.04619565
5.....	.05870166	.05837912	.05806011	.05774457
6.....	.07044199	.07005495	.06967213	.06929348
7.....	.08218232	.08173077	.08128415	.08084239
8.....	.09392265	.09340659	.09289617	.09239130
9.....	.10566298	.10508242	.10450820	.10394022
10.....	.11740331	.11675824	.11612022	.11548913
11.....	.12914365	.12843407	.12773224	.12703804
12.....	.14088398	.14010989	.13934426	.13858696
13.....	.15262431	.15178571	.15095628	.15013587
14.....	.16436464	.16346154	.16256831	.16168478
15.....	.17610497	.17513736	.17418033	.17323370
16.....	.18784530	.18681319	.18579235	.18478261
17.....	.19958564	.19848901	.19740437	.19633152
18.....	.21132597	.21016484	.20901639	.20788043
19.....	.22306630	.22184066	.22062842	.21942935
20.....	.23480663	.23351648	.23224044	.23097826
21.....	.24654696	.24519231	.24385246	.24252717
22.....	.25828729	.25686813	.25546448	.25407609
23.....	.27002762	.26854396	.26707650	.26562500
24.....	.28176796	.28021978	.27868852	.27717391
25.....	.29350829	.29189560	.29030055	.28872283

(5)

Days.	Half year of 181 days.	Half year of 182 days.	Half year of 183 days.	Half year of 184 days.
26	\$0.30524862	\$0.30357143	\$0.30191257	\$0.30027174
27	.31698895	.31524725	.31352459	.31182065
28	.32872928	.32692308	.32513661	.32336957
29	.34046961	.33859890	.33674863	.33491848
30	.35220994	.35027473	.34836066	.34646739
31	.36395028	.36195055	.35997268	.35801630
32	.37569061	.37362637	.37158470	.36956522
33	.38743094	.38530220	.38319672	.38111413
34	.39917127	.39697802	.39480874	.39266304
35	.41091160	.40865385	.40642077	.40421196
36	.42265193	.42032967	.41803279	.41576087
37	.43439227	.43200549	.42964481	.42730978
38	.44613260	.44368132	.44125683	.43885870
39	.45787293	.45535714	.45286885	.45040761
40	.46961326	.46703297	.46448087	.46195652
41	.48135359	.47870879	.47609290	.47350543
42	.49309392	.49038462	.48770492	.48505435
43	.50483425	.50206044	.49931694	.49680326
44	.51657459	.51373626	.51092896	.50815217
45	.52831492	.52541209	.52254098	.51970109
46	.54005525	.53708791	.53416301	.53125000
47	.55179558	.54876374	.54576503	.54279891
48	.56353591	.56043956	.55737705	.55434783
49	.57527624	.57211538	.56898907	.56589674
50	.58701657	.58379121	.58060109	.57744565
51	.59875691	.59546703	.59221311	.58899457
52	.61049724	.60714286	.60382514	.60054348
53	.62223757	.61881868	.61543716	.61209239
54	.63397790	.63049451	.62704918	.62364130
55	.64571823	.64217033	.63866120	.63519022
56	.65745856	.65384615	.65027322	.64673913
57	.66919889	.66552198	.66188525	.65828804
58	.68093923	.67719780	.67349727	.66983696
59	.69267956	.68887363	.68510929	.68138587
60	.70441989	.70054945	.69672131	.69293478
61	.71616022	.71222527	.70833333	.70448370
62	.72790055	.72390110	.71994536	.71603261
63	.73964088	.73557692	.73155738	.72758152
64	.75138122	.74725275	.74316940	.73913043
65	.76312155	.75892857	.75478142	.75067935
66	.77486188	.77060440	.76639344	.76222826
67	.78660221	.78228022	.77800546	.77377717
68	.79834254	.79395604	.78961749	.78532609
69	.81008287	.80563187	.80122951	.79687500
70	.82182320	.81730769	.81284153	.80842391
71	.83356354	.82898352	.82445355	.81997283
72	.84530387	.84065934	.83606557	.83152174
73	.85704420	.85233517	.84767760	.84307065
74	.86878453	.86401099	.85928962	.85461956
75	.88052486	.87568681	.87090164	.86616848
76	.89226519	.88736264	.88251366	.87771739
77	.90400552	.89903846	.89412568	.88926630
78	.91574586	.91071429	.90573771	.90081522
79	.92748619	.92239011	.91734973	.91236413
80	.93922652	.93406593	.92896176	.92391304

Days.	Half year of 181 days.	Half year of 182 days.	Half year of 183 days.	Half year of 184 days.
81	\$0.95096685	\$0.94574176	\$0.94057377	\$0.93546196
82	.96270718	.95741758	.95218579	.94701087
83	.97444751	.96909341	.96379781	.95855978
84	.98618785	.98076923	.97540984	.97010870
85	.99792818	.99244506	.98702186	.98165761
86	1.00966851	1.00412088	.99863388	.99320652
87	1.02140884	1.01579670	1.01024590	1.00475543
88	1.03314917	1.02747253	1.02185792	1.01630435
89	1.04488950	1.03914835	1.03346995	1.02785326
90	1.05662983	1.05082418	1.04508197	1.03940217
91	1.06837017	1.06250000	1.05669399	1.05095109
92	1.08011050	1.07417582	1.06830601	1.06250000
93	1.09185083	1.08585165	1.07991803	1.07404891
94	1.10359116	1.09752747	1.09153005	1.08559783
95	1.11533149	1.10920330	1.10314208	1.09714674
96	1.12707182	1.12087912	1.11475410	1.10869565
97	1.13881215	1.13255495	1.12636612	1.12024456
98	1.15055249	1.14423077	1.13797814	1.13179348
99	1.16229282	1.15590659	1.14959016	1.14334239
100	1.17403315	1.16758242	1.16120219	1.15489130
101	1.18577348	1.17925824	1.17281421	1.16644022
102	1.19751381	1.19093407	1.18442623	1.17798913
103	1.20925414	1.20260989	1.19603825	1.18953804
104	1.22099447	1.21428571	1.20765027	1.20108696
105	1.23273481	1.22596154	1.21926230	1.21263587
106	1.24447514	1.23763736	1.23087432	1.22418478
107	1.25621547	1.24931319	1.24248634	1.23573370
108	1.26795580	1.26098901	1.25409836	1.24728261
109	1.27969613	1.27266484	1.26571038	1.25883152
110	1.29143646	1.28434066	1.27732240	1.27038043
111	1.30317679	1.29601648	1.28893443	1.28192935
112	1.31491713	1.30769231	1.30054645	1.29347826
113	1.32665746	1.31936813	1.31215847	1.30502717
114	1.33839779	1.33104396	1.32377049	1.31657609
115	1.35013812	1.34271978	1.33538251	1.32812500
116	1.36187845	1.35439560	1.34699454	1.33967391
117	1.37361878	1.36607143	1.35860656	1.35122283
118	1.38535911	1.37774725	1.37021858	1.36277174
119	1.39709945	1.38942308	1.38183060	1.37432065
120	1.40883978	1.40109890	1.39344262	1.38586956
121	1.42058011	1.41277473	1.40505465	1.39741848
122	1.43232044	1.42445055	1.41666667	1.40896739
123	1.44406077	1.43612637	1.42827869	1.42051630
124	1.45580110	1.44780220	1.43989071	1.43206522
125	1.46754144	1.45947802	1.45150273	1.44361413
126	1.47928177	1.47115385	1.46311475	1.45516304
127	1.49102210	1.48282967	1.47472678	1.46671196
128	1.50276243	1.49450550	1.48633880	1.47826087
129	1.51450276	1.50618132	1.49795082	1.48980978
130	1.52624309	1.51785714	1.50956284	1.50135870
131	1.53798342	1.52953297	1.52117486	1.51290761
132	1.54972376	1.54120879	1.53278689	1.52445652
133	1.56146409	1.55288462	1.54439891	1.53600543
134	1.57320442	1.56456044	1.55601093	1.54755435
135	1.58494475	1.57623626	1.56762295	1.55910326

Days.	Half year of 181 days.	Half year of 182 days.	Half year of 183 days.	Half year of 184 days.
136.....	\$1.59668508	\$1.58791209	\$1.57923497	\$1.57065217
137.....	1.60842541	1.59958791	1.59084699	1.58220109
138.....	1.62016574	1.61126374	1.60245902	1.59375000
139.....	1.63190608	1.62293956	1.61407104	1.60529891
140.....	1.64364641	1.63461539	1.62568306	1.61684783
141.....	1.65538674	1.64629121	1.63729508	1.62839674
142.....	1.66712707	1.65796703	1.64890710	1.63994565
143.....	1.67886740	1.66964286	1.66051913	1.65149456
144.....	1.69060773	1.68131868	1.67213115	1.66304348
145.....	1.70234807	1.69299451	1.68374317	1.67459239
146.....	1.71408840	1.70467033	1.69535519	1.68614130
147.....	1.72582873	1.71634615	1.70696721	1.69769022
148.....	1.73756906	1.72802198	1.71857924	1.70923913
149.....	1.74930939	1.73969780	1.73019126	1.72078804
150.....	1.76104972	1.75137363	1.74180328	1.73233696
151.....	1.77279005	1.76304945	1.75341530	1.74388587
152.....	1.78453039	1.77472528	1.76502732	1.75543478
153.....	1.79627072	1.78640110	1.77663934	1.76698370
154.....	1.80801105	1.79807692	1.78825137	1.77853261
155.....	1.81975138	1.80975275	1.79986339	1.79008152
156.....	1.83149171	1.82142857	1.81147541	1.80163043
157.....	1.84323204	1.83310440	1.82308743	1.81317935
158.....	1.85497238	1.84478022	1.83469945	1.82472826
159.....	1.86671271	1.85645604	1.84631148	1.83627717
160.....	1.87845304	1.86813187	1.85792350	1.84782609
161.....	1.89019337	1.87980769	1.86953552	1.85937500
162.....	1.90193370	1.89148352	1.88114754	1.87092391
163.....	1.91367403	1.90315934	1.89275956	1.88247283
164.....	1.92541436	1.91483517	1.90437159	1.89402174
165.....	1.93715470	1.92651099	1.91598361	1.90557065
166.....	1.94889503	1.93818681	1.92759563	1.91711956
167.....	1.96063536	1.94986264	1.93920765	1.92866848
168.....	1.97237569	1.96153846	1.95081967	1.94021739
169.....	1.98411602	1.97321429	1.96243169	1.95176630
170.....	1.99585635	1.98489011	1.97404372	1.96331522
171.....	2.00759668	1.99656593	1.98565574	1.97486413
172.....	2.01933702	2.00824176	1.99726776	1.98641304
173.....	2.03107735	2.01991758	2.00887978	1.99796196
174.....	2.04281768	2.03159341	2.02049180	2.00951087
175.....	2.05455801	2.04326923	2.03210383	2.02105978
176.....	2.06629834	2.05494506	2.04371585	2.03260870
177.....	2.07803867	2.06662088	2.05532787	2.04415761
178.....	2.08977901	2.07829670	2.06693989	2.05570652
179.....	2.10151934	2.08997253	2.07855191	2.06725543
180.....	2.11325967	2.10164835	2.09016393	2.07880435
181.....	2.12500000	2.11332418	2.10177596	2.09035326
182.....	.....	2.12500000	2.11338798	2.10190217
183.....	.....	.....	2.12500000	2.11345109
184.....	.....	.....	.....	2.12500000



## EXAMPLE.

\$10,000 Third Liberty Loan  $4\frac{1}{4}$  per cent bond of 1928, tendered in payment of estate taxes, January 5, 1919.

Interest payment dates on Third Liberty Loan bonds are shown on the face thereof to be March 15 and September 15 in each year.

Current half year interest period therefore ends March 15, 1919.

The year 1919 being a "regular" (not a "leap") year, find "March" in the list at head of table under "Regular years." This list shows that the half year ending March 15, in a regular year, has 181 days.

Compute number of days since the beginning of such half year that have expired to date of tender of bond, thus:

1918.	Days
September 15 to September 30.....	15
October.....	31
November.....	30
December.....	31
1919.	
January.....	5
<b>Total.....</b>	<b>112</b>

Enter table headed "Half year of 181 days" (second column) and seek in that column the amount of interest on \$100 for 112 days. This will be found opposite the figure "112" (days) in first column, and proves to be \$1.31491713.

