

FEDERAL RESERVE BANK  
OF NEW YORK

Fiscal Agent of the United States

Circular No. 1546  
May 20, 1935

OFFERING OF  
HOME OWNERS' LOAN CORPORATION 1½ PERCENT BONDS OF  
SERIES F-1939

Dated June 1, 1935

Due June 1, 1939

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

At the request of the Treasury Department we transmit to you herewith, printed on the following pages, a copy of Treasury Department Circular No. 540, dated May 20, 1935, governing the offering of Home Owners' Loan Corporation 1½ percent bonds of Series F-1939, dated and bearing interest from June 1, 1935, due June 1, 1939, interest payable June 1 and December 1, offered only in exchange for Home Owners' Loan Corporation 4 percent bonds of Series of 1933-51 called for redemption on July 1, 1935.

GEORGE L. HARRISON,  
Governor.

# HOME OWNERS' LOAN CORPORATION

of the

## UNITED STATES OF AMERICA

1½ PERCENT BONDS OF SERIES F-1939

Dated and bearing interest from June 1, 1935

Due June 1, 1939

Interest payable June 1 and December 1

OFFERED ONLY IN EXCHANGE FOR  
HOME OWNERS' LOAN CORPORATION 4 PERCENT BONDS OF SERIES OF 1933-51  
CALLED FOR REDEMPTION ON JULY 1, 1935.

1935  
Department Circular No. 540  
Public Debt Service

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,

Washington, May 20, 1935.

The Secretary of the Treasury, on behalf of the Home Owners' Loan Corporation, invites subscriptions, from the people of the United States, for one and one-half percent bonds of the Home Owners' Loan Corporation, designated bonds of Series F-1939, in payment of which only Home Owners' Loan Corporation 4 percent bonds of Series of 1933-51, called for redemption on July 1, 1935, of an equal principal amount, may be tendered. The amount of the offering under this circular will be limited to the principal amount of Home Owners' Loan Corporation 4 percent bonds of Series of 1933-51 tendered and accepted. It is the intention to offer for cash subscription, upon such terms and conditions as may be prescribed by the Home Owners' Loan Corporation with the approval of the Secretary of the Treasury, an additional amount of bonds of Series F-1939, approximately equal to the amount of Home Owners' Loan Corporation 4 percent bonds of Series of 1933-51 not tendered and accepted hereunder.

The terms and conditions of the bonds offered under this circular, the manner in which such bonds shall be issued, and the prices at which they shall be sold are prescribed by the Home Owners' Loan Corporation, with the approval of the Secretary of the Treasury, as follows:

### DESCRIPTION OF BONDS

The bonds will be dated June 1, 1935, and will bear interest from that date at the rate of one and one-half percent per annum, payable semiannually, on December 1, 1935, and thereafter on June 1 and December 1 in each year. They will mature June 1, 1939, and will not be subject to call for redemption prior to maturity.

These bonds are issued under the authority of the Home Owners' Loan Act of 1933, as amended, which provides that these bonds shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or any District, Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

The bonds will be acceptable at face value in payment of indebtedness due the Home Owners' Loan Corporation. They will be acceptable to secure deposits of public moneys, and will also be acceptable in lieu of surety under the provisions of Section 1126 of the Revenue Act of 1926, as amended. They will be acceptable to secure 15-day borrowings from the Federal Reserve banks.

The bonds herein offered come within the following provisions of Section 4 (e) of the Home Owners' Loan Act of 1933, as amended: "\*\*\*\* Such bonds shall be fully and unconditionally guaranteed both as to interest and principal by the United States, and such guaranty shall be expressed on the face thereof, and such bonds shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. In the event that the Corporation shall be unable to pay upon demand, when due, the principal of, or interest on, such bonds, the Secretary of the Treasury shall pay to the holder the amount thereof which is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such bonds.\*\*\*\*"

Bearer bonds with interest coupons attached will be issued in denominations of \$25, \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. The bonds will not be issued in registered form. Provision will be made for the interchange of bonds of different denominations, without charge by the Corporation, under rules and regulations prescribed by the Corporation.

## SUBSCRIPTION AND ALLOTMENT

Subscriptions will be received at the Federal Reserve banks and branches and the Treasury Department, Washington, D. C. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions at any time without notice.

