

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

[Circular No. 1524]
April 1, 1935

REDEMPTION OF 2 PERCENT CONSOLS OF 1930
and
REDEMPTION OF 2 PERCENT BONDS OF THE PANAMA CANAL LOAN
Series of 1916-36 and Series of 1918-38

*To all Banks and Others Concerned in
the Second Federal Reserve District:*

In our circular No. 1514, dated March 11, 1935, we transmitted the texts of formal notices by the Secretary of the Treasury dated March 11, 1935, calling the 2 percent Consols of 1930 for redemption on July 1, 1935, and calling the 2 percent bonds of the Panama Canal Loan, Series of 1916-36, dated August 1, 1906, and Series of 1918-38 dated November 1, 1908, for redemption on August 1, 1935.

At the request of the Treasury Department we transmit herewith, printed on the following pages, a copy of Treasury Department circular No. 533, dated April 1, 1935, governing the redemption of the 2 percent Consols of 1930 and a copy of Treasury Department circular No. 534, dated April 1, 1935, governing the redemption of the 2 percent bonds of the Panama Canal Loan, Series of 1916-36 and Series of 1918-38.

GEORGE L. HARRISON,
Governor.

REDEMPTION OF 2 PERCENT CONSOLS OF 1930

1935
Department Circular No. 533
Public Debt Service

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, April 1, 1935.

To holders of 2 percent Consols of 1930, and others concerned:

I. Notice of call for redemption of 2 percent Consols of 1930

On March 11, 1935, the following public notice of call for redemption was given:

To holders of the 2 percent Consols of 1930, and others concerned:

1. Public notice is hereby given that all outstanding United States 2 percent Consols of 1930, dated April 1, 1900, issued under authority of the act of Congress approved March 14, 1900, are called for redemption on July 1, 1935.
2. For the purpose of terminating interest on July 1, 1935, this call shall be effective as of April 1, 1935. Accordingly, interest on all outstanding 2 percent Consols of 1930 will cease 3 months thereafter, that is, on July 1, 1935.
3. Full information regarding the presentation and surrender of 2 percent Consols of 1930 for redemption on July 1, 1935, will be given in a Treasury Department circular to be dated April 1, 1935.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

TREASURY DEPARTMENT,
WASHINGTON, March 11, 1935.

II. Redemption of 2 percent Consols of 1930

Pursuant to the call for redemption, as set forth in section I of this circular, the following rules and regulations are hereby prescribed to govern the presentation and surrender of the 2 percent Consols of 1930 for redemption on July 1, 1935:

1. *Payment of called bonds on July 1, 1935.*—Holders of any outstanding 2 percent Consols of 1930 will be entitled to have their bonds redeemed and paid at par on July 1, 1935, with interest in full to that date. After July 1, 1935, interest will not accrue on any such bonds.

2. *Presentation and surrender of registered bonds.*—Two percent Consols of 1930 in registered form must be assigned by the registered payee or assigns thereof, or by their duly constituted representatives, in accordance with the general regulations of the Treasury Department governing assignments, in one of the forms hereinafter set forth, and thereafter should be presented and surrendered to any Federal Reserve bank or branch, or to the Division of Loans and Currency, Treasury Department, Washington, for redemption on July 1, 1935. The bonds must be delivered at the expense and risk of owners, and should be accompanied by appropriate written advice. In order to facilitate redemption on July 1, 1935, such registered bonds should be presented and surrendered well in advance of that date. Such early presentation will insure prompt payment of principal and final interest when due. In all cases checks in payment of principal and final interest will be mailed to the address given in the advice accompanying the bonds surrendered.

3. If the registered payee, or an assignee holding under proper assignment from the registered payee, desires that payment of the principal and final installment of interest be made to him, the bonds should be assigned by such payee or assignee, or by a duly constituted representative, to "The Secretary of the Treasury for redemption." If it is desired, for any reason, that payment be made to some other person, without intermediate assignment, the bonds should be assigned to "The Secretary of the Treasury for redemption for the account of.....", inserting the name and address of the person to whom payment is to be made. A representative or fiduciary should not assign for payment to himself individually, unless expressly authorized to do so by the instrument under which he is acting; he may, however, assign for payment to himself in his representative or fiduciary capacity.

4. Assignments in blank, or assignments having similar effect, should be avoided, if possible, in order not to lose the protection afforded by registration. However, such assignments 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.

5. The transfer books for 2 percent Consols of 1930 in registered form will not close prior to July 1, 1935, for the payment of interest on that date, and final interest due on July 1, 1935, will be covered by payments to be made simultaneously with payments made on account of principal.