\$100 is  $1/100$  of \$10,000 (found by division), and the amount of interest accrued on a \$10,000 bond is therefore 100 times the amount shown on the table, or \$131.491713.

The figures more than two places to the right of the decimal point are fractions of a cent (in this example, 1713). Fractions more than one-half a cent will be taken as one cent and added to the total; when less than one-half a cent they will be disregarded. In this case .1713 of a cent is less than one-half a cent; consequently, the fraction will be disregarded, making the final figure of accrued interest sought \$131.49. The bond is worth for estate taxes \$10,131.49.

When more than one bond is tendered in payment of estate taxes, each bond will be computed separately, by the use of its proper table, and the result stated with the full resulting number of decimal places. These sums will then be added together, and the adjustment of fractions of a cent applied to the total, thus: Supposing, instead of one bond of the par value of \$10,000, three such bonds were tendered, the result would be—

First bond.....	\$131.491713
Second bond.....	131.491713
Third bond.....	131.491713
<b>Total.....</b>	<b>394.475139</b>

In this case the fraction of a cent (0.5139) is greater than one-half a cent; consequently, the accrued interest is \$394.48, and the bonds are worth for estate taxes \$30,394.48.



FORM (e).

..... 19.....  
(Date)

SECRETARY OF THE TREASURY,  
Division of Loans and Currency,  
Washington, D. C.:

Stop interest on registered bonds inscribed....., aggregate face value.....  
(Name of registered owner.) (Total par value of bonds.)

dollars { First }  
          { Second } Liberty Loan (if converted or second converted, so state).....per cent, dated.....  
          { Third }  
          { Fourth }

191....., due 19....., this day received for estate (or inheritance) taxes.

.....  
Collector.

(Bonds of only one owner and of one issue in one advice.)

[Sample of above telegram.]

CHICAGO, May 14, 1919.

SECRETARY OF THE TREASURY,  
Division of Loans and Currency,  
Washington, D. C.:

Stop interest on registered bonds inscribed John Doe aggregate face value four thousand four hundred fifty dollars  
First Liberty Loan Second Converted four and one quarter per cent dated October twenty four nineteen eighteen  
due nineteen thirty two forty seven this day received for estate taxes.

RICHARD ROE,  
Collector.



EXTENSION OF CONVERSION PRIVILEGE

1919.  
Department Circular No. 137.  
Loans and Currency.

TREASURY DEPARTMENT;  
OFFICE OF THE SECRETARY,

Washington, March 7, 1919.

*To Holders of 4 Per Cent Gold Bonds of 1932-47 of the First Liberty Loan Converted and 4 Per Cent Gold Bonds of 1927-42 of the Second Liberty Loan:*

By virtue of the authority conferred upon the Secretary of the Treasury by section 5 of the Victory Liberty Loan Act, approved March 3, 1919, the privilege of converting 4 per centum bonds of 1932-47 of the First Liberty Loan Converted and 4 per centum bonds of 1927-42 of the Second Liberty Loan into 4¼ per centum bonds, which privilege arose on May 9, 1918, and expired on November 9, 1918, is hereby extended, subject to the provisions of this circular, for the period beginning March 7, 1919, and ending at such date as may be fixed by the Secretary of the Treasury on six months' public notice given in such manner as he shall prescribe. Said conversion privilege is described in Department Circular No. 114, dated May 9, 1918, and the provisions of Titles I, IX, X, and XI of said circular, except as herein otherwise provided, shall apply to and govern said conversion privilege as hereby extended. (See titles referred to, on page 134.)

This circular does not apply to any conversion privilege which arose in favor of the 3½ per centum bonds of 1932-47 of the First Liberty Loan.

Conversions in the exercise of the conversion privilege as hereby extended may be effected by presentation and surrender of 4 per centum bonds of the First Liberty Loan Converted and 4 per centum bonds of the Second Liberty Loan 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. Such bonds so presented and surrendered for conversion must be accompanied by "Request for Conversion" in the form prescribed by the Secretary of the Treasury (Form L and C 25A, 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 bonds presented for conversion. (See pages 95-96.)

Registered bonds will be delivered upon conversion of coupon bonds if written request therefor be submitted with Request for Conversion. Coupon bonds will be delivered upon conversion of registered bonds if the registered bonds presented for conversion are duly assigned to "The Secretary of the Treasury for conversion and exchange for coupon bonds" on the form appearing on the back thereof; such assignments must be duly executed in the presence of an officer authorized to witness assignments of United States registered bonds. Bonds will be delivered so far as practicable in like denominations as the bonds upon the conversion of which they are respectively issued, unless written request for delivery in other denominations be submitted with Request for Conversion. Changes of ownership will be permitted upon conversions of registered bonds if the registered bonds presented for conversion have been duly assigned for transfer in accordance with the regulations governing assignments of United States registered bonds. Changes of ownership of registered bonds, however, can not be effected when the transfer books for the Loan in question are closed, and requests for conversion involving such changes of ownership received during any such period when the transfer books are closed, will be effective during such period only as presentations for conversion, and the changes of ownership will not be effected until the reopening of the transfer books. The transfer books for the First Liberty Loan Converted will be closed from May 16 to June 15 and from November 16 to December 15, and for the Second Liberty Loan from October 16 to November 15 and from April 16 to May 15, in each year, in each case both dates inclusive.

For the purpose of computing the amount of interest payable, bonds presented for conversion under this circular shall be deemed to be converted on the dates for the payment of the semiannual interest on the respective bonds so presented for conversion next succeeding the date of such presentation. Interest will be paid on registered bonds presented for conversion at the rate of 4 per centum per annum to the semiannual interest payment date next succeeding the date of presentation for conversion, to the registered owner of the bonds presented for conversion, or in case change of ownership has been effected upon the conversion before the closing of the transfer books in anticipation of such semiannual interest payment, to the registered owner of the bonds issued upon such conversion. Registered bonds issued upon conversion will bear interest at the rate of  $4\frac{1}{4}$  per centum per annum from the semiannual interest payment date next succeeding the date of presentation for conversion. In the case of coupon bonds presented for conversion, all coupons maturing on or before the semiannual interest payment date next succeeding the date of presentation for conversion must be detached and collected in ordinary course when due. All subsequent coupons must be attached. Coupon bonds issued upon conversion will bear interest at the rate of  $4\frac{1}{4}$  per centum per annum from the semiannual interest payment date next succeeding the date of presentation for conversion, and will have interest coupons attached thereto covering semiannual interest payments up to and including the respective maturities of such bonds: Provided, however, that until June 15, 1920, in the case of bonds of the First Liberty Loan Converted, and until May 15, 1920, in the case of bonds of the Second Liberty Loan, coupon bonds issued upon conversion will have coupons attached thereto covering semiannual interest payments only up to and including June 15, 1920, and May 15, 1920, respectively, the bonds so delivered being exchangeable on and after said dates, respectively, into a new bond or bonds having coupons attached thereto covering semiannual interest payments up to and including the respective maturities of such bonds.

No adjustments of interest will be required upon conversions of either registered or coupon bonds under this circular.

Transportation charges upon bonds presented for conversion must be paid by the holders. Coupon bonds to be delivered upon conversion will either be delivered directly to the holders of the bonds surrendered for conversion at the time of such surrender, or in the absence of other written instructions and remittances to cover expenses, will be expressed at the owners' risk and expense. Registered bonds to be delivered upon conversions, unless delivered directly 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, unless otherwise directed in writing. As the cost of transportation of coupon bonds by express is greater than by registered mail insured, holders of coupon bonds 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 bonds to be converted and of the bonds to be issued upon conversions, 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 arrangement will be furnished by Federal Reserve Banks to incorporated banks and trust companies.

The Secretary of the Treasury reserves the right at any time to suspend or terminate the extension of the conversion privilege made by this circular upon six months' public notice given in such manner as he shall prescribe. The right is also reserved to make from time to time any supplementary or amendatory rules and regulations governing the exercise of the conversion privilege hereby extended, information as to which may be obtained from the Treasury Department or through any Federal Reserve Bank.

**CARTER GLASS,**  
*Secretary of the Treasury.*

FORM L AND C 25 A

**REQUEST FOR CONVERSION**

**Separate blanks must be used for each of the two series of bonds.  
Do not surrender or request both coupon and registered bonds on the  
same blank.**

To FEDERAL RESERVE BANK OF NEW YORK,  
BOND ISSUE DIVISION  
120 BROADWAY, NEW YORK CITY, N. Y.

Date \_\_\_\_\_ 1919

The undersigned herewith presents and surrenders:

Use one line only. { 4% Convertible Gold Bonds of 1932-47 of the First Liberty Loan Converted.  
Cross out line not used. { 4% " " " " 1927-42 of the Second Liberty Loan.

In { Coupon } form as follows:  
{ Registered }

No. of Pieces      Denominations      Amount

Enter below the numbers of coupon bonds surrendered.  
(If space for listing numbers is not sufficient, use back of this sheet.)

_____	\$ 50	_____
_____	100	_____
_____	500	_____
_____	1,000	_____
_____	5,000	_____
_____	10,000	_____

**Total \$** \_\_\_\_\_

(When registered bonds are surrendered show only total amount)

and requests that the same be converted according to the terms of Treasury Department Circular No. 114, dated May 9, 1918, and Circular No. 137 March 7, 1919, into an equal face amount of

4% { Coupon } Gold Bonds of the above issue as follows:  
{ Registered }

Number of Pieces	Denominations	Amount	Leave this Space Blank	Number of Pieces	Denominations	Amount	Leave this Space Blank
_____	\$ 50	_____		_____	\$ 5,000	_____	
_____	100	_____		_____	10,000	_____	
_____	500	_____		_____	50,000	_____	
_____	1,000	_____		_____	100,000	_____	
<b>Total</b> _____				<b>Total</b> _____			

If registered bonds are desired, use form on next page for names, etc.

(Signature in Full)

(Address)

(City or Town)

IN TELLER	CHECKED	TOTAL EXT. CHECKED	NUMBERS CHECKED	REGISTERED LIST CHECKED	EXCHANGE RECORD	DELIVERY PREPARED	DELIVERY CHECKED	AUDITED
(These spaces	to be used only	by the Federal	Reserve Bank)					

# SCHEDULE FOR ISSUE OF 4¼% REGISTERED CONVERTED BONDS

(See pages 56 and 95.)

**Use Typewriter if possible, otherwise print names carefully.**

Names in which bonds shall be registered, and post-office address for interest checks and mail.	(Indicate in proper column number of bonds desired of each denomination.)							AMOUNT	
	\$50	\$100	\$500	\$1,000	\$5,000	\$10,000	\$50,000		\$100,000
Total aggregate amount registered bonds .....								\$.....	



FOLLOWING FORMS TO BE USED ONLY FOR GIVING SPECIAL INSTRUCTIONS.

I. If registered bonds are desired upon conversion of coupon bonds, use this form.

Referring to \$....., face amount, of coupon bonds surrendered herewith for conversion, the undersigned hereby requests the issue of registered bonds inscribed in the name of.

.....  
 (Mr., Mrs., or Miss.) (First name in full.) (Middle name or initial.) Last name. (Or complete legal name of corporation, partnership, or other person.)

Address for interest checks .....  
 (Give full address.) (Number.) (Street.)

.....  
 (City.) (State.)

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

II. If delivery is desired of bonds in a different denomination or denominations from the bonds or bonds

Referings to \$.....<sup>1</sup> face amount, of bonds surrendered for conversion herewith, the undersigned *surrendered, use this form.*

hereby requests delivery of bonds upon conversion as follows:

Number of bonds.	Denominations.	Total.
.....	\$50	.....
.....	\$100	.....
.....	\$500	.....
.....	\$1,000	.....
.....	\$5,000	.....
.....	\$10,000	.....
.....	<sup>2</sup> \$50,000	.....
.....	<sup>2</sup> \$100,000	.....
	Total <sup>1</sup> ..	\$.....

<sup>1</sup> These amounts must be the same, otherwise request may be disregarded.

