

# NOTICE

## TO HOLDERS OF SECOND LIBERTY LOAN BONDS

**SECOND LIBERTY LOAN BONDS** have been called for redemption on November 15, 1927, and will cease to bear interest on that date.

The bonds should be presented on or prior to November 15, 1927, to a Federal reserve bank or branch thereof. Your own bank or trust company will no doubt be willing to assist you in effecting the redemption.

**IMPORTANT.**—Prior to November 15, 1927, the Secretary of the Treasury may extend to holders of Second Liberty Loan bonds the privilege of exchanging their bonds for other securities of the United States Government.

In order that you may be advised of the terms of the exchange offering, if announced, you should keep in touch with your bank or trust company.

FEDERAL RESERVE BANK  
OF NEW YORK

[Circular No. 784]  
May 9, 1927

CALL FOR REDEMPTION OF SECOND LIBERTY LOAN  
ON NOVEMBER 15, 1927

To All Banks and Trust Companies in the  
Second Federal Reserve District and Others Concerned:

All outstanding Second Liberty Loan 4 per cent bonds of 1927-42 (Second 4's) and all outstanding Second Liberty Loan Converted 4 $\frac{1}{4}$  per cent bonds of 1927-42 (Second 4 $\frac{1}{4}$ 's) are today called by the Secretary of the Treasury for redemption on November 15, 1927, pursuant to the terms of their issue. There are about \$1,700,000,000 of these bonds outstanding. A copy of Treasury Department Circular No. 381 containing the official announcement of the redemption is reprinted on the following pages.

**Exchange Offering Possible**

As will be noted from the Treasury's circular, there is a possibility that the Treasury may afford the holders of Second Liberty Loan bonds an opportunity between now and November 15, 1927, to exchange all or a part of their bonds for other interest-bearing obligations of the United States. It is the particular desire of the Treasury that all holders of Second Liberty Loan bonds be fully acquainted with the possibility of subsequent exchange offers.

**Plan for Notifying Individual Holders**

Many of the bonds of this issue are held by individuals who are out of touch with the investment market and who, therefore, may not receive notice of this call for redemption through the usual channels. As one means of notifying holders of these bonds of their redemption there is being forwarded to all banks and trust companies a supply of small printed slips including an announcement of the call and the possibility of exchange offers. It is requested that so far as possible these slips be handed to customers presenting Second Liberty Loan coupons for collection. An additional supply of the slips will be furnished upon request.

**Wide Publicity Desirable**

Secretary Mellon is endeavoring through the banks, the press, and the radio to notify every holder of these bonds of the call for payment on November 15, 1927. In his announcement to the press he says: "The importance of acquainting bond holders with the fact that their bonds have been called for payment is emphasized by the Treasury's records of previous calls for redemption or exchange. These records show that there are still outstanding, in the hands of the public, about \$30,000,000 in Government securities upon which interest has ceased."

**Bonds Not to Be Submitted Before October 15, 1927**

In view of the possibility of a later exchange offering and in order to avoid confusion Second Liberty Loan bonds should not be submitted for redemption before October 15, 1927. In advance of that date further information on the exchange privilege, if any, will be given and forms will be supplied for the purpose. A supply of forms for use in presenting bonds for redemption to this bank will also be furnished prior to the redemption date. Any additional information desired may be obtained from this bank.

Very truly yours,

BENJ. STRONG,  
Governor.

FEDERAL RESERVE BANK  
OF NEW YORK  
REDEMPTION OF SECOND LIBERTY LOAN

1927.

Reprint of Department Circular No. 381.

TREASURY DEPARTMENT,

OFFICE OF THE SECRETARY.

Public Debt.

Washington, May 9, 1927.

