

**FEDERAL RESERVE BANK  
OF NEW YORK**

[Circular No. 1362]  
March 16, 1934]

**PARTIAL REDEMPTION OF FOURTH LIBERTY LOAN BONDS BEFORE MATURITY**

**Information With Respect to the Time and Manner of Presentation of Fourth 4¼'s  
for Redemption on April 15, 1934**

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

A copy of Treasury Circular No. 501, dated October 12, 1933, with respect to the partial redemption of Fourth Liberty Loan bonds before maturity was transmitted to you with our Circular No. 1293, dated October 12, 1933. As stated in Treasury Circular No. 501, (the text of which is reprinted on the following page), in order to facilitate the redemption of Fourth 4¼'s included in the call for partial redemption on April 15, 1934, any such bonds may be presented and surrendered before April 15, 1934, and presentation well in advance of April 15, 1934, will insure prompt payment of principal when due. This is particularly important with respect to registered bonds for payment cannot be made until registration shall have been discharged at the Treasury Department. The redemption will be expedited if the called bonds are presented to the Federal Reserve Bank and not direct to the Treasury Department.

Accordingly called Fourth 4¼'s in both coupon and registered form should be presented promptly to the Federal Reserve Bank of New York for redemption. Please use Form 1363 when presenting called coupon Fourth 4¼'s, and Form 1364 when presenting called registered Fourth 4¼'s. A small supply of these forms is enclosed for your use and an additional supply will be furnished upon request. All called Fourth 4¼'s must be delivered at the expense and risk of the holder.

As stated in Treasury Circular No. 501 coupons dated April 15, 1934, which become payable on that date, should be detached from any Fourth 4¼'s included in the call for partial redemption before such bonds are presented for redemption and such coupons should be collected in regular course when due. All coupons pertaining to such bonds bearing dates subsequent to April 15, 1934, must be attached to any such bonds when presented for redemption, provided, however, if any such coupons are missing from bonds so presented for redemption the bonds nevertheless will 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 adjustments or refunds on account of such missing coupons as may subsequently be presented.

Upon surrender and presentation by a member bank of called coupon Fourth 4¼'s, and of called registered Fourth 4¼'s assigned in blank, or bearing other assignment having similar effect, or assigned to "The Secretary of the Treasury for redemption for account of \_\_\_\_\_ (Name of bank) \_\_\_\_\_," payment will be made as requested by the member bank either by crediting its reserve account, by check, or in accordance with special instructions. When such bonds are surrendered and presented by a nonmember bank a check in payment of principal will be forwarded to such nonmember bank direct or to its correspondent bank if requested. In each case where called registered Fourth 4¼'s are assigned to "The Secretary of the Treasury for redemption" a check in payment of principal will be drawn to the order of the registered holder and forwarded to the presenting bank for delivery to the owner.

The transfer books for registered bonds were closed March 15, 1934. Final interest on called registered Fourth 4¼'s due on April 15, 1934, will be paid on that date to holders of record on March 15, 1934, by the Treasury Department by checks issued in the usual way.

Your cooperation in bringing this information to the attention of holders of the bonds and thus facilitating the redemption will be appreciated.

GEORGE L. HARRISON,  
Governor.

(NOTE. In accordance with instructions from the Treasury Department the subscription books for the optional exchange offering of United States of America Treasury bonds of 1943-45, dated and bearing interest from October 15, 1933, due October 15, 1945, and referred to in Treasury Department Circular No. 501, were closed at the close of business December 2, 1933 for the receipt of *exchange subscriptions* in payment of which Fourth Liberty Loan 4¼ per cent bonds of 1933-38, whether or not called for redemption, were tendered).

# PARTIAL REDEMPTION OF FOURTH LIBERTY LOAN BONDS BEFORE MATURITY

1933  
Department Circular No. 501  
Public Debt Service

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, October 12, 1933.

