

*(The full text of Secretary Mellon's letters to bank presidents and to holders of
Third Liberty Loan bonds will be found on the last two pages)*

Federal Reserve Bank of New York

Offering of

United States of America

Four Per Cent. Treasury Bonds of 1944-54

Dated and bearing interest from December 15, 1924. Due December 15, 1954.

Redeemable at the option of the United States at par and accrued

interest on and after December 15, 1944. Interest

payable June 15 and December 15.

*To all Banks, Trust Companies, Savings Banks, Bankers, Investment Dealers, Principal
Corporations and Others Concerned in the Second Federal Reserve District:*

The Secretary of the Treasury invites subscriptions, at par and accrued interest, from the people of the United States, for four per cent. Treasury bonds of 1944-54, of an issue of gold bonds of the United States authorized by the Act of Congress approved September 24, 1917, as amended. The amount of the offering will be \$200,000,000 or thereabouts, with the right reserved to the Secretary of the Treasury to allot additional bonds to the extent that Third Liberty Loan $4\frac{1}{4}$ per cent. bonds, Treasury notes of Series A-1925, or Treasury certificates of indebtedness of Series TM-1925 are tendered in payment.

DESCRIPTION OF BONDS

The bonds will be dated December 15, 1924, and will bear interest from that date at the rate of four per cent. per annum payable June 15 and December 15 in each year on a semiannual basis. The bonds will mature December 15, 1954, but may be redeemed at the option of the United States on and after December 15, 1944, in whole or in part at par and accrued interest on any interest day or days, on four months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease. The principal and interest of the bonds will be payable in United States gold coin of the present standard of value.

Bearer bonds with interest coupons attached will be issued in denominations of \$100, \$500, \$1,000, \$5,000 and \$10,000. Bonds registered as to principal and interest will be issued in denominations of \$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, under rules and regulations prescribed by the Secretary of the Treasury.

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 inherit-

ance 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.

The bonds will be acceptable to secure deposits of public moneys, but do not bear the circulation privilege and are not entitled to any privilege of conversion.

APPLICATION, ALLOTMENT, AND PAYMENT

Applications will be received at the Federal Reserve Banks, as fiscal agents of the United States. Banking institutions generally will handle applications for subscribers, but only the Federal Reserve Banks are authorized to act as official agencies.

The right is reserved to reject any subscription and to allot less than the amount of bonds applied for and to close the subscriptions at any time without notice. The Secretary of the Treasury also reserves the right 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.

Payment at par and accrued interest for any bonds allotted must be made on or before December 15, 1924, or on later allotment. Any qualified depository will be permitted to make payment by credit for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district, except upon subscriptions for which Third Liberty Loan $4\frac{1}{4}$ per cent. bonds, Treasury notes of Series A-1925, or Treasury certificates of indebtedness of Series TM-1925 are tendered in payment. Treasury notes of Series A-1925, maturing March 15, 1925 (with coupon dated March 15, 1925, attached), Treasury certificates of indebtedness of Series TD and TD2-1924, maturing December 15, 1924 (with coupon dated December 15, 1924, detached) and Series TM-1925 maturing March 15, 1925, (with coupon dated March 15, 1925, attached), and Third Liberty Loan $4\frac{1}{4}$ per cent. bonds, will be accepted at the Federal Reserve Banks at par, with an adjustment of accrued interest, as of December 15, 1924, in payment for any Treasury bonds of 1944-54, now offered which shall be subscribed for and allotted. Third Liberty Loan $4\frac{1}{4}$ per cent. bonds in coupon form must have all unmatured coupons attached, and if in registered form must be duly assigned to the Secretary of the Treasury for redemption, in accordance with the general regulations of the Treasury Department governing assignments.

As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions and to make allotments thereon on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts. Allotment notices will be sent out promptly upon allotment, and the basis of allotment will be publicly announced.

