

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

Government Bond and
Safekeeping Department

[Circular No. 868]
August 8, 1928.]

HANDLING THIRD LIBERTY LOAN BONDS FOR PAYMENT AT MATURITY

Holdings Urged to Surrender Them Now

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

On September 15, 1928, all Third Liberty Loan bonds become payable and will cease to bear interest, as announced by the Secretary of the Treasury in Treasury Department Circular No. 403, a copy of which is reprinted on the following pages. Such bonds therefore should be presented at once for payment on September 15, 1928.

Methods to Expedite Payments

At the present time a little more than one billion dollars of the bonds are outstanding. A large proportion of this amount is held in the smaller denominations by many thousands of owners. Due to this wide distribution, payments will be facilitated if banking institutions will use separate "payment applications" when surrendering both coupon and registered bonds. Supplies of these forms are enclosed.

Coupon Bonds

Coupons dated September 15, 1928, which become payable on that date, should be detached and such coupons should be collected by the holders in regular course.

Registered Bonds

Registered bonds must be assigned by the registered payees or assigns thereof, or by their representatives, to "The Secretary of the Treasury for payment," in accordance with the general regulations of the Treasury Department governing such assignments.

The transfer books for registered bonds of the Third Liberty Loan will not close prior to September 15, 1928. 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. Payment of the proceeds of registered bonds will not be made until registration has been released by the Treasury Department. Due to the handling of a volume of work incident to a payment the usual time required is from a week to ten days to discharge the registration.

Bond Shipments at Holder's Risk

The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Bank of New York, and holders may take advantage of such arrangements, when available, utilizing such incorporated banks and trust companies as their agents.

Further Information

Further information together with an additional supply of the payment applications may be obtained from this bank upon request.

The cooperation of all holders of Third Liberty Loan bonds is earnestly requested in handling the bonds, particularly with respect to registered bonds, and holders are therefore respectfully urged to present their bonds now to insure prompt payment of principal and interest at maturity on September 15, 1928.

Very truly yours,

BENJ. STRONG,
Governor.

FEDERAL RESERVE BANK
OF NEW YORK

PAYMENT OF THIRD LIBERTY LOAN AT MATURITY

1928
Department Circular No. 403
Public Debt

TREASURY DEPARTMENT.

OFFICE OF THE SECRETARY.

Washington, July 2, 1928.

To Holders of Third Liberty Loan Bonds and Others Concerned:

1. *Notice of payment.*—Public notice is hereby given that, in accordance with their terms and pursuant to the provisions of Treasury Department Circular No. 111, dated April 6, 1918, all outstanding Third Liberty Loan bonds, otherwise known as United States of America 4¼ per cent gold bonds of 1928, and hereinafter referred to as Third 4¼'s, will cease to bear interest on September 15, 1928, on which date the principal of any such bonds then outstanding will be payable, together with the interest then accrued thereon.

2. *Presentation and surrender of coupon bonds for payment.*—Third 4¼'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 payment on September 15, 1928. 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. 1267, 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 own agents. Incorporated banks and trust companies are not agents of the United States under this circular.

Coupons dated September 15, 1928, which become payable on that date, should be detached from any Third 4¼'s presented for payment on September 15, 1928, and such coupons should be collected by the holders thereof in regular course.

3. *Presentation and surrender of registered bonds for payment.*—Third 4¼'s in registered form presented and surrendered for payment must be assigned by the registered payees or assigns thereof, or by their duly constituted representatives, to "The Secretary of the Treasury for payment," 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 payment on September 15, 1928. 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. 1268, hereto attached.)

If assignment for payment 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 payment 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 payment, 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 payment 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 Third Liberty Loan will not close prior to September 15, 1928, but any such bonds received on and after September 1, 1928, bearing assignments for transfer or exchange will be considered as having been presented for payment on September 15, 1928, and will be treated accordingly. Final interest due on September 15, 1928, 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.

4. *Presentation prior to September 15 1928.*—In order to facilitate the payment of Third 4 $\frac{1}{4}$'s on September 15, 1928, any such bonds may be presented and surrendered in the manner herein prescribed, at any time after August 1, 1928, for payment on September 15, 1928. Such early presentation by holders, in advance of September 15, 1928, will insure prompt payment of principal and interest when due on September 15, 1928. 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 payment if bonds are presented to Federal Reserve Banks or branches.