To Holders of Second Liberty Loan Bonds and Others Concerned:

1. *Call for redemption.*—All outstanding Second Liberty Loan Bonds, otherwise known as Second Liberty Loan 4 per cent bonds of 1927-1942 (hereinafter referred to as Second 4's) and Second Liberty Loan Converted  $4\frac{1}{4}$  per cent bonds of 1927-1942 (hereinafter referred to as Second  $4\frac{1}{4}$ 's), are hereby called for redemption on November 15, 1927, pursuant to the provisions for redemption contained in the bonds and in Treasury Department Circular No. 90, dated October 1, 1917, and Treasury Department Circular No. 114, dated May 9, 1918. **Interest on all Second 4's and Second  $4\frac{1}{4}$ 's will cease on said redemption date, November 15, 1927.**

2. *Payment or exchange.*—Holders of Second 4's and Second  $4\frac{1}{4}$ 's will be entitled to have the bonds redeemed and paid at par on November 15, 1927. Such holders may, however, in advance of November 15, 1927, be offered the privilege of exchanging all or part of their bonds for other interest-bearing obligations of the United States. **Holders who desire to avail themselves of the exchange privilege, if and when announced, should request their bank or trust company to notify them when information regarding the exchange offering is received.**

3. *Presentation and surrender of coupon bonds.*—Second 4's and Second  $4\frac{1}{4}$ 's in coupon form should be presented and surrendered to any Federal Reserve Bank or branch, or to the Treasurer of the United States, at Washington, for redemption on November 15, 1927. **(NOTE.—IF TO BE PRESENTED FOR EXCHANGE, SEE SUBSEQUENT ANNOUNCEMENTS.)** The bonds must be delivered at the expense and risk of the holder, and should be accompanied by appropriate written advice (see Form P. D. 1210, hereto attached). Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Banks, and holders may take advantage of such arrangements, when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the United States under this circular.

Coupons dated November 15, 1927, which become payable on that date, should be detached from any Second 4's or Second  $4\frac{1}{4}$ 's presented for redemption on November 15, 1927, and such coupons should be collected by the holders thereof in regular course. All coupons bearing dates subsequent to November 15, 1927, must be attached to any such bonds when presented for redemption on November 15, 1927, provided, however, if any such coupons are missing from bonds presented for redemption, the bonds will nevertheless be redeemed, but the full face amount of any such missing coupons will be deducted from the payment to be made on account of such redemption, and any amounts so deducted will be held in the Treasury to provide for the redemption of such missing coupons as may subsequently be presented.

4. *Presentation and surrender of registered bonds.*—Second 4's and Second  $4\frac{1}{4}$ 's in registered form presented and surrendered for redemption must be assigned by the registered payees or assigns thereof, or by their duly constituted representatives, to "The Secretary of

FORM OF ADVICE TO ACCOMPANY SECOND LIBERTY LOAN 4 PER CENT BONDS OR  
the Treasury for redemption," in accordance with the general regulations of the Treasury  
Department governing such assignments, and thereafter should be presented and surrendered  
to any Federal Reserve Bank or branch; or to the Treasury Department, Division of Loans and  
Currency, Washington, for redemption on November 15, 1927. (NOTE.—IF TO BE PRE-  
SENTED FOR EXCHANGE, SEE SUBSEQUENT ANNOUNCEMENTS.) The bonds must  
be delivered at the expense and risk of the holder, and should be accompanied by appropriate  
written advice (see Form P. D. 1211, hereto attached).

If assignment for redemption is made by the registered holder of record, payment of  
principal and interest will be made to the registered holder at his last address of record, unless  
written instructions to the contrary are received from such registered holder. If assignment for  
redemption is made by an assignee holding under proper assignment from the registered holder  
of record, or by a duly constituted representative of such registered holder or assignee, payment  
of principal and interest will be made to such assignee or representative, at the address specified  
in the form of advice. Assignment in blank, or other assignment having similar effect, will be  
recognized, and in that event payment of principal and interest will be made to the person  
surrendering the bonds for redemption, since under such assignments the bonds become in  
effect payable to bearer. In case it is desired to have payment of the registered bonds made  
to some one other than the registered holder of record, without intermediate assignment, the  
bonds may be assigned to "The Secretary of the Treasury for redemption for account of

.....";  
(Here insert name and address of payee desired.)

but assignments in this form must be completed before acknowledgment and not left in blank.  
Assignments in blank, or assignments having similar effect, should be avoided, if possible, in  
order not to lose the protection afforded by registration.