FURTHER DETAILS

Bonds will be delivered after allotment and payment. Pending delivery of the definitive bonds, Federal Reserve Banks may issue interim receipts.

Further details may be announced by the Secretary of the Treasury from time to time, information as to which may be obtained from the Treasury Department, Division of Loans and Currency, Washington, D. C., or from any Federal Reserve Bank.

Yours very truly,

BENJ. STRONG,
Governor.

New York, December 3, 1924.

Text of Secretary Mellon's Letter to Banks and Trust Companies on
the Current Offering of 4 Per Cent. Treasury Bonds of 1944-1954

Washington, D. C., December 3, 1924

Dear Sir:

The Treasury is offering for subscription at par an issue of 20-30 year bonds bearing interest at 4 per cent., dated December 15, 1924, maturing December 15, 1954, and redeemable at the option of the United States on and after December 15, 1944. The offering is for \$200,000,000, or thereabouts, of cash subscriptions, with the right to allot additional bonds to the extent that notes or certificates maturing March 15, 1925, or Third Liberty Loan bonds are tendered in payment. This is the first offering of a long-term Government bond since the issuance in October of 1922 of Treasury $4\frac{1}{4}$ per cent. bonds of 1947-52, which are now quoted on the market at a very substantial premium. It is felt that the banks and the investing public generally will welcome the opportunity to participate in a long-term Treasury issue. The application of March maturities or Third Liberty Loan bonds in payment for the new Treasury bonds will in part relieve the somewhat heavy financing otherwise necessary in March 1925, and on the maturity of the Third Liberties in September 1928. Such exchanges mean no withdrawal of funds from the investment market, but merely a change in the character of the investment from short to long-term.

The extent to which Government obligations in the hands of the public have been reduced is remarkable. In the five and one-half years since June 30, 1919,

the public debt has decreased from \$25,-484,506,160.05 to \$21,241,535,138.28, a total reduction of \$4,242,971,021.77. This reduction has been effected, first, out of the sinking fund, foreign repayments and other similar items, the total of which for the current fiscal year is estimated at \$471,806,401, and which items are chargeable against the ordinary Government expenditures before the budget will balance; second, from reduction in the working balances; and, third, from surplus.

Through the orderly and continuous reduction in our National debt out of the sinking fund and other items, upon which the public may rely, Treasury obligations should increase in value. Their supply is rapidly decreasing and the demand for such a type of investment has increased.

I am enclosing copy of the formal circular offering these bonds. I trust that I may have your assistance in making the present offering a success, and that you will, as in the past, give your best efforts to the distribution of the new bonds among investors.

Cordially yours,

A. W. MELLON,
Secretary of the Treasury.

*To the President of the
Bank or Trust Company Addressed.*

Secretary Mellon's Letter to Holders of Third Liberty Loan Bonds

Washington, December 3, 1924

Sir (or Madam):

I am sending you herewith a copy of the official Treasury Department circular announcing a new offering of 4 per cent. Treasury bonds of 1944-1954. The subscription books open today and Third Liberty Loan 4¼ per cent. bonds, Treasury certificates of indebtedness of Series TD and TD2-1924, maturing December 15, 1924, Treasury notes of Series A-1925, and Treasury certificates of indebtedness of Series TM-1925, both maturing March 15, 1925, will be accepted in payment on the terms stated in the circular. The new bonds will be 20/30 year bonds, dated December 15, 1924, maturing December 15, 1954, and redeemable at the option of the United States on and after December 15, 1944. The bonds will be issued in both coupon and registered form in denominations of \$100 and upwards. The Treasury is prepared to make delivery promptly upon allotment and payment.