<sup>2</sup> Coupon bonds are not issued in these denominations.

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

Computation of Interest Due on  
Liberty Loan Coupons

LOAN DATE—MATURITY	INTEREST DUE	COUPONS	INTEREST ON \$50.	INTEREST ON \$100.	INTEREST ON \$500.	INTEREST ON \$1,000.	INTEREST ON \$5,000.	INTEREST ON \$10,000.	DATE OF LAST COUPON ON TEMPORARY BOND
First Liberty Loan 3½%—15 to 30 year Bond dated June 15-1917 Matures June 15-1932-47	June 15 and Dec. 15	First Coupon June 15-1917 to Dec. 15-1917 Second Coupon Dec. 15-1917 to June 15-1918 On \$50 coupons alternate S7e-S8c	.87  .88	1.75  1.75	8.75  8.75	17.50  17.50			Definitive bond issued
Second Liberty Loan 4%—10 to 25 year Bond dated Nov. 15-1917 Matures Nov. 15-1927-42	May 15 and Nov. 15	First Coupon Nov. 15-1917 to May 15-1918 Second Coupon May 15-1918 to Nov. 15-1918 Third Coupon Nov. 15-1918 to May 15-1919 Fourth Coupon May 15-1919 to Nov. 15-1919	1.00  1.00  1.00  1.00	2.00  2.00  2.00  2.00	10.00  10.00  10.00  10.00	20.00  20.00  20.00  20.00	100.00  100.00  100.00  100.00	200.00  200.00  200.00  200.00	Nov. 15-1919
Third Liberty Loan 4¼%—10 year Bond dated May 9-1918 Matures Sept. 15-1928	March 15 and Sept. 15	First Coupon / Adjustment of 129 days May 9-1918 to Sept. 15-1918 Second Coupon Sept. 15-1918 to March 15-1919 Third Coupon March 15-1919 to Sept. 15-1919 Fourth Coupon Sept. 15-1919 to March 15-1920	.74  1.06  1.06  1.06	1.49  2.12  2.13  2.12	7.45  10.62  10.63  10.62	14.90  21.25  21.25  21.25	74.49  106.25  106.25  106.25	148.98  212.50  212.50  212.50	March 15-1920
Fourth Liberty Loan 4¼%—15 to 20 year Bond dated Oct. 24-1918 Matures Oct. 15-1933-38	April 15 and Oct. 15	First Coupon / Adjustment of 173 days Oct. 24-1918 to April 15-1919 Second Coupon April 15-1919 to Oct. 15-1919 Third Coupon Oct. 15-1919 to April 15-1920 Fourth Coupon April 15-1920 to Oct. 15-1920	1.01  1.06  1.06  1.07	2.02  2.13  2.12  2.13	10.10  10.63  10.62  10.63	20.20  21.25  21.25  21.25	101.00  106.25  106.26  106.25	201.99  212.50  212.50  212.50	Oct. 15-1920

(See next page.)

Computation of Interest due on  
Liberty Loan and Victory Note Coupons

LOAN DATE—MATURITY	INTEREST DUE	COUPONS	INTEREST ON \$50.	INTEREST ON \$100.	INTEREST ON \$500.	INTEREST ON \$1,000.	INTEREST ON \$5,000.	INTEREST ON \$10,000.	DATE OF LAST COUPON ON TEMPORARY BOND	
4% First Liberty Loan Converted Bond dated Nov. 15-1917 Matures June 15-1932-47	June 15 and Dec. 15	First adjustment Coupon 1A	5 months @ 3½% 1 month @ 4% on Bond converted as of Nov. 15-1917 6/15/17 to 12/15/17	.90	1.79	8.95	17.91	89.55	179.10	
		First adjustment Coupon 1B	6 months @ 3½% on Bond converted as of Dec. 15-1917 6/15/17 to 12/15/17	.87	1.75	8.75	17.50	87.50	175.00	
		Second Coupon Dec. 15-1917 to June 15-1918		1.00	2.00	10.00	20.00	100.00	200.00	Dec. 15-1919
		Third Coupon June 15-1918 to Dec. 15-1918		1.00	2.00	10.00	20.00	100.00	200.00	
		Fourth Coupon Dec. 15-1918 to June 15-1919		1.00	2.00	10.00	20.00	100.00	200.00	
		Fifth Coupon June 15-1919 to Dec. 15-1919	1.00	2.00	10.00	20.00	100.00	200.00		
4¼% First Liberty Loan Converted Bond dated May 9-1918 Matures June 15-1932-47	June 15 and Dec. 15	First Coupon June 15-1918 to Dec. 15-1918	1.06	2.12	10.62	21.25	106.25	212.50	June 15-1920	
		Second Coupon Dec. 15-1918 to June 15-1919	1.06	2.13	10.63	21.25	106.25	212.50		
	Third Coupon June 15-1919 to Dec. 15-1919	1.06	2.12	10.62	21.25	106.25	212.50			
	Fourth Coupon Dec. 15-1919 to June 15-1920	1.07	2.13	10.63	21.25	106.25	212.50			
4¼% Second Liberty Loan Converted Bond dated May 9-1918 Matures Nov. 15-1927-42	May 15 and Nov. 15	First Coupon May 15-1918 to Nov. 15-1918	1.06	2.12	10.62	21.25	106.25	212.50	May 15-1920	
		Second Coupon Nov. 15-1918 to May 15-1919	1.06	2.13	10.63	21.25	106.25	212.50		
	Third Coupon May 15-1919 to Nov. 15-1919	1.06	2.12	10.62	21.25	106.25	212.50			
	Fourth Coupon Nov. 15-1919 to May 15-1920	1.07	2.13	10.63	21.25	106.25	212.50			
4¼% First Liberty Loan Second Converted Bond dated Oct. 24-1918 Matures June 15-1932-47	June 15 and Dec. 15	First Coupon Dec. 15-1918 to June 15-1919	1.06	2.12	10.62	21.25	106.25	212.50	Dec. 15-1920	
		Second Coupon June 15-1919 to Dec. 15-1919	1.06	2.13	10.63	21.25	106.25	212.50		
	Third Coupon Dec. 15-1919 to June 15-1920	1.06	2.12	10.62	21.25	106.25	212.50			
	Fourth Coupon June 15-1920 to Dec. 15-1920	1.07	2.13	10.63	21.25	106.25	212.50			
Victory Liberty Loan 3¾% 3-4 year Note dated May 20-1919 Matures May 20-1923	June 15 and Dec. 15	First Coupon—209 Days May 20-1919 to Dec. 15-1919	1.07	2.14	10.71	21.43	107.14	214.29		
		Second Coupon Dec. 15-1919 to June 15-1920	.93	1.87	9.37	18.75	93.75	187.50		
		Third Coupon June 15-1920 to Dec. 15-1920	.94	1.88	9.38	18.75	93.75	187.50		
		Fourth Coupon Dec. 15-1920 to June 15-1921	.94	1.87	9.37	18.75	93.75	187.50		
		Fifth Coupon June 15-1921 to Dec. 15-1921	.94	1.88	9.38	18.75	93.75	187.50		
		Sixth Coupon Dec. 15-1921 to June 15-1922	.94	1.87	9.37	18.75	93.75	187.50		
		Seventh Coupon June 15-1922 to Dec. 15-1922	.94	1.88	9.38	18.75	93.75	187.50		
		Eighth Coupon—156 Days Dec. 15-1922 to May 20-1923	.80	1.61	8.04	16.07	80.36	160.71		
Victory Liberty Loan 4¾% 3-4 year Note dated May 20-1919 Matures May 20-1923	June 15 and Dec. 15	First Coupon—209 Days May 20-1919 to Dec. 15-1919	1.36	2.71	13.57	27.14	135.71	271.43		
		Second Coupon Dec. 15-1919 to June 15-1920	1.18	2.37	11.87	23.75	118.75	237.50		
		Third Coupon June 15-1920 to Dec. 15-1920	1.19	2.38	11.88	23.75	118.75	237.50		
		Fourth Coupon Dec. 15-1920 to June 15-1921	1.19	2.37	11.87	23.75	118.75	237.50		
		Fifth Coupon June 15-1921 to Dec. 15-1921	1.19	2.38	11.88	23.75	118.75	237.50		
		Sixth Coupon Dec. 15-1921 to June 15-1922	1.18	2.37	11.87	23.75	118.75	237.50		
		Seventh Coupon June 15-1922 to Dec. 15-1922	1.19	2.38	11.88	23.75	118.75	237.50		
		Eighth Coupon—156 Days Dec. 15-1922 to May 20-1923	1.02	2.04	10.18	20.36	101.79	203.57		

(See page 98.)

(Form of Typical Schedule)

CHECK NO.

**FEDERAL RESERVE BANK OF NEW YORK**

RECEIPT NO.

**SCHEDULE OF**  
**3 1/2% FIRST LIBERTY LOAN (1932-47)**  
**4% FIRST LIBERTY LOAN CONVERTED (1932-47)**  
**4 1/4% FIRST LIBERTY LOAN CONVERTED (1932-47)**  
(PAYABLE JUNE AND DECEMBER 15TH)

Deposited by \_\_\_\_\_

Address \_\_\_\_\_

**1**

ISSUES	NUMBER OF COUPONS	AT	AMOUNT
<b>3 1/2% of 1932-47</b>		\$ .87	
		.88	
		1.75	
		8.75	
		17.50	
<b>4% Conv. 1932-47</b>		\$ .87	
		.90	
		1.00	
		1.75	
		1.79	
		2.00	
		8.75	
		8.95	
		10.00	
		17.50	
		17.91	
<b>4 1/4% Conv- 1932.47</b>		\$ 1.06	
		1.07	
		2.12	
		2.13	
		10.62	
		10.63	
		21.25	
		106.25	
		212.50	

**Do Not Write Here—For Use of Federal Reserve Bank of New York Only.**

I certify that I have counted and examined the above described coupons and that this schedule in every respect is correct.

Coup. P-53

Federal Reserve Bank of New York

Enclose ONLY Coupons of One Issue and Denomination. No. \_\_\_\_\_

Payable JUNE and DECEMBER 15<sup>TH</sup>

(Blue copy.)

First Liberty Loan of 1932-1947



3½%

4% Converted


4¼% Converted

4¼%-2nd Converted

\_\_\_\_\_ @ \$ \_\_\_\_\_ = \$ \_\_\_\_\_

From \_\_\_\_\_

Envelope to Contain Liberty Loan Coupons

Form A. No. 2.  To be accompanied by the London Agent's Declaration on Form B when Coupons are presented for payment.

**Income Tax.**

**BRITISH GOVERNMENT SECURITIES.**

**DECLARATION to be made for the purpose of claiming exemption from British Income Tax by the beneficial OWNER of BONDS TO BEARER or STOCK CERTIFICATES TO BEARER issued free of taxation subject to the conditions imposed by section 47 of the Finance (No. 2) Act, 1915, as amended by Section 44 of the Finance Act, 1916.**

(1) Name, address, and occupation of the Owner of the Bonds or Stock Certificates to be plainly written.

I, (1) .....

of .....  
by occupation .....

do hereby solemnly declare that I am not ordinarily resident (2) in the United Kingdom, that I am entitled to the interest or dividends represented by the Coupons specified in the Schedule at the back hereof, amounting to £.....

(2) A person is ordinarily resident in the United Kingdom if as a matter of habit he spends the greater part of his time there.

say (3) .....

(3) The amount of Coupons to be set out in writing before the Declaration is signed.

and that the Bonds or Stock Certificates to which such Coupons relate are in my beneficial ownership. I further declare that, during the three years ending with the date of this Declaration, neither I nor my wife has been in the United Kingdom except during the following periods:—

From ..... to .....  
.....  
.....  
.....

Signature of the Owner.....

Date.....

(4) Name of person witnessing the Signature of the owner of the Bonds, &c., to be written in full.

†This space is to be used when the declaration is made before a British Consul, Vice-Consul, Notary Public or British Magistrate.

‡This space is to be used when the Signature of the owner is witnessed by an authorised banker.

Declared at .....  
this..... day of..... 191 ..

I, (4) .....