To Holders of Fourth Liberty Loan  $4\frac{1}{4}$  Per Cent Bonds of 1933-38, and Others Concerned:

## I. NOTICE OF CALL FOR PARTIAL REDEMPTION OF FOURTH LIBERTY LOAN $4\frac{1}{4}$ PER CENT BONDS OF 1933-38 (FOURTH $4\frac{1}{4}$ 's) BEFORE MATURITY

1. Pursuant to the provision for redemption contained in the bonds and in Treasury Department Circular No. 121, dated September 28, 1918, under which the bonds were originally issued, all outstanding Fourth Liberty Loan  $4\frac{1}{4}$  per cent bonds of 1933-38, hereinafter referred to as Fourth  $4\frac{1}{4}$ 's, bearing the serial numbers which have been determined by lot in the manner prescribed by the Secretary of the Treasury, are called for redemption on April 15, 1934, as follows:

All outstanding permanent coupon bonds bearing serial numbers the final digit of which is 9, 0 or 1, such serial numbers being prefixed by a corresponding distinguishing letter J, K or A, respectively:

All outstanding temporary coupon bonds bearing serial numbers the final digit of which is 9, 0 or 1: and

All outstanding registered bonds bearing serial numbers the final digit of which is 9, 0 or 1.

2. Interest on all such outstanding Fourth  $4\frac{1}{4}$ 's so called for redemption will cease on said redemption date, April 15, 1934.

3. Fourth  $4\frac{1}{4}$ 's bearing serial numbers (and prefix letters) other than those designated are not included in or affected by this call for partial redemption.

## II. TRANSACTIONS IN CALLED AND UNCALLED BONDS

1. Pursuant to such call for partial redemption, effective this date, the outstanding Fourth  $4\frac{1}{4}$ 's are divided into two separate and distinct classes: *called bonds*, and *uncalled bonds*, and hereafter the Treasury Department, and the Federal Reserve Banks as fiscal agents of the United States, will observe this division between called and uncalled bonds in all transactions affecting Fourth  $4\frac{1}{4}$ 's, including exchanges of denominations, exchanges of coupon bonds for registered bonds, exchanges of registered bonds for coupon bonds, and transfers of registered bonds. Hereafter, only bonds bearing distinguishing serial numbers or letters falling within the class "uncalled bonds" will be issued upon exchange or transfer of uncalled bonds, and only bonds bearing distinguishing serial numbers or letters falling within the class "called bonds" will be issued upon exchange or transfer of called bonds. Exchanges or transfers as between "called bonds" and "uncalled bonds" will not be permitted. Denominational exchanges of coupon bonds within the class "called for redemption on April 15, 1934," will terminate on that date. Transfers and exchanges of registered bonds falling within the class "called for redemption on April 15, 1934," will terminate on March 15, 1934, the date of closing the transfer books.

2. In accordance with the provisions of Treasury Department Circular No. 121, dated September 28, 1918, the provisions of Treasury Department Circular No. 300, dated July 31, 1923, prescribing regulations with respect to United States bonds and notes, are modified accordingly with respect to transactions in Fourth  $4\frac{1}{4}$ 's.

## III. OPTIONAL EXCHANGE OFFERING

1. Holders of Fourth  $4\frac{1}{4}$ 's will be offered the privilege, for a limited period beginning on October 16, 1933, of exchanging all or part of their bonds (whether called or uncalled) at par, for a new issue of 10-12 year Treasury bonds, dated October 15, 1933, and bearing interest from that date at the rate of  $4\frac{1}{4}$  per cent per annum until October 15, 1934, and thereafter at the rate of  $3\frac{1}{4}$  per cent per annum. The new bonds will mature on October 15, 1945, but may be called for redemption, in whole or in part, at par and accrued interest, on and after October 15, 1943, on four months' notice.

2. The optional exchange offering is fully set forth in Treasury Department Circular No. 502, dated October 12, 1933. As the privilege of exchanging Fourth  $4\frac{1}{4}$ 's for the new Treasury bonds will be accorded for a limited period only, and may be terminated at any time without notice, holders of Fourth  $4\frac{1}{4}$ 's who desire to take advantage of this offering should act promptly, following the instructions given in Treasury Department Circular No. 502.