This offering of Treasury bonds affords a particularly favorable opportunity to holders of Third Liberty Loan

bonds maturing in 1928, and which are now a short term security, to acquire a long term Government bond on attractive terms. Third Liberty Loan bonds tendered in payment, if in registered form, must be duly assigned to "Secretary of the Treasury for redemption" before some officer authorized to witness assignments of United States registered bonds, in accordance with the general regulations of the Treasury Department governing assignments. Coupon Third Liberty Loan bonds must have all unmatured coupons attached. Holders of Third Liberty Loan bonds who wish to invest in the new bonds should make prompt application through their own banks, or, if desired, direct to the Federal Reserve Bank of the district.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

*To the Holder of
Third Liberty Loan Bonds Addressed.*

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

G. D. 1B

TO BE USED IN REPORTING PAYMENTS FOR TREASURY BONDS ONLY

4% TREASURY BONDS OF 1944-54

Dated December 15, 1924—Due December 15, 1954.

(Name of bank or trust company)

(Location)

_____, 19_____
(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,

\$ _____

Cashier or Vice-President

INSTRUCTIONS

Make reports on this form when *payments for Treasury bond 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.

NOTE—See reverse

Lot Number

Subscription by Bank or Trust Company

Application Number

By Cash, by Book Credit, or by Exchange

To 4 Per Cent. Treasury Bonds of 1944-1954

Dated December 15, 1924. Due December 15, 1954

Dated at.....1924

Interest on 4 per cent. Treasury bonds of 1944-54 will be on semiannual basis:
For first period 182 days decimal for one day's interest on \$1,000 \$0.10989011.

FEDERAL RESERVE BANK OF NEW YORK
Fiscal Agent of the United States
New York, N. Y.

DEAR SIRs:

Pursuant to the terms stated in the offering of the Secretary of the Treasury dated December 3, 1924, please enter our subscription par and accrued interest for \$.....(par value) United States of America 4 per cent. Treasury bonds of 44-1954 dated December 15, 1924, due December 15, 1954.

The above amount includes subscriptions for our customers and for our own account. The subscriptions are classified as follows:

CLASSIFICATION OF SUBSCRIPTIONS

100 to 10,000			10,100 to 50,000			50,100 to 100,000			Leave Blank	
No.	Amount	Leave Blank	No.	Amount	Leave Blank	No.	Amount	Leave Blank		
@			@			@				
"			"			"				
"			"			"				
"			"			"				
"			"			"				
100,100 to 500,000			500,100 to 1,000,000			Over 1,000,000			Leave Blank	
No.	Amount	Leave Blank	No.	Amount	Leave Blank	No.	Amount	Leave Blank	Total Subscription	Allotted
@			@			@				
"			"			"				
"			"			"				

We agree to pay you on December 15, 1924, at par and accrued interest for any bonds allotted on account of this subscription, and payment will be made by the method indicated below:

By debit to our reserve account - - - - - \$.....	By Dec. 15, 1924 Treasury certificates, Series TD-1924 - \$.....
By check - - - - - \$.....	By Dec. 15, 1924 Treasury certificates, Series TD2-1924 - \$.....
By credit to War Loan Deposit Account - - - - - \$.....	By Mar. 15, 1925 Treasury notes, Series A-1925 - - - \$.....
By Third Liberty Loan 4¼ % coupon bonds - - - - - \$.....	By Mar. 15, 1925 Treasury certificates, Series TM-1925 - \$.....
By Third Liberty Loan 4¼ % registered bonds - - - - - \$.....	

This is a confirmation of a previous subscription

.....
write yes

.....
write no

Subscriber.....

Town..... State.....

Official signature.....

THIS SPACE IS FOR THE USE OF THE FEDERAL RESERVE BANK OF NEW YORK

FIGURED	CARD	CLASSIFIED	LEDGER	ACKNOWLEDGED	GOVERNMENT DEPOSIT	DISPOSITION			
					Deliver.....				
					Free.....				
Allotment				Payment				Released	Date
				War Loan Deposit	\$			\$	
				Reserve Account Charged					
				Date of Charge					
				By Exchange of					
				By Check					
Received	Checked	Recorded	Window	Custody	Mail	Other Depts.			