Before me, .....  
..... Signature.

of the Firm of .....

hereby certify that the above signature of (5) .....  
was written in my presence.

(5) Name of owner of Bonds, &c., to be written in full.

§ ..... Designation.

..... } Signature  
..... } of witness.  
..... } Address.  
..... } Date.

§ Here state whether British Consul, Vice-Consul, Notary Public or British Magistrate.

Seal of British Consul, }  
Vice-Consul, } .....  
or Notary Public }

†This Declaration may be made without charge before a British Consul or Vice-Consul, or, if there is no British Consular Officer near the place where the Declarant resides, it may be made before a Notary Public or British Magistrate.

‡Alternatively, the signature of the owner will normally be accepted if witnessed by a responsible officer of an authorised bank (i.e., a bank authorised by the Commissioners of Inland Revenue to make declarations on Forms D) at which the owner keeps a banking account, but the Commissioners of Inland Revenue reserve the right to call for a formal declaration to be made before a British Consul or Vice-Consul, &c., where they deem it desirable.

*If required, the Bonds or Stock Certificates must be produced in support of this claim.*

(6) If Coupons are sent direct to an Agent in the United Kingdom by the owner of the Bonds, &c., this Declaration need not be signed.

(6) **Where Coupons are transmitted through a Banker or Merchant residing abroad, on behalf of his Clients not resident in the United Kingdom, the following Declaration must be signed:—**

I declare that the above-named.....  
is one of my clients, and that the Coupons specified at the back hereof have this day been transmitted by me for payment on his behalf to Messrs.....  
of .....

Signature of Banker or Merchant abroad }  
..... }

Address.....

Date.....

# SCHEDULE OF COUPONS.

To accompany  
Form A No. 2—Page 102

Description of Bonds or Stock Certificates, and due dates of Coupons.	The Numbers of Coupons to be entered in consecutive order.							Total Amount of Coupons of each description of Bond, etc.		
								£	s.	d.
Total Number of Coupons.....								Aggregate Amount of } Coupons ..... } £		





(See page 10.)

## DECLARATION

**Required by Finance Section, Foreign Trade Department of Great Britain, by Circulars  
No. 718, of 3rd May, 1916, and No. 7891, of 15th August, 1917.**

---

To the GOVERNOR and COMPANY of the BANK OF ENGLAND.

I/We hereby declare that none of the Coupons now presented by me/us for payment is presented on behalf of or for the benefit of any enemy, and that no part of the proceeds will be paid by me/us to an enemy or made available by me/us for an enemy; and I/we further declare that as the result of personal enquiry, or as a matter of actual personal knowledge, I/we are satisfied that the Coupons and the relative Bonds were not at the outbreak of War on the 4th August, 1914, the property of an enemy, and have not been the property of an enemy since that date.

I/We mean by "enemy" in this declaration a person resident or carrying on business in any country at war with Great Britain; or treated as an enemy under any Proclamation for the time being in force in Great Britain relating to Trading with the Enemy (other than the Trading with the Enemy (Occupied Territory) Proclamation, 1915); or mentioned in the Statutory List under the Trading with the Enemy Statutory List) Proclamation of Great Britain, 1916.

SIGNATURE .....

.....191...

(See page 10.)

**Supporting undertaking to be given by Bankers presenting to the  
Federal Reserve Bank of New York Coupons of British  
Government Securities for payment accompanied  
by declarations.**

---

I hereby undertake to refund to the Commissioners of Inland Revenue, London, England, or to the Bank of England or the Federal Reserve Bank of New York on behalf of the Commissioners of Inland Revenue, any British Income Tax which may be erroneously allowed through any irregularity in this Declaration or any inaccuracy of statement therein, or by reason of the inclusion of coupons which are out of date for allowance.

For.....

(Signature).....

New York,

.....191

(See page 11.)

**Form of Offering of War Finance Corporation Bonds**

**Federal Reserve Bank of New York**

**OFFERING OF**

**\$200,000,000**

**WAR FINANCE CORPORATION SERIES "A" 5% GOLD BONDS**

**Dated April 1, 1919**

**Due April 1, 1920**

**COUPON BONDS IN DENOMINATIONS OF \$1,000**

**TAX EXEMPTIONS AS DESCRIBED BELOW**

**OFFERED AT \$1,000 PER BOND AND ACCRUED INTEREST**

The War Finance Corporation, a corporation created by Act of Congress, approved April 5, 1918, as amended, offers, beginning at 10 o'clock a. m. Wednesday, April 2, 1919, under the authority of said act, with the approval of the Secretary of the Treasury, for subscription at \$1,000 per bond and interest, through the Federal reserve banks, as its fiscal agents, coupon bonds, Series "A," of War Finance Corporation in the aggregate principal amount of \$200,000,000.

Bonds will be issued in denominations of \$1,000 only, in bearer form, will be dated April 1, 1919, will mature April 1, 1920, and will bear interest from April 1, 1919, at the rate of 5% per annum, payable semi-annually on October 1st and April 1st. The principal and interest of the bonds will be payable in United States gold coin of the present standard of value.

The right is reserved to reject any application, to allot less than the amount of bonds applied for, and to close the subscriptions at any time with or without notice. Payment for bonds allotted may be made at once and must be made within the period fixed in the notice of allotment which will be mailed to the subscriber. Upon payment, Federal reserve banks will issue interim receipts pending delivery of the definitive bonds.

Incorporated banks and trust companies and such dealers in investment securities as shall be approved by the Federal reserve banks, will receive a commission of  $\frac{1}{8}$  of 1 per cent. of the face amount of any bonds of this issue, when duly paid for which shall have been allotted to or through such banks, trust companies or dealers. This commission is to be payable in each instance within sixty days after the allotment has been paid for in full.

**Legality:**

Opinions have been given by the Attorney General of the United States and by the general counsel of the War Finance Corporation that these bonds will constitute valid and binding obligations of the Corporation, and will entitle their holders to the exemptions from taxation as set forth in this circular.

**Tax Exemption:**

In accordance with said Act of Congress, the bonds are 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, corporations or associations.

The interest on an amount of such bonds authorized by said act, the principal of which does not exceed in the aggregate \$5,000 owned by any individual, partnership, corporation or association, is exempt from the taxes referred to in clause (b).

**Discount and Rediscount Rights:**

It is further provided by said Act that Federal reserve banks are authorized, subject to the maturity limitations of the Federal Reserve Act and to regulations of the Federal Reserve Board, to discount the direct obligations of member banks, secured by the bonds of the Corporation, and to rediscount eligible paper secured by the bonds and endorsed by a member bank. No such discount or rediscount, however, may be at an interest charge less than 1% per annum above the prevailing rate for eligible commercial paper of corresponding maturity.

**Security:**

The act creating the Corporation provides that all bonds issued by the Corporation shall have a first and paramount floating charge on all the assets of the Corporation and that the Corporation shall not at any time mortgage or pledge any of its assets. These assets include not only such as may be obtained through the proceeds of sale of these bonds, but also those obtained from funds raised through subscriptions to capital stock. The United States is not liable for the payment of these bonds or the interest upon them.

**Capitalization of Corporation:**

The total authorized capital stock of the War Finance Corporation is \$500,000,000 all of which shall, under said Act of Congress, be subscribed by the United States of America. To date, \$350,000,000 of the capital stock has been subscribed and paid for, and is now owned by the United States of America; subscriptions to the remaining \$150,000,000 is subject to call upon the vote of three-fifths of the board of directors of the Corporation, with the approval of the Secretary of the Treasury, at such time or times as may be deemed advisable. The Secretary of the Treasury is by law the chairman of the board.

The object of the act creating the Corporation was, as expressed in its title: "To provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, \* \* \* and for other purposes."

**Reports:**

The first annual report of the War Finance Corporation, covering its operations from date of organization to November 30, 1918, inclusive, may be had upon application at the offices of the War Finance Corporation in Washington. The regular quarterly reports as required by said Act of Congress will likewise be supplied on request.

**Balance Sheet:**

The balance sheet of the Corporation as of March 19, 1919, is attached hereto.

**WAR FINANCE CORPORATION**

March 31, 1919.

By **Carter Glass**, *Chairman.*

Approved:

By **Eugene Meyer, Jr.**,

**CARTER GLASS,**

*Managing Director.*

Secretary of the Treasury.

**WAR FINANCE CORPORATION****GENERAL BALANCE SHEET, MARCH 19, 1919.****ASSETS**

<b>Cash</b> deposited with the Treasurer of the United States and the Federal reserve banks . . . . .	\$13,851,406.43
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**Loans To:**

Banks, Bankers, Trust Companies and Savings Banks . . . . .	\$3,912,677.61
Railroads (which includes \$50,000,000 to the Director General of Railroads) . . . . .	116,555,270.00
Public Utilities . . . . .	26,781,900.00
Industrial Corporations . . . . .	636,652.00
Cattle Loans . . . . .	6,790,772.35
Loans . . . . .	154,677,271.96

**Investments:**

United States of America Liberty Loan Bonds . . . . .	184,584,518.29
Office furniture and equipment . . . . .	8,671.04
Accrued interest receivable . . . . .	3,694,519.62

**Total** \$356,816,387.34

**LIABILITIES**

Capital Stock—authorized by War Finance Corporation Act	\$500,000,000.00
LESS SUBSCRIPTION BY THE UNITED STATES OF AMERICA, subject to call by the directors of the Corporation	150,000,000.00

\$350,000,000.00

Earnings . . . . .	6,780,122.77
Interest collected in advance . . . . .	36,264.57

**Total** \$356,816,387.34

# TAX EXEMPTIONS OF LIBERTY BONDS AND VICTORY NOTES.

Liberty Bonds and Victory Notes issued under authority of the acts of Congress approved April 24, 1917, September 24, 1917, April 4, 1918, July 9, 1918, September 24, 1918, and March 3, 1919, are entitled, respectively, to the exemptions from taxation set forth in said acts, from which the statements on this page are summarized, and to which they are subject.

**I. 4 Per Cent and 4¼ Per Cent Bonds are Exempt from all Federal, State and Local Taxation, Except (a) Estate or Inheritance Taxes, and (b) Federal Income Surtaxes and Profits Taxes, as follows:**

1. First Liberty Loan Converted 4 Per Cent Bonds of 1932-1947 (First 4s).
2. First Liberty Loan Converted 4¼ Per Cent Bonds of 1932-1947 (First 4¼s, issue of May 9, 1918).
3. First Liberty Loan Second Converted 4¼ Per Cent Bonds of 1932-1947 (First 4¼s, issue of October 24, 1918).
4. Second Liberty Loan 4 Per Cent Bonds of 1927-1942 (Second 4s).
5. Second Liberty Loan Converted 4¼ Per Cent Bonds of 1927-1942 (Second 4¼s).
6. Third Liberty Loan 4¼ Per Cent Bonds of 1928 (Third 4¼s).
7. Fourth Liberty Loan 4¼ Per Cent Bonds of 1933-1938 (Fourth 4¼s).
8. Victory Liberty Loan 4¾ Per Cent Convertible Gold Notes of 1922-1923 (4¾ Per Cent Victory Notes).

are 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.

**II. 4 Per Cent and 4¼ Per Cent Bonds are Entitled to Limited Exemptions from Federal Income Surtaxes and Profits Taxes as, follows:**

4 Per Cent and 4¼ Per Cent Liberty Bonds (but not 4¾ Per Cent Victory Notes) are entitled to certain limited exemptions 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, in respect to the interest on principal amounts thereof, as follows:

- \$5,000 in the aggregate of First 4s, First 4¼s (issues of May 9 and October 24, 1918, Second 4s and 4¼s, Third 4¼s, Fourth 4¼s, Treasury Certificates, and War-Savings Certificates.
- 30,000 of First 4¼s (issue of October 24, 1918, only), until the expiration of two years after the termination of the war.
- 30,000 of Fourth 4¼s, until the expiration of two years after the termination of the war.
- 30,000 in the aggregate of First 4s, First 4¼s (issues of May 9 and October 24, 1918), Second 4s and 4¼s, Third 4¼s and Fourth 4¼s, as to the interest received on and after January 1, 1919, until the expiration of five years after the termination of the war.
- 45,000 in the aggregate of First 4s, First 4¼s (issue of May 9, 1918, only), Second 4s and 4¼s, and Third 4¼s, as to the interest received after January 1, 1918, until the expiration of two years after the termination of the war; this exemption conditional on original subscription to, and continued holding at the date of the tax return of, two-thirds as many bonds of the Fourth Liberty Loan.
- 20,000 in the aggregate of First 4s, First 4¼s (issues of May 9 and October 24, 1918), Second 4s and 4¼s, Third 4¼s, and Fourth 4¼s, as to the interest received on and after January 1, 1919; this exemption conditional upon original subscription to, and continued holding at the date of the tax return of, one-third as many notes of the Victory Liberty Loan, and extending through the life of such notes of the Victory Liberty Loan.