The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, to make allotments in full upon applications for smaller amounts and to make reduced allotments upon, or to reject, applications for larger amounts, to make classified allotments or to make allotments upon a graduated scale, or to adopt any or all of said methods or such other methods of allotment and classification of allotments as shall be deemed by him to be in the public interest; and his action in any or all of these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

## TERMS OF PAYMENT

Payment for bonds allotted hereunder may be made only in Home Owners' Loan Corporation 4 percent bonds of Series of 1933-51, called for redemption on July 1, 1935, of an equal principal amount, which should accompany the subscription. Cash payments will not be accepted. If any subscription is rejected, in whole or in part, the Home Owners' Loan Corporation 4 percent bonds of Series of 1933-51, tendered therewith and not accepted will be returned to the subscriber. Interest on Home Owners' Loan Corporation 4 percent bonds of Series of 1933-51 tendered and accepted will be paid in full to July 1, 1935.

## SURRENDER OF HOME OWNERS' LOAN CORPORATION 4 PERCENT BONDS OF SERIES OF 1933-51

*Coupon bonds.*—Home Owners' Loan Corporation 4 percent bonds of Series of 1933-51 in coupon form tendered in payment for Home Owners' Loan Corporation bonds offered hereunder, should be presented and surrendered with the subscription to a Federal Reserve bank or the Treasurer of the United States, Washington, D. C. Coupons dated January 1, 1936, and all coupons bearing subsequent dates should be attached to such coupon bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. Coupons dated July 1, 1935, should be detached and collected in regular course when due. 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 banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

*Registered bonds.*—Home Owners' Loan Corporation 4 percent bonds of Series of 1933-51 in registered form tendered in payment for Home Owners' Loan Corporation 1½ percent bonds offered hereunder, should be assigned by the registered payee or the assignee thereof to "Home Owners' Loan Corporation in payment for Home Owners' Loan Corporation 1½ percent bonds of Series F-1939", and thereafter should be presented and surrendered with the subscription to a Federal Reserve bank or to the Treasury Department, Division of Loans and Currency, Washington, D. C. If the 1½ percent bonds are to be delivered for the account of other than the registered payee or the assignee of the 4 percent bonds surrendered, the assignment should be to "Home Owners' Loan Corporation in payment for Home Owners' Loan Corporation 1½ percent bonds of Series F-1939 to be delivered to .....". The bonds must be delivered at the expense and risk of the holder. Final interest due will be paid on July 1, 1935, by checks issued in favor of registered payees and for this purpose the persons entitled by assignment to receive the bonds of Series F-1939 will be considered the registered payees.

## GENERAL PROVISIONS

Federal Reserve banks, as fiscal agents of the United States, are authorized and requested to receive subscriptions, to make allotments as directed by the Secretary of the Treasury, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, to issue interim receipts if required, and to perform such other acts as may be necessary to carry out the provisions of 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 offering which will be promptly communicated to the Federal Reserve banks.

**HENRY MORGENTHAU, JR.,**  
*Secretary of the Treasury.*

Use Separate Form When Surrendering Coupon and Registered Bonds

EXCHANGE SUBSCRIPTION

HOME OWNERS' LOAN CORPORATION 4% BONDS OF SERIES 1933-51

in payment for

HOME OWNERS' LOAN CORPORATION 1 1/2% BONDS OF SERIES F-1939

NOTE: (a) The 1 1/2% bonds of Series F-1939 will not be issued in registered form.  
 (b) Interest on Home Owners' Loan Corporation 4 percent bonds of Series of 1933-51 tendered and accepted will be paid in full to July 1, 1935. Coupons dated July 1, 1935 should be detached from 4% bonds of 1933-51 and collected in regular course when due.

To FEDERAL RESERVE BANK OF NEW YORK,  
 Fiscal Agent of the United States,  
 Government Bond Department:

Dated at.....  
 .....1935

DEAR SIRs:

Pursuant to the provisions of Treasury Department Circular No. 540, dated May 20, 1935, the undersigned tenders herewith as indicated below Home Owners' Loan Corporation 4% Bonds of 1933-51, called for redemption on July 1, 1935, in payment for Home Owners' Loan Corporation 1 1/2% Bonds of Series F-1939 to be issued as indicated below:

HOME OWNERS' LOAN CORPORATION 4% BONDS OF SERIES 1933-51 TENDERED HEREWITH				HOME OWNERS' LOAN CORPORATION 1 1/2% BONDS OF SERIES F-1939 REQUESTED IN EXCHANGE				
PIECES	DENOMINATION	FACE AMOUNT		PIECES	DENOMINATION	FACE AMOUNT		LEAVE THIS SPACE BLANK
	\$ 25				\$ 25			
	50				50			
	100				100			
	500				500			
	1,000				1,000			
	5,000				5,000			
	10,000				10,000			
	100,000				100,000			
	TOTAL				TOTAL			

Dispose of securities issued in exchange as follows:

Hold for Safekeeping (for member banks only) \$.....