6. *Bonds held by the Treasurer of the United States in trust.*—Two percent Consols of 1930 in registered form on deposit with the Treasurer of the United States on July 1, 1935, to secure circulating notes of national banks, or to secure deposits of public money or postal savings funds, may be redeemed upon assignment as follows:

(a) If deposited to secure circulating notes of national banks, the board of directors of the national bank concerned should, by appropriate resolution, authorize the Comptroller of the Currency to withdraw the bonds on deposit and to redeliver such bonds to the Treasurer of the United States, and should further authorize the Treasurer of the United States to assign such bonds to "The Secretary of the Treasury for redemption for account of.....", inserting in such form the name of the person or corporation to whom payment is to be made. If the proceeds of redemption are to be paid to the bank executing the resolution, its name should be inserted; if such proceeds are to be paid to some one other than such bank, the name of that person or corporation should be inserted; and if such proceeds are to be applied toward retirement of the circulating notes secured by such bonds,¹ the following should be inserted: "Treasurer of the United States for account of....." (name of bank executing the resolution). A certified copy of such resolution, together with the Treasurer's receipt for the bonds on deposit, should be forwarded to the Comptroller of the Currency, Treasury Department, Washington.

(b) If deposited to secure deposits of public money or postal savings funds, the board of directors of the bank or trust company should, by appropriate resolution, authorize the Treasurer of the United States to withdraw the bonds and assign them to "The Secretary of the Treasury for redemption for account of.....", inserting in such form the name of the person or corporation to whom payment is to be made. If other collateral is substituted the name of the bank or trust company executing the resolution, or the name of any other person or corporation, may be inserted. If such proceeds are to be applied to the reduction of the deposits secured by the bonds, the following should be inserted: "Treasurer of the United States for account of....." (name of bank or trust company executing the resolution). A certified copy of such resolution, together with the Treasurer's receipt for the bonds on deposit, should be forwarded to the Treasurer of the United States, Division of Securities, Washington, accompanied by the collateral to be substituted for the bonds, in case a substitution is to be made.

(c) The Comptroller of the Currency, or the Treasurer of the United States, will forward appropriate resolution forms to each bank or trust company having 2 percent Consols of 1930 on deposit as security for the above accounts.

7. *Presentation and surrender of coupon bonds.*—A small amount of 2 percent Consols of 1930 in coupon form remain outstanding, without coupons attached covering interest accruing since April 1, 1930. Any such bonds should be presented and surrendered for redemption on July 1, 1935, to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington. The bonds must be delivered at the expense and risk of the holder, and should be accompanied by appropriate written advice. Checks in payment of principal and accrued interest from April 1, 1930, to July 1, 1935, on such coupon bonds will be mailed to the address given in the advice accompanying the bonds when surrendered.

III. General provisions

1. Any further information which may be desired regarding the redemption of the 2 percent Consols of 1930 on July 1, 1935, under this circular may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington.

2. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. 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, which will be communicated promptly to Federal Reserve banks.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

¹ The circulation privilege temporarily conferred, by the act of July 22, 1932, on all United States bonds bearing interest at a rate not exceeding 3½ percent per annum will expire July 22, 1935; 2 percent bonds of the Panama Canal Loan of 1916-36 and 1918-38 have been called for redemption on Aug. 1, 1935.

REDEMPTION OF 2 PERCENT BONDS OF THE PANAMA CANAL LOAN

Series of 1916-36 and Series of 1918-38

1935
Department Circular No. 534
Public Debt Service

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, April 1, 1935.

To Holders of 2 percent Bonds of the Panama Canal Loan, Series of 1916-36, and Series of 1918-38, and Others Concerned:

I. Notice of call for redemption before maturity of the 2 percent bonds of the Panama Canal Loan, Series of 1916-36 and Series of 1918-38

On March 11, 1935, the following public notice of call for redemption before maturity was given:

To the Holders of the 2 percent Bonds of the Panama Canal Loan, Series of 1916-36 and Series of 1918-38, and Others Concerned:

Public notice is hereby given that all outstanding United States 2 percent bonds of the Panama Canal Loan, Series of 1916-36, dated August 1, 1906, and Series of 1918-38, dated November 1, 1908, issued under authority of the Act of Congress approved June 28, 1902, are called for redemption on August 1, 1935, and will cease to bear interest on that date.

Full information regarding the presentation and surrender of the 2 percent bonds of the Panama Canal Loan, Series of 1916-36 and Series of 1918-38, for redemption on August 1, 1935, will be given in a Treasury Department circular to be dated April 1, 1935.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

TREASURY DEPARTMENT,
WASHINGTON, March 11, 1935.

II. Redemption of 2 percent bonds of the Panama Canal Loan

Pursuant to the call for redemption, as set forth in section I of this circular, the following rules and regulations are hereby prescribed to govern the presentation and surrender of the 2 percent bonds of the Panama Canal Loan, Series of 1916-36, and Series of 1918-38, for redemption on August 1, 1935:

1. *Payment of called bonds on August 1, 1935.*—Holders of any outstanding 2 percent bonds of the Panama Canal Loan will be entitled to have their bonds redeemed and paid at par on August 1, 1935, with interest in full to that date. After August 1, 1935, interest will not accrue on any such bonds.

