

FEDERAL RESERVE BANK  
OF NEW YORK

Securities Department

[Circular No. 700  
November 27, 1925.]

**\$50,000,000**

(or thereabouts)

**Purchase of Third Liberty Loan  $4\frac{1}{4}$  Per Cent Bonds for the  
Cumulative Sinking Fund**

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

According to an announcement made public today the Treasury will purchase \$50,000,000, or thereabouts, of Third Liberty Loan  $4\frac{1}{4}$  per cent Bonds of 1928, at the lowest prices offered, if at or below the price of  $101\frac{1}{2}$  and accrued interest. In announcing this purchase Secretary Mellon made the following statement:

From time to time the Treasury makes purchases for the Cumulative Sinking Fund on the market or through brokers. It is proposed to determine the feasibility of making such purchases, in part at least, directly from the holders and thus to give all holders of Third Liberty Loan Bonds the opportunity to sell with the understanding that the lowest offers may be accepted within the limits stated below. This procedure will save commission charges to the sellers and to the Treasury.

The Treasury now solicits from all holders of Third Liberty Loan Bonds proposals to sell these bonds. From the lowest proposals received the Treasury expects to purchase Third Liberty Loan Bonds to an aggregate amount of \$50,000,000, or thereabouts, if offered below or at  $101\frac{1}{2}$  and accrued interest. All proposals should be handled through a bank or trust company, who will deal with the Federal Reserve Banks, which are the official agencies for the Treasury in these transactions. Proposals must be received by a Federal Reserve Bank not later than December 10, 1925. Payment for the bonds accepted will be made on December 29, 1925.

The Treasury reserves the right to reject any or all proposals.

As all proposals for this sale of Third Liberty Loan Bonds must be in writing sellers are requested to use form P. D. 941 appearing on the reverse side of Department Circular 363 containing the provisions governing the purchase. A supply is enclosed herewith, and additional copies, if necessary, will be furnished upon request.

Very truly yours,

BENJ. STRONG,

*Governor.*

Please use this form in making written proposals.

TREASURY DEPARTMENT  
Division of Loans and Currency  
Form T. D. 544

**PURCHASE OF THIRD LIBERTY LOAN 4¼ PER CENT BONDS FOR THE  
CUMULATIVE SINKING FUND**

1925  
Department Circular No. 363

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY.

Public Debt

Washington, November 27, 1925.

*To Holders of Third Liberty Loan 4¼ per cent Bonds, and Others Concerned:*

The Treasury will purchase Third Liberty Loan Bonds for account of the Cumulative Sinking Fund, and solicits proposals for sale of such bonds to the Treasury. Purchase will be made of \$50,000,000, or thereabouts, of Third Liberty Loan Bonds, at the lowest prices offered, if at or below the price of 101½ and accrued interest. Proposals must be presented to the Federal Reserve Banks by December 10, 1925, and payment will be made on December 29, 1925, for all bonds delivered in accordance with accepted proposals.

*All transactions in connection with the proposals for sale, the delivery of bonds, and payment therefor should be handled through banks or trust companies, which will act as agents for the owners of the bonds. The banks and trust companies will deal with Federal Reserve Banks, which are the only official agencies of the United States in these transactions.*

Proposals must be in writing, and must reach a Federal Reserve Bank before the close of business on December 10, 1925. (See form on reverse side.) All proposals not received at Federal Reserve Banks by the close of business December 10, 1925, will be rejected. The Secretary of the Treasury reserves the right to reject or accept in whole or in part any and all proposals, and his action in this respect shall be final. All proposals not accepted by December 19, 1925, (due time allowance being made for postal notification to the contrary), shall be considered as rejected.

Upon the acceptance of any proposal by the Secretary of the Treasury, the banking institution which forwarded such proposal will be notified by the Federal Reserve Bank of such acceptance and will thereupon transmit the Third Liberty Loan Bonds described in the proposal, at the seller's own expense and risk, to the Federal Reserve Bank. All bonds to be surrendered for purchase must reach the Federal Reserve Bank on or before December 21, 1925, and the Federal Reserve Bank, on December 29, 1925, will pay therefor at the accepted proposal price. If not received by the Federal Reserve Bank until after December 21, 1925, the bonds may, in the discretion of the Secretary of the Treasury, be rejected. The Secretary of the Treasury reserves the right to reject in whole or in part any and all bonds, and his action in this respect shall be final.

All coupon bonds of the Third Liberty Loan presented for sale to the United States in accordance with accepted proposals should have the interest coupon due March 15, 1926, and interest coupons due subsequent thereto, attached. All registered bonds of the Third Liberty Loan presented for sale to the United States in accordance with accepted proposals must be duly assigned to "The Secretary of the Treasury for Redemption," in accordance with the general regulations of the Treasury Department governing assignments. Bonds registered in the names of minors or incompetents will not be accepted unless accompanied by a certificate of court of competent jurisdiction showing that the person assigning such bonds has authority to so assign.

Any further information which may be desired may be obtained from any Federal Reserve Bank.

A. W. MELLON,  
*Secretary of the Treasury.*

[OVER]

Please use this form in making written proposal.

TREASURY DEPARTMENT  
Division of Loans and Currency  
Form P. D. 941

PURCHASE OF THIRD LIBERTY LOAN 4 1/4 PER CENT BONDS FOR THE  
**PROPOSAL FOR SALE OF THIRD LIBERTY LOAN 4 1/4 PER CENT BONDS OF 1928 TO  
THE UNITED STATES**

**IMPORTANT:**— { Proposals should be made through a bank or trust company, and delivered to a Federal Reserve Bank. Bonds should NOT be surrendered to the Federal Reserve Bank with this proposal.

To the Secretary of the Treasury,  
(through)  
Federal Reserve Bank of New York:

Pursuant to the provisions of Treasury Department Circular No. 363, dated November 27, 1925, the undersigned agrees to sell to the United States on December 29, 1925, \$..... face amount of Third Liberty Loan 4 1/4 per cent Bonds of 1928, at....., plus accrued interest from September 15, 1925, to the date of sale.  
(See footnote 1.)

And further agrees upon receipt of notice of acceptance of this proposal, in whole or in part, sent to....., to deliver on or before December 21, 1925, to the above-stated Federal Reserve Bank, the designated amount of bonds, payment to be made to the undersigned care of the bank or trust company named above.

(Signature).....  
(Address in full).....

(Date).....

<sup>1</sup> State sale price on basis of \$100 face amount exclusive of accrued interest, i. e., 100, 100<sup>00</sup>/<sub>32</sub>, etc. NOTE.—Fractions should be quoted in thirty-seconds or decimals.

<sup>2</sup> Name of bank or trust company through which this proposal is made.

All coupon bonds of the Third Liberty Loan presented for sale to the United States in accordance with accepted proposals should have the interest coupon due March 15, 1926, and interest coupons due subsequent thereto attached. All registered bonds of the Third Liberty Loan presented for sale to the United States in accordance with accepted proposals must be duly assigned to "The Secretary of the Treasury for Redemption" in accordance with the general regulations of the Treasury Department governing assignments. Bonds registered in the names of minors or incompetents will not be accepted unless accompanied by a certificate of court of competent jurisdiction showing that the person assigning such bonds has authority to so assign.

Any further information which may be desired may be obtained from any Federal Reserve Bank.

A. W. MELLON,  
Secretary of the Treasury.