Lot Number

SUBSCRIPTION

Application Number

To 4 Per Cent. Treasury Bonds of 1944-1954
Dated December 15, 1924. Due December 15, 1954

Dated at.....

.....1924.

Interest on 4 per cent. Treasury bonds of 1944-54 will be on semiannual basis:

For first period 182 days decimal for one day's interest on \$1,000 \$0.10989011.

FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
New York, N. Y.

DEAR SIR:

Pursuant to the terms stated in the offering of the Secretary of the Treasury dated December 3, 1924, please enter our (my) subscription at par and accrued interest for \$..... (par value) United States of America 4 per cent. Treasury bonds of 1944-1954, dated December 15, 1924, due December 15, 1954.

We (I) agree to pay to you on December 15, 1924, at par and accrued interest for any bonds allotted on account of this subscription, and payment will be made by the method indicated below:

By check - - - - - \$..... By Dec. 15, 1924 Treasury certificates, Series TD-1924 - \$.....
By cash - - - - - \$..... By Dec. 15, 1924 Treasury certificates, Series TD2-1924 - \$.....
By Third Liberty Loan 4½ % coupon bonds - - - - \$..... By Mar. 15, 1925 Treasury notes, Series A-1925 - - - \$.....
By Third Liberty Loan 4½ % registered bonds - - - - \$..... By Mar. 15, 1925 Treasury certificates, Series TM-1925 - \$.....

Payment will be made by (name).....

This is a confirmation of a previous subscription.....

Write Yes

.....
Write No

Subscriber.....

Street address.....

.....
Town.....
State

THIS SPACE IS FOR THE USE OF THE FEDERAL RESERVE BANK OF NEW YORK

FIGURED	CARD	CLASSIFIED	LEDGER	ACKNOWLEDGED	DISPOSITION

Allotment	Figured	Checked	Advised	Payment		Released	Date
				By Exchange of	\$	\$	
				By Cash			
				By Check			
				Check No.	Drawn on		

Received	Checked	Interest	Checked	Recorded	Window	Custody	Mail

Original

Lot Number

FEDERAL RESERVE BANK
OF NEW YORK

Application Number

NOTICE OF ALLOTMENT

on

Subscription to 4 Per Cent. Treasury Bonds of 1944-1954

Dated December 15, 1924. Due December 15, 1954

December , 1924

Referring to your subscription to \$..... (par value)
 United States of America 4 per cent. Treasury bonds of 1944-1954, dated December 15, 1924, due December 15, 1954,—you
 have been allotted \$....., as follows:

CLASSIFICATION

\$100 to	\$10,000	\$.....
10,100 to	50,000	.....
50,100 to	100,000	.....
100,100 to	500,000	.....
500,100 to	1,000,000	.....
Over	1,000,000	.....
Total,		\$.....

TO OBTAIN DELIVERY OF THE SECURITIES THE ORIGINAL OF THIS NOTICE, PROPERLY FILLED
 OUT AND SIGNED IN THE SPACES PROVIDED BELOW, MUST BE RETURNED IMMEDIATELY TO US.

IF REGISTERED BONDS ARE DESIRED THE LIST ON THE REVERSE SIDE OF THIS ORIGINAL
 SHOULD BE USED, GIVING THE NAMES IN WHICH BONDS SHALL BE REGISTERED, AMOUNTS, ETC.

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

Checked by.....

Instructions to Federal Reserve Bank of New York

ISSUE SECURITIES IN THE FOLLOWING DENOMINATIONS			LEAVE BLANK	DISPOSE OF SECURITIES AS INDICATED BELOW
Pieces	Denominations	Par Amount	Numbers	
	\$ 100	\$		Deliver to Government Deposit Div. \$
	500			Hold for Safekeeping (For members only)
	1,000			Deliver Over Counter
	5,000			Deliver to Loan Department
	10,000			Ship Definitive Securities
	50,000*			Special Instructions
	100,000*			
	Total.....	\$		

The method of payment is indicated below:

By debit to our reserve account - - - - - \$.....