2. *Presentation and surrender of registered bonds.*—Two percent bonds of the Panama Canal Loan in registered form must be assigned by the registered payees or assigns thereof, or by their duly constituted representatives, in accordance with the general regulations of the Treasury Department governing assignments, in one of the forms hereinafter set forth, and thereafter should be presented and surrendered to any Federal Reserve bank or branch, or to the Division of Loans and Currency, Treasury Department, Washington, for redemption on August 1, 1935. The bonds must be delivered at the expense and risk of owners and should be accompanied by appropriate written advice. In order to facilitate redemption on August 1, 1935, such registered bonds should be presented and surrendered well in advance of that date. Such early presentation will insure prompt payment of principal and final interest when due. In all cases checks in payment of principal and final interest will be mailed to the address given in the advice accompanying the bonds surrendered.

3. If the registered payee, or an assignee holding under proper assignment from the registered payee, desires that payment of the principal and final installment of interest be made to him, the bonds should be assigned by such payee or assignee, or by a duly constituted representative, to "The Secretary of the Treasury for redemption." If it is desired, for any reason, that payment be made to some other person, without intermediate assignment, the bonds should be assigned to "The Secretary of the Treasury for redemption for the account of", inserting the name and address of the person to whom payment is to be made. A representative or fiduciary should not assign for payment to himself individually, unless expressly authorized to do so by the instrument under which he is acting; he may, however, assign for payment to himself in his representative or fiduciary capacity.

4. Assignments in blank, or assignments having similar effect, should be avoided, if possible, in order not to lose the protection afforded by registration. However, such assignments 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.

5. The transfer books for 2 percent Panama Canal bonds in registered form will not close prior to August 1, 1935, for the payment of interest on that date, and final interest due on August 1, 1935, will be covered by payments to be made simultaneously with payments made on account of principal.

6. *Bonds held by the Treasurer of the United States in trust.*—Two percent Panama Canal bonds in registered form on deposit with the Treasurer of the United States on August 1, 1935, to secure circulating notes of national banks, or to secure deposits of public money or postal savings funds, may be redeemed upon assignment as follows:

(a) If deposited to secure circulating notes of national banks, the board of directors of the national bank concerned should, by appropriate resolution, authorize the Comptroller of the Currency to withdraw the bonds on deposit and to redeliver such bonds to the Treasurer of the United States, and should further authorize the Treasurer of the United States to assign such bonds to "The Secretary of the Treasury for redemption for account of.....", inserting in such form the name of the person or corporation to whom payment is to be made. If the proceeds of redemption are to be paid to the bank executing the resolution, its name should be inserted; if such proceeds are to be paid to some one other than such bank, the name of that person or corporation should be inserted; and if such proceeds are to be applied toward retirement of the circulating notes secured by such bonds,¹ the following should be inserted: "Treasurer of the United States for account of....." (name of bank executing the resolution). A certified copy of such resolution, together with the Treasurer's receipt for the bonds on deposit, should be forwarded to the Comptroller of the Currency, Treasury Department, Washington.

(b) If deposited to secure deposits of public money or postal savings funds, the board of directors of the bank or trust company should, by appropriate resolution, authorize the Treasurer of the United States to withdraw the bonds and assign them to "The Secretary of the Treasury for redemption for account of", inserting in such form the name of the person or corporation to whom payment is to be made. If other collateral is substituted the name of the bank or trust company executing the resolution, or the name of any other person or corporation, may be inserted. If such proceeds are to be applied to the reduction of the deposits secured by the bonds, the following should be inserted: "Treasurer of the United States for account of", (name of bank or trust company executing the resolution). A certified copy of such resolution, together with the Treasurer's receipt for the bonds on deposit, should be forwarded to the Treasurer of the United States, Division of Securities, Washington, accompanied by the collateral to be substituted for the bonds, in case a substitution is to be made.

(c) The Comptroller of the Currency, or the Treasurer of the United States, will forward appropriate resolution forms to each bank or trust company having 2 percent Panama Canal bonds on deposit as security for the above accounts.

7. *Presentation and surrender of coupon bonds.*—A small amount of 2 percent Panama Canal bonds in coupon form are outstanding. Any such bonds should be presented and surrendered for redemption on August 1, 1935, to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington. Coupons dated August 1, 1935, should be detached from such bonds when presented, and collected in regular course, and coupons bearing subsequent dates should be attached to the bonds when presented. The bonds must be delivered at the expense and risk of the holder and should be accompanied by appropriate written advice. Checks in payment of principal will be mailed to the address given in the advice accompanying the bonds surrendered.

III. General provisions

1. Any further information which may be desired regarding the redemption of the 2 percent Panama Canal bonds on August 1, 1935, under this circular may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington.

2. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. 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, which will be communicated promptly to Federal Reserve banks.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

¹ The circulation privilege temporarily conferred, by the Act of July 22, 1932, on all United States bonds bearing interest at a rate not exceeding 3½ percent per annum will expire July 22, 1935; 2 percent Consols of 1930 have been called for redemption on July 1, 1935.