\$160,000 total possible exemptions from Federal income surtaxes and profits taxes, subject to conditions above summarized.

**III. 3½ Per Cent Bonds and 3¾ Per Cent Notes are Exempt from all Federal, State and Local Taxation, Except Estate or Inheritance Taxes, as follows:**

1. First Liberty Loan 3½ Per Cent Bonds of 1932-1947.
  2. Victory Liberty Loan 3¾ Per Cent Convertible Gold Notes of 1922-1923.
- are exempt, both as to principal and interest, from all taxation except estate or inheritance taxes) 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.

TREASURY DEPARTMENT,  
Washington, April 23, 1919.  
L & C 197.

# Advice of Credit in Payment of Victory Liberty Loan Notes

(See page 14.)

TO BE USED IN MAKING PAYMENTS FOR LIBERTY LOAN NOTES ONLY

G. D. 10

.....  
(Title of bank or trust company.)

.....  
(Location.)

..... 191  
(Date.)

I HEREBY CERTIFY that there has been deposited this day with the above bank or trust company, to the credit of the Federal Reserve Bank of New York, as Fiscal Agent of the United States War Loan Deposit Account, to be held subject to withdrawal on demand, the sum of..... Dollars,

\$ .....

(White Copy)

.....  
Cashier or Vice President.

The depository will forward this by first mail to the  
Federal Reserve Bank of New York.

(See page 15.)

### Form BI-85—INSURANCE DECLARATION

A separate form must be used for each conversion application.

FEDERAL RESERVE BANK OF NEW YORK,  
Bond Issue Division,  
120 Broadway, New York, N. Y.

DATE.....1919.

DEAR SIRs:

We are to-day forwarding you by registered mail, coupon bonds of the ..... Liberty Loan, amounting to \$.....par value for conversion, and request that you insure same while in transit at our expense.

We also request that you make the return shipment to us by registered mail insured at our expense.

To reimburse you for the above, we remit herewith as follows:

Insurance on \$..... in transit to you @ 5c per \$1,000.....	\$.....
Insurance on ..... to be returned to us @ 5c per \$1,000 .....	.....
Registration fee return shipment (10c) .....	.....
Postage on return shipment .....	.....
Total (check enclosed) .....	\$.....

**Cross out any part of above not desired.**

Very truly yours,

.....  
(Name of Bank) (City or Town)

By.....

**Check must be attached to cover expense; otherwise no attention will be paid to this request.  
If registered bonds are to be delivered upon conversion of the above, no expense of any kind will  
attach to the return shipment.**

**Do not use this form for any other purpose.**



# VICTORY LIBERTY LOAN.

1919  
Department Circular No. 138.  
Loans and Currency.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, April 21, 1919.

The Secretary of the Treasury invites subscriptions, at par and accrued interest, from the people of the United States, for \$4,500,000,000 of United States of America Convertible Gold Notes of 1922-1923 of the Victory Liberty Loan, authorized by an act of Congress approved September 24, 1917, as amended and supplemented by the acts of Congress approved April 4, July 9, and September 24, 1918, and March 3, 1919 (Victory Liberty Loan Act). The notes are offered in two series. (Page 77.)

## DESCRIPTION OF NOTES.

*Four and three-quarters per cent series.*—The  $4\frac{3}{4}$  Per Cent Convertible Gold Notes of 1922-1923 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 notes of said series shall bear interest at the rate of four and three-quarters per cent per annum.

*Three and three-quarters per cent series.*—The  $3\frac{3}{4}$  Per Cent Convertible Gold Notes of 1922-1923 shall be exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes) 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. The notes of said series shall bear interest at the rate of three and three-quarters per cent per annum.

*Denominations; both series.*—Bearer notes with interest coupons attached will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, and \$10,000. Notes registered as to principal, and as to interest payable after December 15, 1919, will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, \$50,000, and \$100,000. Such registered notes will have coupons attached thereto for interest payable December 15, 1919. 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, without charge by the United States, under rules and regulations prescribed by the Secretary of the Treasury.

*Date of notes, interest dates, maturity, and redemption; both series.*—The notes will be dated and bear interest from May 20, 1919, and will mature on May 20, 1923. Interest will be payable on December 15, 1919, and thereafter semi-annually on June 15 and December 15, and on May 20, 1923. The principal and interest of the notes are payable in United States gold coin of the present standard of value. The notes may be redeemed, at the option of the United States, under such rules and regulations as the Secretary of the Treasury may prescribe, on June 15 or December 15, 1922, in whole or in part, as to either or both series, at par and accrued interest, on four months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption of either or both series, the notes to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. For convenience in case of any partial redemption, the notes will be issued in several blocks of approximately equal face amount and bearing distinguishing letters. From the date of redemption designated in any such notice of redemption interest on notes called for redemption shall cease.

*Conversion privilege.*—Any holder of notes of either series shall have the option of having the notes held by him converted at par into notes of the other series, with adjustment in respect to accrued interest but otherwise without charge by the United States, under such rules and regulations as may be prescribed by the Secretary of the Treasury. Such rules and regulations may provide for the suspension of such privilege of conversion from time to time, in respect to all or any part of the notes of either or both series, (a) to and including July 15, 1919, to facilitate deliveries upon the original issue, (b) for a period not exceeding one month before any interest payment date, and (c) for the period, or any portion thereof, from the date of any notice of redemption (but not more than four months and one week prior to the date of redemption) to and including the date of redemption designated in such notice. In any event, on the date of redemption designated in any such notice of redemption the privilege of conversion of all notes thereby called for redemption shall cease, and if all the notes of either series be called for redemption, the privilege of conversion of notes of the other series shall cease. The notes are interconvertible, the privilege of conversion extending to notes issued upon conversion as well as notes issued upon original subscription. The privilege of conversion continues throughout the life of the notes subject to the provisions hereof and of such rules and regulations.

MISCELLANEOUS PROVISIONS OF LAW AND REGULATIONS.

*Additional tax exemption for Liberty Bonds.*—In addition to all other exemptions provided by law, the interest received on and after January 1, 1919, on an amount of bonds of the First Liberty Loan Converted, dated November 15, 1917, May 9, 1918, or October 24, 1918, the Second Liberty Loan converted and unconverted, the Third Liberty Loan, and the Fourth Liberty Loan, the principal of which does not exceed \$20,000 in the aggregate, 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: *Provided*, That no owner of such bonds shall be entitled to such additional exemption in respect to the interest on an aggregate principal amount of such bonds exceeding three times the principal amount of notes of the Victory Liberty Loan originally subscribed for by such owner and still owned by him at the date of his tax return.

*Note 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 (as fixed by proclamation of the President), to purchase notes of this issue at such prices and upon such terms and conditions as he may prescribe. The par amount of notes 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 notes originally issued, and in each twelve months' period thereafter, shall not exceed one-twentieth of the amount of the notes of such issue outstanding at the beginning of such twelve months' period. The average cost of the notes of this issue purchased in any such twelve months' period shall not exceed par and accrued interest.

*Cumulative sinking fund.*—The Victory Liberty Loan Act provides in section 6 (a) as follows: "That there is hereby created in the Treasury a cumulative sinking fund for the retirement of bonds and notes issued under the First Liberty Bond Act, the Second Liberty Bond Act, the Third Liberty Bond Act, the Fourth Liberty Bond Act, or under this Act, and outstanding on July 1, 1920. The sinking fund and all additions thereto are hereby appropriated for the payment of such bonds and notes at maturity, or for the redemption or purchase thereof before maturity by the Secretary of the Treasury at such prices and upon such terms and conditions as he shall prescribe, and shall be available until all such bonds and notes are retired. The average cost of the bonds and notes purchased shall not exceed par and accrued interest. Bonds and notes purchased, redeemed, or paid out of the sinking fund shall be canceled and retired and shall not be reissued. For the fiscal year beginning July 1, 1920, and for each fiscal year thereafter, until all such bonds and notes are retired there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes of such sinking fund, an amount equal to the sum of (1)  $2\frac{1}{2}$  per centum of the aggregate amount of such bonds and notes outstanding on July 1, 1920, less an amount equal to the par amount of any obligations of foreign Governments held by the United States on July 1, 1920, and (2) the interest which would have been payable during the fiscal year for which the appropriation is made on the bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years."

*Further privileges.*—The notes will be receivable as security for deposits of public moneys, but will not bear the circulation privilege.

APPLICATION, ALLOTMENT, PAYMENT, AND DELIVERY.

*Official agencies.*—The agencies designated by the Secretary of the Treasury to receive applications for the notes now offered are the Treasury Department in Washington, and the Federal Reserve Banks in Boston, New York, Philadelphia, Cleveland (with branches at Cincinnati and Pittsburgh), Richmond (with Branch at Baltimore), Atlanta (with branches at New Orleans, Birmingham and Jacksonville), Chicago (with branch at Detroit), St. Louis (with branches at Little Rock, 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 give notices of allotments, to receive payments, and to make delivery of the notes 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 notes 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; in the latter case they must specify the number of subscribers and the aggregate amount of notes subscribed for by each and furnish such further information as may be prescribed by the Secretary of the Treasury; and allotment may be based upon such information. 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 notes of the Victory Liberty Loan.

*Terms of application.*—Applications must be accompanied by payment of 10 per cent of the amount of notes applied for. No payment other than the 10 per cent required upon application should accompany any application for an aggregate amount of notes in excess of \$10,000. Applications for an aggregate amount of notes not in excess of \$10,000 may, at the option of the subscriber, be accompanied by payment in full, at face value without interest, for the note or notes applied for. Applications must be for notes to an amount of \$50 or some multiple thereof. The subscriber should indicate on the application blank whether coupon or registered notes are desired; if no preference is indicated, either coupon notes or registered notes may be delivered. All applications will be deemed to be for notes of the  $4\frac{3}{4}$  per cent series, except applications specifying notes of the  $3\frac{3}{4}$  per cent series; but the subscriber may nevertheless, at any time before completion of payment, by notice in writing, elect to receive notes of either series in the first instance.

*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 May 10, 1919. Applications received by any incorporated bank or trust company on or before May 10, 1919, 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 May 20, 1919, accompanied by payment as aforesaid. The right is reserved by the Secretary of the Treasury to close the subscription on any earlier date, to reject any applications and to waive delay in making application and payment.

*Allotment.*—Applications from any one subscriber for an aggregate amount of notes not in excess of \$10,000 will be allotted in full. Applications for an aggregate amount of notes in excess of \$10,000 will be received subject to allotment. The issue will be limited to \$4,500,000,000, except as it may be necessary to increase the amount of the issue in order to make allotment in full on applications from subscribers for aggregate amounts of notes not in excess of \$10,000, and except as it may be necessary to increase or decrease the amount of the issue in order to facilitate allotment, and the Secretary of the Treasury reserves the right to reject any application for an aggregate amount of notes in excess of \$10,000, to make allotment of part of the amount of notes applied for, to make allotment in full upon applications for smaller amounts, and to make reduced allotments upon, or to reject, applications for larger amounts, and to make classified allotments and allotments upon a graduated scale; and his action in these respects will be final. The Secretary of the Treasury can not undertake to collate applications with a view to the precise ascertainment of the aggregate amount of notes applied for by each subscriber and, while reserving the right to reject any application or to reduce the amount of notes applied for in any case where it appears that the aggregate amount of notes applied for by any one subscriber is not truly shown on the face of any one application, the allotment may be based upon the several applications and reports filed with the several Federal Reserve Banks and the Treasury Department and without collation within or as between the said banks and the Treasury Department; and his action in these respects shall be final. Allotments will be made before June 3, 1919, and the basis of allotment will be publicly announced. Notices of allotment will be mailed promptly thereafter by the several Federal Reserve Banks.