By Dec. 15, 1924 Treasury certificates, Series TD2-1924 - \$.....

By check - - - - - \$.....

By Mar. 15, 1925 Treasury notes, Series A-1925 - - - \$.....

By credit to War Loan Deposit Account - - - - - \$.....

By Mar. 15, 1925 Treasury certificates, Series TM-1925 - \$.....

By Third Liberty Loan 4½ % coupon bonds - - - - - \$.....

Subscriber.....

By Third Liberty Loan 4½ % registered bonds - - - - - \$.....

Street address.....

By Dec. 15, 1924 Treasury certificates, Series TD-1924 - \$.....

..... Town State

DO NOT USE THESE SPACES

Checked to App.	Paid Stamp	Government Deposit	Delivery Receipt
Released			Received \$
Prepared	Amount	Deliver to us	
Checked		Free	By
Delivered	By		

LIST FOR 4 PER CENT. REGISTERED TREASURY BONDS OF 1944-54

BANK.

DATE.

1924

CITY.

STATE.

(Use typewriter if possible, otherwise print names carefully)

[illegible]

NOTICE OF ALLOTMENT

on

Subscription to 4 Per Cent. Treasury Bonds of 1944-1954

Dated December 15, 1924. Due December 15, 1954

December , 1924

Referring to your subscription to \$..... (par value)
 United States of America 4 per cent. Treasury bonds of 1944-1954, dated December 15, 1924, due December 15, 1954,—you
 have been allotted \$....., as follows:

CLASSIFICATION

\$100 to \$10,000	\$.....
10,100 to 50,000	.....
50,100 to 100,000	.....
100,100 to 500,000	.....
500,100 to 1,000,000	.....
Over 1,000,000	.....
Total,	\$.....

TO OBTAIN DELIVERY OF THE SECURITIES THE ORIGINAL OF THIS NOTICE, PROPERLY FILLED OUT AND SIGNED IN THE SPACES PROVIDED BELOW, MUST BE RETURNED IMMEDIATELY TO US.

IF REGISTERED BONDS ARE DESIRED THE LIST ON THE REVERSE SIDE OF THIS ORIGINAL SHOULD BE USED, GIVING THE NAMES IN WHICH BONDS SHALL BE REGISTERED, AMOUNTS, ETC.

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

Checked by.....

Instructions to Federal Reserve Bank of New York

ISSUE SECURITIES IN THE FOLLOWING DENOMINATIONS			LEAVE BLANK	DISPOSE OF SECURITIES AS INDICATED BELOW	
Pieces	Denominations	Par Amount	Numbers		
	\$ 100	\$		Deliver to Government Deposit Div.	\$
	500			Hold for Safekeeping (For members only)	
	1,000			Deliver Over Counter	
	5,000			Deliver to Loan Department	
	10,000			Ship Definitive Securities	
	50,000*			Special Instructions	
	100,000*				
	Total.....	\$			

The method of payment is indicated below:

By debit to our reserve account - - - - - \$.....

By check - - - - - \$.....

By credit to War Loan Deposit Account - - - - - \$.....

By Third Liberty Loan 4¼ % coupon bonds - - - - - \$.....

By Third Liberty Loan 4¼ % registered bonds - - - - - \$.....

By Dec. 15, 1924 Treasury certificates, Series TD-1924 - \$.....

By Dec. 15, 1924 Treasury certificates, Series TD2-1924 - \$.....

By Mar. 15, 1925 Treasury notes, Series A-1925 - - - \$.....

By Mar. 15, 1925 Treasury certificates, Series TM-1925 - \$.....

Subscriber.....

Street address.....

Town

State

DO NOT USE THESE SPACES

Checked to App. _____	Paid Stamp	Government Deposit	Delivery Receipt
Released _____			Received \$ _____
Prepared _____	Amount _____	Deliver to us _____	
Checked _____		Free _____	
Delivered _____	By _____		By _____