5. *Further information.*—Any further information which may be desired as to the payment of Third 4 $\frac{1}{4}$'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 matters covered by this circular.

A. W. MELLON,

Secretary of the Treasury.

IMPORTANT.—Third Liberty Loan bonds are due for payment on September 15, 1928. Prior to that date holders of such bonds may be offered the privilege of exchanging their bonds for other interest-bearing obligations of the United States. Holders who may desire to avail themselves of an exchange privilege, if and when offered, should request their bank or trust company to notify them when information regarding any such exchange offering is received. Holders of registered bonds will receive direct advice if any exchange privilege is offered.

(The privilege of exchanging Third Liberty Loan 4 $\frac{1}{4}$ per cent bonds for the new 3 $\frac{3}{8}$ per cent Treasury bonds of 1940-43 definitely expired on Tuesday, July 31, 1928, in accordance with Acting-Secretary Mills' announcement of July 27, 1928.)

	100	
	500	
	1,000	
	5,000	
	10,000	
	50,000	
	100,000	
		Total

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

(Signature)

(Address in full)

FORM OF ADVICE TO ACCOMPANY THIRD LIBERTY LOAN 4¼ PER CENT BONDS IN COUPON FORM PRESENTED FOR PAYMENT AT MATURITY.

To THE FEDERAL RESERVE BANK OF.....,
or
TREASURER OF THE UNITED STATES, *Washington, D. C.:*

Pursuant to the provisions of Treasury Department Circular No. 403, dated July 2, 1928, the undersigned presents and surrenders herewith for payment \$....., face amount of Third Liberty Loan 4¼ per cent bonds in coupon form, with coupon due September 15, 1928, detached as follows:

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

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

(Signature)

(Address in full)

(Date)

FORM OF ADVICE TO ACCOMPANY THIRD LIBERTY LOAN 4¼ PER CENT BONDS IN REGISTERED FORM PRESENTED FOR PAYMENT AT MATURITY.

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. 403, dated July 2, 1928, the undersigned presents and surrenders herewith for payment \$....., face amount of Third Liberty Loan 4¼ per cent bonds in registered form, inscribed in the name of

and duly assigned to "The Secretary of the Treasury for payment," 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	.....	.....
Total			

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

(Signature)

(Address in full)

(Date)

Coupon Bond

PAYMENT APPLICATION

Third Liberty Loan Coupon Bonds

Date.....

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

Pursuant to the provisions of Treasury Department Circular No. 403, dated July 2, 1928, the undersigned presents and surrenders herewith for payment \$....., face amount, of Third Liberty Loan Bonds in coupon form, with coupon due September 15, 1928, detached, as follows:

MATURED COUPONS, INCLUDING COUPON DUE SEPTEMBER 15, 1928 MUST BE DETACHED AND SUBMITTED SEPARATELY FOR PAYMENT

Pieces	Denomination	Par Amount	Numbers
	\$50		
	100		
	500		
	1,000		
	5,000		
	10,000		

Total Face Amount	

- Make Payment as Indicated**
- By check
 - By credit to Reserve Account
 - Special instructions attached

.....
(Name)

.....
(Address)

By.....

Received	Checked	Examined	Recorded
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Registered Bond PAYMENT APPLICATION Third Liberty Loan Registered Bonds

Date _____

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

Pursuant to the provisions of Treasury Department Circular No. 403, dated July 2, 1928, the undersigned, being the true owner, assignee of, or the duly authorized agent of the true owner or assignee, presents and surrenders herewith for payment \$ _____, face amount, of Third Liberty Loan Bonds in registered form, as follows:

Pieces	Denomination	Par Amount	Leave Blank	Numbers
	\$50			
	100			
	500			
	1,000			
	5,000			
	10,000			
	50,000			
	100,000			

Total Face Amount			

- Make payment as indicated:**
- By check
 - By credit to Reserve Account
 - Special instructions attached

(Name)

(Address)

(Official signature required)