*Terms of Payment.*—Payment for notes allotted, in addition to the 10 per cent paid on application, must be made so as to reach a Federal Reserve Bank or a branch thereof as follows: 10 per cent on July 15, 20 per cent on August 12, 20 per cent on September 9, 20 per cent on October 7, and 20 per cent on November 11, 1919, with accrued interest from May 20, 1919, on the five 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 notes allotted. Payment for notes allotted may be sooner completed, but only so as to reach a Federal Reserve Bank or a branch thereof on May 20, 1919, or, with accrued interest from May 20, 1919 (the previous installment or installments having been duly paid), on July 15, August 12, September 9, or October 7, 1919. Payment for notes allotted to subscribers for aggregate amounts of notes in excess of \$10,000 can not be completed on May 20, but may be completed, with accrued interest from May 20, 1919, after public announcement of the basis of allotment, on a date or dates, not earlier than June 3, nor later than June 17, 1919, named in the announcement of allotments, or on any later installment date. Upon applications for aggregate amounts of notes in excess of \$10,000, no payment other than the 10 per cent required will be received with the application, and in case of partial allotments upon such applications the excess of the 10 per cent payment will be applied upon the next installment or installments and no accrued interest will be charged on that part of any installment covered by the amount so applied; and in case of the allotment of less than 10 per cent of the amount applied for, the balance of the 10 per cent payment made with the application will be returned as promptly as possible without

interest. In case of the rejection of any application, the 10 per cent payment made with the application will be returned as promptly as possible without interest.

*Payment in United States Treasury certificates of indebtedness.*—Payment of (1) the first installment of 10 per cent upon application, or (2) completion of payment upon application, or on May 20, 1919, when and as permitted hereunder, or (3) completion of payment on the date or dates, not earlier than June 3, nor later than June 17, 1919, named in the announcement of allotments, when and as permitted hereunder, may be made in Treasury certificates of indebtedness of Series V of any issue not previously matured. Payment on July 15, 1919, and subsequent installment dates, may be made in Treasury certificates of the issues, if any, maturing or called for redemption on the said installment dates, respectively. Treasury certificates will be received at their face value. The accrued interest on Treasury certificates (which, in the case of payment of the first installment, or payment in full, when and as permitted hereunder, on or before May 20, 1919, will be computed to May 20, 1919, or earlier maturity) 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. Treasury certificates of any series acceptable in payment of taxes will not be accepted in payment on subscriptions for notes.

*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 payments 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, Victory 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 . . . . ., Victory Liberty Loan Account"). Incorporated banks and trust companies in the United States, duly qualified as special depositories of public moneys under Department Circular No. 92 as amended and supplemented April 17, 1919, may, up to the amount for which such depositories respectively shall be qualified in excess of then existing deposits, when so notified by Federal Reserve Banks, make payment by credit of amounts payable hereunder on or before May 20, and on the date or dates not earlier than June 3 nor later than June 17, 1919, named in the announcement of allotments, and, if and to the extent from time to time authorized by the Secretary of the Treasury, on later installment dates.

*Delivery.*—Notes will be delivered promptly after due completion of payment therefor. Notes of the 4¾ per cent series may be delivered prior to May 20, 1919, to subscribers for aggregate amounts of notes not in excess of \$10,000, who make payment in full in cash upon application on or before May 10, 1919. In making deliveries before May 20, 1919, the right is reserved to deliver notes of the largest denomination or denominations, not exceeding \$1,000, contained in the respective amounts of notes subscribed for. A limited amount of notes of the 4¾ per cent series will be made available to incorporated banks and trust companies within the United States prior to May 10, 1919, for delivery to subscribers for aggregate amounts of notes not in excess of \$10,000, but only upon the terms and conditions set out in the official application blank (Form L and C 182) provided for that purpose. Notes 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 continental United States, at the expense of the United States.

*Interest.*—As the notes are dated May 20, 1919, no accrued interest will be due on subscriptions for aggregate amounts of notes not in excess of \$10,000, paid for in full on or before that date, when and as permitted hereunder. No rebate of interest will be allowed either on account of full payment in advance of May 20, 1919, or on account of the first installment of 10 per cent. Upon completion of payment when and as permitted hereunder, on the date or dates not earlier than June 3 nor later than June 17, 1919, named in the announcement of allotments, or upon completion of payment on July 15, August 12, September 9, October 7, or November 11, 1919, the subscriber will be required to pay accrued interest from May 20, 1919, on the deferred installment or installments at the respective rate or rates borne by the notes to be delivered.

*Further details.*—The Secretary of the Treasury reserves the right to make special arrangements for subscriptions for the notes 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.

**CARTER GLASS,**  
*Secretary of the Treasury.*

# VICTORY LIBERTY LOAN

## APPLICATION BY INCORPORATED BANKS AND TRUST COMPANIES FOR NOTES FOR ADVANCE DELIVERY

DATE.....

TO THE FEDERAL RESERVE BANK OF NEW YORK  
AS FISCAL AGENT OF THE UNITED STATES:

The undersigned hereby applies for \$. . . . . par amount of United States of America 4¾% Convertible Gold Notes of 1922-1923 in coupon form described in Treasury Department Circular No. 138, dated April 21, 1919, which the undersigned expects to be able to sell to subscribers for cash for advance delivery upon terms set forth in said circular and in this application.

The undersigned hereby agrees to use its best efforts to obtain subscriptions for said notes at par, and that it will not sell or offer for sale nor enter into agreement for the sale of, nor deliver any of the notes obtained upon this application before June 17, 1919, except against payment in full in cash of the par amount thereof upon application on or before May 10, 1919, by subscribers for aggregate amounts of such notes not in excess of \$10,000 for any one subscriber. In making deliveries to such subscribers the undersigned hereby agrees to deliver insofar as practicable notes of the largest denomination or denominations not exceeding \$1,000 contained in the respective amounts of notes subscribed for. The undersigned hereby agrees to hold any notes obtained upon this application remaining unsold at the close of business on May 10, 1919 and at the direction of The Federal Reserve Bank of New York as Fiscal Agent of the United States either (1) to redeliver such notes to The Federal Reserve Bank of New York on demand against repayment of the face amount thereon without interest or (2) to retain such of said notes as may be covered by any allotment made to the undersigned for itself or its customers upon subscriptions filed with The Federal Reserve Bank of New York.

In payment for these notes we hand you herewith the following:

Advice of Credit	\$.....
By Qualified Depositories only)	
Use form G. D. 10	
Certificates of Indebtedness	\$.....
(See note 2—only certificates of	
series 5A and 5B can be used)	
Check or Draft (New York Funds)	\$.....
Cash	\$.....
<b>TOTAL</b>	<b>\$.....</b>

Please furnish coupon notes in the following denominations:

.....@ \$	50 Total \$.....
.....@	100 Total \$.....
.....@	500 Total \$.....
.....@	1,000 Total \$.....
.....@	5,000 Total \$.....
.....@	10,000 Total \$.....
<b>TOTAL</b>	<b>\$.....</b>

.....  
Name of Bank

.....  
City or Town

.....  
State

.....  
Official Signature

NOTE 1.—A qualified depository making payment by credit for notes delivered on this application will not be required to pay interest on the resulting deposit for the period prior to May 20, 1919, except upon the amounts and from the dates of payments to it by subscribers for notes delivered upon this application. The depository will be required to render separate sworn reports to Federal Reserve Bank of its district to date of May 19, 1919, inclusive, on form L, Revised Public Moneys (which will be forwarded later) showing the daily amounts of such notes unsold. (See next page.)

NOTE 2.—Treasury certificates of indebtedness of series 5 A and 5 B, but of no other series, will be accepted at their face value in payment for notes applied for, interest thereon to cease at maturity on May 6, 1919, and May 20, 1919, respectively, or earlier if and to the extent that the notes delivered in exchange therefor are earlier sold to subscribers for cash. Accrued interest on treasury certificates so accepted to maturity, or to such earlier date of sale of the notes delivered in exchange therefor, will be paid by The Federal Reserve Bank of New York after May 6, 1919, or May 20, 1919, as the case may be, upon receipt of a separate sworn report from the applicant bank or Trust company giving the amounts and dates of cash payments to it by subscribers for notes so delivered. The applicant bank or Trust company will be required to render such reports to The Federal Reserve Bank of New York on treasurer's form 5780 (revised) (which will be forwarded later) showing the daily amounts of such notes sold to date of May 5, 1919, inclusive, in case of payment in treasury certificates of series 5 A, and to date of May 19, 1919, inclusive, in case of payment in treasury certificates of series 5 B.

# STATEMENT OF INTEREST

ON VICTORY LIBERTY LOAN 4¾% NOTES FOR ADVANCE DELIVERY SOLD FOR CASH  
PRIOR TO MAY 20, 1919, PAYMENT MADE BY BOOK CREDIT

TO FEDERAL RESERVE BANK OF NEW YORK  
FISCAL AGENT OF THE UNITED STATES

DATE OF SALES	AMOUNT OF NOTES SOLD	AGGREGATE AMOUNT OF NOTES SOLD	INTEREST NUMBER OF DAYS	INTEREST ON DAILY AGGREGATE AMOUNT	AMOUNT OF BOOK CREDIT
April 21					
22					
23					
24					
25					
26					
27 (Sun.)					
28					
29					
30					
May 1					
2					
3					
4 (Sun.)					
5					
6					
7					
8					
9					
10					
11 (Sun.)					
12					
13					
14					
15					
16					
17					
18 (Sun.)					
19					
TOTALS					

This is to certify that the foregoing statement is correct as to the amount of Victory Liberty Loan Notes sold for cash and as to the amount of interest thereon at two per cent. per annum on a 365-day basis on notes so sold to May 19, 1919, inclusive.

DATE \_\_\_\_\_

\_\_\_\_\_  
(NAME OF BANK OR TRUST CO.)

\_\_\_\_\_  
CASHIER (SECRETARY)

\_\_\_\_\_  
(ADDRESS)

Subscribed and sworn to or affirmed before me this \_\_\_\_\_ day of \_\_\_\_\_, 1919.  
My Commission expires \_\_\_\_\_, 19\_\_\_\_

\_\_\_\_\_  
Notary Public.

KINDLY SEND CHECK FOR TOTAL AMOUNT OF INTEREST DUE WITH THIS STATEMENT



# VICTORY LIBERTY LOAN

Form 2—Page 2

(See Page 133.)

FEDERAL RESERVE BANK OF NEW YORK

.....1919

120 Broadway, New York City

Enclosed we hand you the following:

1. Certificates of Indebtedness.

5B	Issue of Dec. 19, 1918—Due May 20, 1919	\$.....
5C	“ “ Jan. 2, 1919— “ June 3, 1919	\$.....
5D	“ “ Jan. 16, 1919— “ June 17, 1919	\$.....
5E	“ “ Jan. 30, 1919— “ July 1, 1919	\$.....
5F	“ “ Feb. 13, 1919— “ July 15, 1919	\$.....
5G	“ “ Feb. 27, 1919— “ July 29, 1919	\$.....
5H	“ “ Mar. 13, 1919— “ Aug. 12, 1919	\$.....
5J	“ “ Apr. 10, 1919— “ Sept. 9, 1919	\$.....
5K	“ “ May 1, 1919— “ Oct. 7, 1919	\$.....\$.....

2. Advice of credit (For qualified depositaries only. Use Form GD 10). (Page 111.) \$.....

3. Check or Draft (New York Funds). \$.....

And the following banks will make payment for our account.

4. .... \$.....

5. .... \$.....

6. .... \$.....

7. Grand Total to be paid (Should agree with line 10) \$.....

The above payment to be applied as follows:

8. 10% of \$..... = \$.....  
(Face amount of Notes must agree with total of lines 3 and 4, Page 119)

9. 100% of \$..... = \$.....  
(Face amount of Notes must agree with line 2, Page 119)

10. Total Payment (Should agree with line 7) \$.....

For notes full paid on line 9 either 3¾% or 4¾% coupon or registered notes will be delivered.