## IV. RULES AND REGULATIONS GOVERNING REDEMPTION

Pursuant to the call for partial redemption, as set forth in Section I of this circular, the following rules and regulations are hereby prescribed to govern the surrender of Fourth  $4\frac{1}{4}$ 's called for redemption on April 15, 1934:

1. *Payment of called bonds on April 15, 1934.*—Holders of any outstanding Fourth  $4\frac{1}{4}$ 's included in the call for partial redemption on April 15, 1934, will be entitled to have their bonds redeemed and paid at par on April 15, 1934, with interest in full to that date. After April 15, 1934, interest will not accrue on any bonds included in the call for partial redemption.

2. *Presentation and surrender of coupon bonds.*—Any Fourth  $4\frac{1}{4}$ 's in coupon form, which are included in the call for partial redemption, should be presented and surrendered to any Federal Reserve Bank or branch, or to the Treasurer of the United States, Washington, D. C., for redemption on April 15, 1934. (Note—If to be presented for exchange under Treasury



Department Circular No. 502, follow instructions given in that circular). 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. 1363 attached hereto). 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. Checks in payment of principal will be delivered to the address given in the form of advice accompanying the bonds surrendered.

3. Coupons dated April 15, 1934, which become payable on that date, should be detached from any Fourth 4½'s included in the call for partial redemption before such bonds are presented for redemption on April 15, 1934, and such coupons should be collected in regular course when due. All coupons pertaining to such bonds bearing dates subsequent to April 15, 1934, must be attached to any such bonds when presented for redemption, provided, however, if any such coupons are missing from bonds so presented for redemption the bonds nevertheless will 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 adjustments or refunds on account of such missing coupons as may subsequently be presented.

4. The final coupon attached to temporary coupon bonds became due on October 15, 1920. The holders of any such bonds which are included in the call for partial redemption on April 15, 1934, will receive all past due interest from October 15, 1920, when the bonds are redeemed pursuant to such call.

5. *Presentation and surrender of registered bonds.*—Any Fourth 4½'s in registered form, which are included in the call for partial redemption, must be assigned by the registered payee or assigns thereof, or by their duly constituted representatives, to "The Secretary of the Treasury for redemption" in accordance with the general regulations of the Treasury Department governing assignments, and should thereafter be presented and surrendered to any Federal Reserve Bank or branch, or to the Division of Loans and Currency, Treasury Department, Washington, D. C., for redemption on April 15, 1934. (Note—If to be presented for exchange under Treasury Department Circular No. 502 follow instructions given in that circular). The bonds must be delivered at the expense and risk of holders, and should be accompanied by appropriate written advice (see Form P. D. 1364 attached hereto).

6. If the registered holder of record, or an assignee holding under proper assignment from the registered holder of record, or a duly constituted representative of such registered holder or assignee, desires that payment of the principal be made to him, the bonds should be assigned to "The Secretary of the Treasury for redemption". 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 ....." and in such case the name and address of the payee for whose account the redemption is to be made must be inserted. Assignments in this form must be completed before acknowledgment and not left in blank.

7. Assignment in blank, or other assignment having similar effect, will be recognized, but in that event payment will be made to the person surrendering the bond for redemption, since under such assignment the bond becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration. *In all cases checks in payment of principal will be delivered to the address given in the form of advice accompanying the bonds surrendered.*

8. Final interest due on April 15, 1934, on any Fourth 4½'s in registered form which are included in the call for partial redemption and presented for redemption on April 15, 1934, will be paid by checks issued in regular course in the same manner as if no part of the loan had been called for redemption.

## V. TIME OF PRESENTATION OF FOURTH 4½'s FOR REDEMPTION

1. In order to facilitate the redemption of Fourth 4½'s included in the call for partial redemption on April 15, 1934, any such bonds may be presented and surrendered in the manner herein prescribed in advance of that date but not before February 15, 1934. Such early presentation by holders, on and after February 15, 1934, and well in advance of April 15, 1934, will insure prompt payment of principal when due. This is particularly important with respect to registered bonds, for payment cannot be made until registration shall have been discharged at the Treasury Department.