Deliver over the counter \$.....

Deliver to your Discount Department \$.....

Ship the definitive securities to the undersigned \$.....

I hereby certify that such securities as you are hereby instructed to hold for safekeeping and/or to deliver to your Discount Department will be, upon issue, the sole property of the below named bank or trust company.

Special instructions:

Hold as Collateral for War Loan Deposits \$.....

I hereby certify that such securities as are hereby pledged will be, upon issue, the sole property of the below named bank or trust company or the property of its customers who have consented in writing to such pledge.

Before Signing Fill in All Required Spaces

TO SUBSCRIBER:

Name .....  
 (Please print)

Sign here .....  
 (Official signature required)

Mark (X) in proper space to indicate if this is:

Original subscription .....

Street Address .....

Confirmation of a telegram.....

Town and State.....

Confirmation of a letter.....

Spaces below are for the use of the Federal Reserve Bank of New York

RECEIPT	DELIVERY	DELIVERY RECEIPT
Received .....	Released .....	Received from the FEDERAL RESERVE BANK OF NEW YORK the above mentioned Home Owners' Loan Corporation Bonds issued in exchange as requested.  Date..... By.....
Checked .....	Taken from vault .....	
Recorded .....	Counted .....	
Acknowledged .....	Checked .....	
	Delivered .....	

### NON-NEGOTIABLE RECEIPT

Issued to..... Number.....  
 Street..... Date.....  
 Town..... State.....

Receipt is hereby acknowledged of \$..... par amount Home Owners' Loan Corporation 4 percent Bonds of Series of 1933-51 in payment for Home Owners' Loan Corporation 1½ percent Bonds of Series F-1939 allotted in full by the Secretary of the Treasury pursuant to the terms of Treasury Department Circular No. 540, dated May 20, 1935.

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

Refer to your letter dated..... No..... Teller.....

NOTE: If subscriber desires the securities subscribed for to be delivered at the Federal Reserve Bank of New York over the counter to a representative of the subscriber, the following authority should be executed by the subscriber and presented to the Federal Reserve Bank of New York by the representative therein named.

To FEDERAL RESERVE BANK OF NEW YORK, Date.....  
*Fiscal Agent of the United States,*  
 New York, N. Y.

You are hereby authorized to deliver to..... whose signature appears  
 (Name of Representative)

below \$..... par amount Home Owners' Loan Corporation 1½ percent Bonds of Series F-1939 for which the undersigned by exchange subscription has surrendered to you Home Owners' Loan Corporation 4 percent Bonds of Series of 1933-51 pursuant to the terms of Treasury Department Circular No. 540, dated May 20, 1935.

Name.....  
 (Please Print)

(Signature of Authorized Representative) (Official Signature Required)

TRIPPLICATE

### FILE COPY

Issued to..... Number.....  
 Street..... Date.....  
 Town..... State.....

Receipt is hereby acknowledged of \$..... par amount Home Owners' Loan Corporation 4 percent Bonds of Series of 1933-51 in payment for Home Owners' Loan Corporation 1½ percent Bonds of Series F-1939 allotted in full by the Secretary of the Treasury pursuant to the terms of Treasury Department Circular No. 540, dated May 20, 1935.

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

Refer to your letter dated..... No..... Teller.....

DUPLICATE

PENDING DELIVERY TICKET

Issued to.....

Number.....

Street.....

Date.....

Town..... State.....

Receipt is hereby acknowledged of \$..... par amount Home Owners' Loan Corporation 4 percent Bonds of Series of 1933-51 in payment for Home Owners' Loan Corporation 1½ percent Bonds of Series F-1939 allotted in full by the Secretary of the Treasury pursuant to the terms of Treasury Department Circular No. 540, dated May 20, 1935.

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

Refer to your letter dated..... No.....

Teller.....