Form A is enclosed to be used for ordering 3¾ notes. (Page 121.)

Form B is enclosed to be used for ordering 4¾ notes. (Page 122.)

To FEDERAL RESERVE BANK OF NEW YORK

.....  
(Name of Institution)

BOND ISSUE DIVISION

.....  
(City or Town) (State)

P. O. Box 58

120 Broadway, New York

By.....  
(To be signed officially)



# 3<sup>3</sup>/<sub>4</sub> %

## REQUISITION FOR 3<sup>3</sup>/<sub>4</sub> VICTORY LIBERTY LOAN NOTES

To FEDERAL RESERVE BANK OF NEW YORK  
**BOND ISSUE DIVISION**  
 120 Broadway, New York City

From our allotment and for which we have completed payment please deliver \$..... par amount of 3<sup>3</sup>/<sub>4</sub>% Convertible Victory Liberty Loan Gold Notes of 1922-1923, in the following denominations:

### COUPON NOTES

NO.	AMOUNT
..... \$ 50 .....	.....
..... \$ 100 .....	.....
..... \$ 500 .....	.....
..... \$ 1,000 .....	.....
..... \$ 5,000 .....	.....
..... \$ 10,000 .....	.....
<b>Total Coupon Notes</b>	<b>\$.....</b>

### REGISTERED NOTES

As per list of names enclosed  
 (Use form B I-55-V)  
 (Page 123.)

NO.	AMOUNT
..... \$ 50 .....	.....
..... \$ 100 .....	.....
..... \$ 500 .....	.....
..... \$ 1,000 .....	.....
..... \$ 5,000 .....	.....
..... \$ 10,000 .....	.....
..... \$ 50,000 .....	.....
..... \$100,000 .....	.....
<b>Total Registered Notes</b>	<b>\$.....</b>

.....  
 (Name of Institution)

..... (City or Town) ..... (State)

.....  
 (Must be signed officially)

**4 <sup>3</sup>/<sub>4</sub> %**

**REQUISITION FOR 4<sup>3</sup>/<sub>4</sub> VICTORY LIBERTY LOAN NOTES**

To FEDERAL RESERVE BANK OF NEW YORK  
 BOND ISSUE DIVISION  
 120 Broadway, New York City

From our allotment and for which we have completed payment please deliver \$.....par amount  
 of 4<sup>3</sup>/<sub>4</sub>% Convertible Victory Liberty Loan Gold Notes of 1922-1923, in the following denominations:

**COUPON NOTES**

**REGISTERED NOTES**

As per list of names enclosed  
 (Use form B I-55-V)  
 (Page 123.)

NO.	AMOUNT	NO.	AMOUNT
.....	\$ 50 .....	.....	\$ 50 .....
.....	\$ 100 .....	.....	\$ 100 .....
.....	\$ 500 .....	.....	\$ 500 .....
.....	\$ 1,000 .....	.....	\$ 1,000 .....
.....	\$ 5,000 .....	.....	\$ 5,000 .....
.....	\$ 10,000 .....	.....	\$ 10,000 .....
<b>Total Coupon Notes</b>	<b>\$.....</b>	.....	<b>\$ 50,000 .....</b>
		.....	<b>\$100,000 .....</b>
		<b>Total Registered Notes</b>	<b>\$.....</b>

.....  
 (Name of Institution)

.....  
 (City or Town) (State)

.....  
 (Must be signed officially)



To be used in completing payment on June 3, 1919, for all or any part of Victory Liberty Notes allotted on subscriptions in excess of \$10,000.

## FORM 3—Page 1

FEDERAL RESERVE BANK OF NEW YORK \_\_\_\_\_ 1919

BOND ISSUE DIVISION

120 Broadway, New York City

Our total of subscriptions in excess of \$10,000 to the Victory Liberty Loan . . . . . A \$ \_\_\_\_\_

Amount allotted on above in accordance with your allotment letter . . . . . B \$ \_\_\_\_\_

Reduction by allotment (A minus B) . . . . . C \$ \_\_\_\_\_

Having paid 10% on amount A we accordingly have a credit on your books amounting to 10% of Line C which amounts to . . . . . D \$ \_\_\_\_\_

*NOTE:—The amount of Line D may be applied either on Line 2 or 7 below.*

### PAYMENT a/c 3¾% NOTES

1. 90% of \$ \_\_\_\_\_ = \$ \_\_\_\_\_  
(Face Amount of Notes)

2. Less credit as shown on Line D \$ \_\_\_\_\_

3. Balance Due \$ \_\_\_\_\_

4. Interest @ 3¾% on balance due on line 3 at 1.442308 per \$1000. . \$ \_\_\_\_\_

5. Total due on 3¾% notes. \$ \_\_\_\_\_

### PAYMENT a/c 4¾% NOTES

6. 90% of \$ \_\_\_\_\_ = \$ \_\_\_\_\_  
(Face Amount of Notes)

7. Less credit as shown on Line D \$ \_\_\_\_\_

8. Amount Due \$ \_\_\_\_\_

9. Interest @ 4¾% on balance due on line 8 at 1.826923 per \$1000. . \$ \_\_\_\_\_

10. Total due on 4¾% notes. \$ \_\_\_\_\_

11. Grand total due (total of lines 5 and 10) for which payment is enclosed as shown on Page 125. \$ \_\_\_\_\_

(Should agree with Line 7 Page 125.)

\_\_\_\_\_  
(Name of Institution)

\_\_\_\_\_  
(City or Town) (State)

\_\_\_\_\_  
(To be signed officially)

# FORM 3—Page 2

**FEDERAL RESERVE BANK OF NEW YORK**  
**BOND ISSUE DIVISION**  
**120 Broadway, New York City**

\_\_\_\_\_ 1919

Enclosed we hand you the following to complete payment on Victory Liberty Notes as shown on page 124.

1. **Certificates of Indebtedness. (Face amount only.)**

5C	Issue of Jan. 2, 1919 — Due June 3, 1919	\$ _____	
5D	" " Jan. 16, 1919 — " June 17, 1919	\$ _____	
5E	" " Jan. 30, 1919 — " July 1, 1919	\$ _____	
5F	" " Feb. 13, 1919 — " July 15, 1919	\$ _____	
5G	" " Feb. 27, 1919 — " July 29, 1919	\$ _____	
5H	" " Mar. 13, 1919 — " Aug. 12, 1919	\$ _____	
5J	" " Apr. 10, 1919 — " Sept. 9, 1919	\$ _____	
5K	" " May 1, 1919 — " Oct. 7, 1919	\$ _____	\$ _____

2. **Advice of credit (For qualified depositaries only. Use Form GD10. (Page 111).)** \$ \_\_\_\_\_

3. **Check or Draft (New York Funds.)** \$ \_\_\_\_\_

And the following banks will make payment for our account.

4. \_\_\_\_\_ \$ \_\_\_\_\_

5. \_\_\_\_\_ \$ \_\_\_\_\_

6. \_\_\_\_\_ \$ \_\_\_\_\_

7. **Grand Total to be paid** (Should agree with line 11, Page 124) \$ \_\_\_\_\_

Form A (page 121) is enclosed to be used for ordering  $3\frac{3}{4}\%$  notes full paid on line 1 (page 124).

Form B (page 122) is enclosed to be used for ordering  $4\frac{3}{4}\%$  notes full paid on line 6 (page 124).

Either coupon or registered notes will be delivered as requested. Use Form BI 55-V (page 123) for listing names for registered notes. Form A or B or list of names need not accompany this report but should be mailed as soon as possible after June 3. Notes will be delivered as soon as possible.

To FEDERAL RESERVE BANK OF NEW YORK

BOND ISSUE DIVISION

P. O. Box 58

120 Broadway, New York

\_\_\_\_\_ (Name of Institution)

\_\_\_\_\_ (City or Town) (State)

By \_\_\_\_\_ (To be signed officially)

**Allotment Notice to Bank or Trust Company Acting for Subscribers**

**FEDERAL RESERVE BANK OF NEW YORK  
VICTORY LIBERTY LOAN  
ALLOTMENT SUBSCRIPTIONS**

New York, May 29, 1919.

SIRS:

According to the terms of Treasury Department Circular No. 138 dated April 21, 1919, you are hereby notified that upon subscriptions entered through you, including your own subscription, for \$..... notes of the Victory Liberty Loan authorized by Act of Congress approved September 24, 1917 as amended and supplemented by the Acts of Congress approved April 4, July 9 and September 24, 1918, and March 3, 1919, there have been allotted to subscribers through you, including yourselves, \$..... of such notes.

You will make allotments among those subscribing through you, including yourselves, in accordance with the subjoined schedule determined by the Secretary of the Treasury.

Payments must be made in accordance with the terms of said circular under penalty of forfeiture of any kind and all instalments previously paid and of all rights and interests in the notes allotted. (See pages 113 and 124.)

This notice is not transferable and no assignment of it will be recognized. It becomes void and of no effect after payment of the first instalment of subscriptions herein specified.

CLASS	Amount of Subscriptions	Amount Allotted
\$50.00 to \$10,000.		100%
\$10,050. to \$50,000.		100%
\$50,050. to \$62,500. Allotted \$50,000 each		
\$62,550. to \$200,000.		80%
\$200,050. to \$228,550. Allotted \$160,000. each		
\$228,600. to \$500,000.		70%
\$500,050. to \$583,300. Allotted \$350,000. each		
\$583,350. to 2,500,000.		60%
\$2,500,050. to \$3,000,000. Allotted \$1,500,000. each		
\$3,000,050. to \$15,000,000.		50%
\$15,000,050. to \$16,666,650. Allotted \$7,500,000. each		
\$16,666,700. to \$29,999,950.		45%
\$30,000,000. to \$49,999,950.		42.4%
\$50,000,000. Allotted \$21,196,600. each		
<b>Total</b>		

Respectfully,  
FEDERAL RESERVE BANK OF NEW YORK,  
Fiscal Agent of the United States,  
Cashier.

# 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  $4\frac{3}{4}$  Per Cent Convertible Gold Notes of 1922-1923 (hereinafter called  $4\frac{3}{4}$  Per Cent Victory Notes) or of  $3\frac{3}{4}$  Per Cent Convertible Gold Notes of 1922-1923 (hereinafter called  $3\frac{3}{4}$  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. (See page 129.)

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. (See page 56.)

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 holders 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  $4\frac{3}{4}$  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  $4\frac{3}{4}$  per cent per annum and interest at the rate of  $3\frac{3}{4}$  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. (See page 131.)

Holders of  $3\frac{3}{4}$  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  $3\frac{3}{4}$  per cent per annum and interest at the rate of  $4\frac{3}{4}$  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

(Referred to on page 127.)

## 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  
{ registered }  
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  $4\frac{3}{4}$  Per Cent Victory Notes are surrendered for conversion, the execution of the above form is all that is required.
2. If  $3\frac{3}{4}$  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.

(3)

Note: For the convenience of transactions in the Second Federal Reserve District the Federal Reserve Bank of New York may find it necessary before July 15, 1919, to enlarge slightly on the above form, but fundamentally there will be no change.

**Following forms to be used only for giving special instructions:**

**I. If 3¾ 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. (Page 131.)

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

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

Referring to \$....., <sup>1</sup> 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	.....
.....	<sup>2</sup> \$50,000	.....
.....	<sup>2</sup> \$100,000	.....
Total, <sup>1</sup> \$		.....

<sup>1</sup>These amounts must be the same; otherwise request may be disregarded.  
<sup>2</sup>Coupon notes are not issued in these denominations.

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

TREASURY DEPARTMENT,  
Division of Loans and Currency,  
(Ed. 50,000—Apr. 16-19.)  
Form L & C 191

## VICTORY LIBERTY LOAN.

### TABLE FOR COMPUTING INTEREST ADJUSTMENTS UPON CONVERSION OF NOTES.

INTEREST AT 1 PER CENT PER ANNUM (½ PER CENT PER HALF YEAR).

(See explanation at end—page 133.)