2. It will expedite redemption if bonds included in the call for partial redemption are presented to Federal Reserve Banks or branches, and not direct to the Treasury Department.

3. As herein provided, coupons due April 15, 1934, should be detached from any permanent coupon bonds included in the call for partial redemption when such bonds are presented for redemption on that date, such coupons to be collected when due; and final interest due on any registered bonds included in the call for partial redemption will be paid by check issued in regular course. Accordingly, early presentation of bonds will not affect the payment of final interest due on April 15, 1934.

## VI. FURTHER INFORMATION

Any further information which may be desired regarding the partial redemption of Fourth 4½'s under this circular may be obtained from any Federal Reserve Bank or branch, or from the Treasury Department, Washington, D. C., where copies of the Treasury Department's regulations governing assignments may also be obtained. The Secretary of the Treasury may at any time, or from time to time, provide supplemental or amendatory rules and regulations governing the matters covered by this circular.

**W. H. WOODIN,**

*Secretary of the Treasury.*

### IMPORTANT NOTE:

Fourth 4½'s called for redemption on April 15, 1934, should be presented well in advance of that date but not before February 15, 1934, and the instructions given in this circular should be followed. If Fourth 4½'s are to be presented for exchange under Treasury Department Circular No. 502, the instructions given in that circular should be followed. Information concerning the partial redemption of Fourth 4½'s on April 15, 1934, and information concerning the optional exchange offering may be obtained from the officers of banks and trust companies generally. As those banks and trust companies may offer their facilities in the matter of arranging redemption or exchange, it is suggested that holders of Fourth 4½'s consult their own bank or trust company.



## FOR COUPON BONDS

### FORM OF ADVICE TO ACCOMPANY CALLED FOURTH LIBERTY LOAN 4¼ PERCENT BONDS (FOURTH 4¼'S) IN COUPON FORM PRESENTED FOR REDEMPTION

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. 501, dated October 12, 1933, the undersigned presents and surrenders herewith for redemption on April 15, 1934, Fourth Liberty Loan bonds in *coupon* form, with coupon due October 15, 1934, and all subsequent coupons attached, as follows:

Number of bonds	Denomination	Face Amount	Called coupon bonds are those bearing distinguishing letter J, K, or A, and must have Coupon No. 32, dated October 15, 1934, and all subsequent coupons attached. Coupon No. 31, dated April 15, 1934, should be detached and presented for payment in the usual manner.
.....	\$50	\$.....	
.....	100	.....	
.....	500	.....	
.....	1,000	.....	
.....	5,000	.....	
.....	10,000	.....	
.....	100,000	.....	
<b>TOTAL</b> .....		\$.....	

and requests that remittance covering payment therefor be made as indicated below.

☐ By check

Name (please print).....

☐ By credit to Reserve Account

Address .....

☐ Special instructions:

.....

.....  
Official signature required



**CALLER REGISTERED BONDS  
ARE THOSE ENDING WITH  
THE DIGIT 9, 0 OR 1**

Form 1364

**Registered Bond**  
**REDEMPTION APPLICATION**  
**Fourth Liberty Loan CALLER 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. 501, dated Oct. 12, 1933, the undersigned, being the true owner, assignee of, or the duly authorized agent of the true owner or assignee, presents and surrenders herewith for redemption on April 15, 1934 \$....., face amount, of CALLER Fourth Liberty Loan 4½ Percent Bonds in registered form, as follows:

Pieces	Denomination	Par Amount	Serial Numbers of Bonds
	\$50		
	100		
	500		
	1,000		
	5,000		
	10,000		
	50,000		
	100,000		
<b>TOTAL FACE AMOUNT</b>			

Make payment as indicated:

- ☐ By check  
☐ By credit to Reserve Account  
☐ Special instructions attached

.....  
(Name).....  
(Address).....  
(Official signature required)**Received****Checked****Examined****Recorded**