The transfer books for registered bonds of the Second Liberty Loan will not close prior to  
November 15, 1927. Final interest due on that date will not be paid by interest checks in  
regular course but will be covered by payments to be made simultaneously with the payments  
on account of principal.

5. *Presentation prior to November 15, 1927.*—In order to facilitate the redemption of  
Second 4's and Second 4 1/4's on November 15, 1927, any such bonds may be presented and  
surrendered in the manner herein prescribed, at any time after October 15, 1927, for redemp-  
tion on November 15, 1927. Such early presentation by holders, in advance of November 15,  
1927, will insure prompt payment of principal and interest when due on November 15, 1927.  
This is particularly important with respect to registered bonds, for payment can not be made  
until registration shall have been discharged at the Treasury Department. It will expedite  
redemption if bonds are presented to Federal Reserve Banks or branches.

6. *Further information.*—Any further information which may be desired as to the  
redemption of Second 4's and Second 4 1/4's under this circular may be obtained from any  
Federal Reserve Bank or branch, or from the Commissioner of the Public Debt, Treasury  
Department, Washington, where copies of the Treasury Department regulations governing  
assignments also may be obtained. The Secretary of the Treasury may at any time, or from  
time to time, prescribe supplemental or amendatory rules and regulations governing the mat-  
ters covered by this circular.

100,000  
A. W. MELLON,  
Secretary of the Treasury.

(Signature)  
(Address in full)  
(Date)

**FORM OF ADVICE TO ACCOMPANY SECOND LIBERTY LOAN 4 PER CENT BONDS OR  
SECOND LIBERTY LOAN CONVERTED 4 1/4 PER CENT BONDS IN COUPON FORM  
PRESENTED FOR REDEMPTION.**

TO THE FEDERAL RESERVE BANK OF.....

OR  
TREASURER OF THE UNITED STATES, Washington, D. C.:

Pursuant to the provisions of Treasury Department Circular No. 381, dated May 9, 1927, the undersigned presents and surrenders herewith for redemption \$....., face amount, of Second Liberty Loan..... Bonds in coupon form, with coupon due May 15, 1928, and all subsequent coupons attached, as follows:

Number of bonds	Denomination	Serial numbers of bonds	Face amount
.....	\$50	.....	.....
.....	100	.....	.....
.....	500	.....	.....
.....	1,000	.....	.....
.....	5,000	.....	.....
.....	10,000	.....	.....
<b>Total</b>			

and requests that remittance covering payment therefor be forwarded to the undersigned at the address indicated below.

(Signature) .....

(Address in full) .....

(Date) .....

\*Do not submit Second 4's and Second 4 1/4's with the same transmittal advice, but use a separate form for each issue.

**FORM OF ADVICE TO ACCOMPANY SECOND LIBERTY LOAN 4 PER CENT BONDS OR  
SECOND LIBERTY LOAN CONVERTED 4 1/4 PER CENT BONDS IN REGISTERED FORM  
PRESENTED FOR REDEMPTION.**

TO THE FEDERAL RESERVE BANK OF.....

OR  
TREASURY DEPARTMENT, Division of Loans and Currency, Washington, D. C.:

Pursuant to the provisions of Treasury Department Circular No. 381, dated May 9, 1927, the undersigned presents and surrenders herewith for redemption \$....., face amount, of Second Liberty Loan..... Bonds in registered form, inscribed in the name of..... (State whether 4% or 4 1/4%)\*

and duly assigned to "The Secretary of the Treasury for redemption," as follows:

Number of bonds	Denomination	Serial numbers of bonds	Face amount
.....	\$50	.....	.....
.....	100	.....	.....
.....	500	.....	.....
.....	1,000	.....	.....
.....	5,000	.....	.....
.....	10,000	.....	.....
.....	50,000	.....	.....
.....	100,000	.....	.....
<b>Total</b>			

and requests that remittance covering payment therefor be forwarded to the undersigned at the address indicated below.

(Signature) .....

(Address in full) .....

(Date) .....

\*Do not submit Second 4's and Second 4 1/4's with the same transmittal advice, but use a separate form for each issue.