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	\$.027473	\$.027322	\$.137363	\$.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	7.786885
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	1.693689	8.516484	8.469245
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	9.016363
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	10.109260
25	.686813	.683060	3.434066	3.415301	75	2.060440	2.049180	10.302198	10.245602
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	3.983516	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	10.928662
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	11.338768
34	.934066	.928962	4.670330	4.644809	84	2.307692	2.295062	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	2.431644	12.225275	12.158470
40	1.098901	1.092896	5.494505	5.464481	90	2.472527	2.459016	12.362637	12.295062
41	1.126374	1.120219	5.631868	5.601093	91	2.500000	2.486339	12.500000	12.431664
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 (½ PER CENT PER HALF YEAR)—Continued.

(See explanation page 133.)

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	\$3.807104	\$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					
105	2.884615	2.868852	14.423077	14.344262	146	4.010989	3.989071	20.054945	19.945355
					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	20.604396	20.491803
109	2.994505	2.978142	14.972527	14.890710					
110	3.021978	3.005464	15.109890	15.027322	151	4.148352	4.125683	20.741758	20.628415
					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					
115	3.159341	3.142076	15.796703	15.710383	156	4.285714	4.262295	21.428571	21.311475
					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	15.983670	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					
120	3.296703	3.278689	16.483517	16.393443	161	4.423077	4.398907	22.115385	21.994536
					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	16.939892					
125	3.434066	3.415301	17.170330	17.076503	166	4.560440	4.535519	22.802198	22.677596
					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	23.334044
129	3.543956	3.524590	17.719780	17.622951					
130	3.571429	3.551913	17.857143	17.759563	171	4.697802	4.672131	23.489011	23.360656
					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	4.806792	4.781421	24.038462	23.907104
134	3.681319	3.661202	18.406593	18.306011					
135	3.708791	3.688525	18.543956	18.442823	176	4.835165	4.808743	24.175824	24.043716
					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					
140	3.846154	3.825137	19.230769	19.125683	181	4.972527	4.945355	24.862637	24.726776
					182	5.000000	4.972678	25.000000	24.863388
141	3.873626	3.852459	19.368132	19.262295	183	.....	5.000000	.....	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  $4\frac{3}{4}$  per cent notes are converted into  $3\frac{3}{4}$  per cent notes, the interest adjustment is in favor of the holder. If  $3\frac{3}{4}$  per cent notes are converted into  $4\frac{3}{4}$  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.

The provisions of Titles I, IX, X and XI of Treasury Department Circular No. 114 referred to in Treasury Department Circular No. 137 (page 93) entitled "Extension of Conversion Privilege" are as follows:

## CONVERSION OF UNITED STATES BONDS OF THE FIRST LIBERTY LOAN, OF THE FIRST LIBERTY LOAN CONVERTED, AND OF THE SECOND LIBERTY LOAN.

1918.  
Department Circular No. 114  
Loans and Currency.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, May 9, 1918.

*To Holders of 3½ Per Cent Gold Bonds of 1932-47 of the First Liberty Loan; 4 Per Cent Convertible Gold Bonds of 1932-47 of the First Liberty Loan Converted; and 4 Per Cent Convertible Gold Bonds of 1927-42 of the Second Liberty Loan.*

### I. PRESENT CONVERSION PRIVILEGE.

In consequence of the issue this day of a series of United States 4¼ Per Cent Gold Bonds of 1928 of the Third Liberty Loan, holders of the above-mentioned bonds will, in accordance with the provisions of this circular, be entitled to convert all or any part of their bonds into an equal face amount of bonds bearing interest at 4¼ per cent per annum, the terms of which will be identical with those of the bonds of the Third Liberty Loan, except that such bonds will have the same dates for the payment of interest, the same dates of maturity of principal, and the same terms of redemption as the bonds upon the conversion of which they are respectively issued.

The bonds to be issued upon conversions of (a) 3½ Per Cent Gold Bonds of 1932-47 of the First Liberty Loan, and (b) 4 Per Cent Convertible Gold Bonds of 1932-47 of the First Liberty Loan Converted, are designated 4¼ Per Cent Gold Bonds of 1932-47 of the First Liberty Loan Converted, and the bonds to be issued upon conversions of 4 Per Cent Convertible Gold Bonds of 1927-42 of the Second Liberty Loan are designated 4¼ Per Cent Gold Bonds of 1927-42 of the Second Liberty Loan Converted. Such bonds to be issued upon such conversions are hereinafter more particularly described.

### IX. NON-RECURRENT CONVERSION PRIVILEGES OF 4 PER CENT BONDS OF THE FIRST LIBERTY LOAN CONVERTED AND OF 4 PER CENT BONDS OF THE SECOND LIBERTY LOAN.

In respect of any 4 Per Cent Convertible Gold Bonds of 1932-47 of the First Liberty Loan Converted and in respect of any 4 Per Cent Convertible Gold Bonds of 1927-42 of the Second Liberty Loan, as to which the conversion privilege arising as a consequence of the issue of bonds of the Third Liberty Loan, shall not be exercised within the prescribed period, in accordance with the provisions of this circular, no further conversion privilege will arise again though bonds are hereafter issued by the United States bearing interest at a higher rate or rates than 4 per cent per annum.

### X. DESCRIPTION OF 4¼ PER CENT GOLD BONDS OF 1932-47 OF THE FIRST LIBERTY LOAN CONVERTED, TO BE ISSUED (a) UPON CONVERSIONS OF 3½ PER CENT GOLD BONDS OF 1932-47 OF THE FIRST LIBERTY LOAN AND (b) UPON CONVERSIONS OF 4 PER CENT CONVERTIBLE GOLD BONDS OF 1932-47 OF THE FIRST LIBERTY LOAN CONVERTED.

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.

The bonds will be dated May 9, 1918, and will bear interest at the rate of four and one-quarter per cent per annum, but only from June 15, 1918, payable semiannually on June 15 and December 15. The bonds will mature June 15, 1947, but the issue may be redeemed on or after June 15, 1932, in whole or in part, at par and accrued interest, on three months published notice, on any interest day; in case of partial redemption the bonds to be redeemed to be determined by lot by such method as may be prescribed by the Secretary of the Treasury. The principal and interest of the bonds are payable in United States gold coin of the present standard of value. The bonds will be receivable as security for deposits of public money, but will not bear the circulation privilege.

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 the act of Congress approved September 24, 1917, or by said act as amended by the act approved April 4, 1918, 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.

The bonds of this issue are not entitled to any privilege of conversion into bonds bearing a higher rate of interest.

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.

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 12 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 12 months' period thereafter, shall not exceed one-twentieth of the amount of the bonds of such issue outstanding at the beginning of such 12 months' period. The average cost of the bonds of this issue purchased in any such 12 months' period shall not exceed par and accrued interest.

#### **XI. DESCRIPTION OF 4 $\frac{1}{4}$ PER CENT GOLD BONDS OF 1927-42 OF THE SECOND LIBERTY LOAN CONVERTED TO BE ISSUED UPON CONVERSIONS OF 4 PER CENT CONVERTIBLE GOLD BONDS OF 1927-42 OF THE SECOND LIBERTY LOAN.**

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.

The bonds will be dated May 9, 1918, and will bear interest at the rate of four and one-quarter per cent per annum, but only from May 15, 1918, payable semiannually on May 15 and November 15. The bonds will mature November 15, 1942, but the issue may be redeemed at the option of the United States on or after November 15, 1927, in whole or in part, at par and accrued interest, on any interest day, on six months' notice given in such manner as the Secretary of 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. The principal and interest of the bonds are payable in United States gold coin of the present standard of value. The bonds will be receivable as security for deposits of public money, but will not bear the circulation privilege.

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 the act of Congress approved September 24, 1917, or by said act as amended by the act approved April 4, 1918, 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.

The bonds of this issue are not entitled to any privilege of conversion into bonds bearing a higher rate of interest.

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.

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 12 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 12 months' period thereafter, shall not exceed one-twentieth of the amount of the bonds of such issue outstanding at the beginning of such 12 months' period. The average cost of the bonds of this issue purchased in any such 12 months' period shall not exceed par and accrued interest.

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



## INCOME AND PROFITS TAXES DUE JUNE 16, 1919.

### TREASURY DEPARTMENT,

*Washington, May 7, 1919.*

Income and profits taxes due June 16, 1919, may be paid in Treasury certificates of indebtedness of Tax Series of 1919, dated August 20, 1918, maturing July 15, 1919, Series T 2, dated January 16, 1919, maturing June 17, 1919, and Series T 3, dated March 15, 1919, maturing June 16, 1919. No other certificates of indebtedness will be accepted in payment of the taxes due on said date. Certificates of the three series mentioned will be accepted by collectors of internal revenue at par, without interest, when tendered in amounts not in excess of the amount of such taxes due June 16, 1919. They will be so accepted at any time on or before June 16, 1919. If so accepted before June 16, 1919, full interest to June 16, 1919, will be paid as below stated.

Coupons maturing on June 16, 1919, should be detached from certificates of Series T 3, and coupons maturing on or before May 15, 1919, should be detached from certificates of the Tax Series of 1919, before presentation to the collector, and should be separately presented for payment in the ordinary course when due. Coupons maturing July 15, 1919, must, however, be attached to certificates of the Tax Series of 1919 and surrendered to the collector with such certificates for cancellation; and collectors will not accept any certificates of the Tax Series of 1919 which have not attached thereto the coupon No. 5 maturing July 15, 1919.

Accrued interest on certificates of Series T 2 (which were issued without coupons attached) from January 16, 1919, to June 16, 1919, and accrued interest on certificates of the Tax Series of 1919 from May 15, 1919 (the last coupon payment date), to June 16, 1919, will be remitted to the taxpayer by the Federal Reserve Bank by check and the collector must furnish to the Federal Reserve Bank the name and address of the taxpayer and the amount and serial numbers of the certificates presented in each case.

The procedure above provided will automatically adjust accrued interest in respect of all Treasury certificates of indebtedness used in payment of taxes due June 16, 1919, whether presented on or before said date and no other payment or credit will be allowed or made on account of interest in connection therewith.

Interest on Treasury certificates accepted in payment of taxes ceases to accrue on (a) the date of the maturity of the certificates, or (b) the date the tax is due—whichever of said dates be earlier. The provisions hereof in relation to the payment of interest to June 16, 1919, do not apply to Treasury certificates of indebtedness accepted in payment of taxes due prior to that date. Any Treasury certificates of indebtedness accepted in payment of taxes becoming due before June 16, 1919, must be dealt with separately, and accrued interest will be paid only to the date the tax was due and upon surrender with the certificates of any coupons maturing subsequent to the date the tax was due. Collectors must specially notify Federal Reserve Banks in each case when Treasury certificates are accepted in payment of taxes becoming due prior to June 16, 1919. The 15th day of June being a Sunday, the Bureau of Internal Revenue has ruled that the taxes which by the terms of the Revenue Bill of 1918 are due on that date become due on June 16th.

In order to avoid unnecessary dislocation of funds, it is of importance that Treasury certificates of indebtedness of the three series mentioned be used by taxpayers to the utmost extent possible in payment of their taxes, in preference to making cash payment of their taxes, and Federal Reserve Banks and collectors of internal revenue should use every effort to induce taxpayers who are holders of such certificates to make such use of them and to facilitate such use in every manner in their power.

The instructions to collectors dated December 9, 1918 (T. D. 2778), issued by the Commissioner of Internal Revenue and approved by the Secretary of the Treasury, and the instructions to Federal Reserve Banks dated December 9, 1918, issued by the Treasurer of the United States and approved by the Assistant Secretary of the Treasury, not inconsistent herewith, remain in full force and effect.

There seems to be no reason to anticipate that the amount of taxes paid as of June 16, 1919, will exceed the amount of Treasury certificates maturing on or about that date. It seems that there will be no unexpended cash proceeds arising from the payment of income and profits taxes on June 16, 1919, and therefore no redeposits will be made; nor will payment of income and profits taxes by credit be permitted.

Collectors of internal revenue will, however, be instructed to deposit checks received on and after June 1, 1919, in payment of income and profits taxes, with Federal Reserve Banks and branches, following to that extent substantially the procedure adopted in March. As to this procedure detailed instructions will follow.

**R. C. LEFFINGWELL,**

*Assistant Secretary of the Treasury.*

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