

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 1553]
June 10, 1935

Offering of United States of America 1½ Percent Treasury Notes of Series B-1940

Dated June 15, 1935

Due June 15, 1940

Interest Payable June 15 and December 15

Offered only in exchange for Treasury Notes of Series A-1935 and of Series B-1935

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

Secretary of the Treasury Morgenthau today announced an offering of 5-year 1½ percent Treasury Notes of Series B-1940 in exchange for Treasury Notes of Series A-1935, maturing June 15, 1935, and Treasury Notes of Series B-1935, maturing August 1, 1935. The terms of this offering are set forth in Treasury Department Circular No. 542 dated June 10, 1935, a copy of which is printed on the following pages.

The subscription books for this offering are now open, and applications will be received by this bank as fiscal agent of the United States. Subscriptions should be made on subscription blanks and mailed immediately, or if made by telegram or letter, should be confirmed on subscription blanks.

GEORGE L. HARRISON,

Governor.

UNITED STATES OF AMERICA

1½ PERCENT TREASURY NOTES OF SERIES B-1940

Dated and bearing interest from June 15, 1935

Due June 15, 1940

Interest payable June 15 and December 15

OFFERED ONLY IN EXCHANGE FOR TREASURY NOTES OF SERIES A-1935, MATURING JUNE 15, 1935, AND TREASURY NOTES OF SERIES B-1935, MATURING AUGUST 1, 1935

1935
Department Circular No. 542
Public Debt Service

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, June 10, 1935.

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions, at par and accrued interest, from the people of the United States, for 1½ percent notes of the United States, designated Treasury Notes of Series B-1940, in payment of which only Treasury Notes of Series A-1935, maturing June 15, 1935, or Treasury Notes of Series B-1935, maturing August 1, 1935, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury Notes of Series A-1935 and of Series B-1935 tendered and accepted.

DESCRIPTION OF NOTES

The notes will be dated June 15, 1935, and will bear interest from that date at the rate of one and one-half percent per annum, payable semiannually, on December 15, 1935, and thereafter on June 15 and December 15 in each year. They will mature June 15, 1940, and will not be subject to call for redemption prior to maturity.

The notes shall be exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes¹) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

The notes will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege.

Bearer notes with interest coupons attached will be issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. The notes will not be issued in registered form.

APPLICATION AND ALLOTMENT

Applications will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions or classes of 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 notes 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

¹ Similarly, the exemption does not apply to the gift tax, see Treasury Decision 4550.

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.

PAYMENT

Payment at par and accrued interest, if any, for notes allotted hereunder must be made on or before June 15, 1935, or on later allotment, and may be made only in 3 percent Treasury Notes of Series A-1935, maturing June 15, 1935, or in 1½ percent Treasury Notes of Series B-1935, maturing August 1, 1935, which will be accepted at par, and should accompany the subscription. In the case of Treasury Notes of Series B-1935 tendered in payment, coupons dated August 1, 1935, must be attached to the notes when surrendered, and accrued interest to June 15, 1935,² will be paid following acceptance of the notes for exchange.

GENERAL PROVISIONS

As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

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 communicated promptly to the Federal Reserve banks.

HENRY MORGENTHAU, JR.,

Secretary of the Treasury.

² Accrued interest at 1½ percent from February 1, 1935, to June 15, 1935, on \$1,000 is \$6.015193.

EXCHANGE SUBSCRIPTION

FOR 1½ PERCENT TREASURY NOTES OF SERIES B-1940

Dated June 15, 1935

Due June 15, 1940

One day's interest on \$1,000 on coupon payable December 15, 1935 (183 day period) is \$.040983607

NOTE:

United States of America 3 percent Treasury notes of Series A-1935, and/or United States of America 1½ percent Treasury notes of Series B-1935, tendered in payment should be presented and surrendered with this exchange subscription, except that if payment is to be made by such notes now held for the subscriber's account by the Federal Reserve Bank of New York instructions must be given accordingly in the space provided below.

Subscriptions for which Treasury notes of Series A-1935 and/or Series B-1935 are tendered in payment and accepted will be allotted in full.

Dated at

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

.....1935

DEAR SIRs:

Pursuant to the provisions of Treasury Department Circular No. 542, dated June 10, 1935, please enter subscription for United States of America 1½ percent Treasury Notes of Series B-1940 in the amount and as stated below:

For own account \$.....
 For our customers (for use of banking institutions) as shown on attached list \$.....
 Total Subscription \$.....

In payment for Treasury securities allotted on this subscription Treasury notes are tendered in exchange as indicated below:

Description	By delivery herewith			To be withdrawn by you from safekeeping			To be delivered to you by		
									Name
3% Treasury notes of Series A-1935 maturing June 15, 1935, with June 15, 1935 coupon detached.....	\$.....			\$.....			\$.....		
1½% Treasury notes of Series B-1935 maturing August 1, 1935, with August 1, 1935 coupon attached.....	\$.....			\$.....			\$.....		

Issue Treasury securities allotted on this subscription in the following denominations						Dispose of the securities as indicated below			
Number of pieces	Denominations	Par amount			Leave this space blank				
X X	X X	X	X X	X X	X X X X	Hold for safekeeping (for member banks only)..... <input type="checkbox"/>			
	\$100					Deliver to your Discount Department..... <input type="checkbox"/>			
	500					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.			
	1,000					Hold as collateral for War Loan Deposits..... <input type="checkbox"/>			
	5,000					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.			
	10,000					Deliver over counter..... <input type="checkbox"/>			
X X	X X X	X	X X	X X	X X X X	Ship by registered mail..... <input type="checkbox"/>			
	100,000					Special instructions:			
	Total								

It is requested that payment of accrued interest to June 15, 1935, on Treasury notes of Series B-1935 surrendered, as indicated above, be disposed of as follows:

By check to
 By credit to our Reserve account By credit to our account with

Before Signing Fill in All Required Spaces

TO SUBSCRIBER: Name
 (Please print)
 Mark (X) in proper space to indicate if this is:
 Original subscription..... Sign here.....
 Confirmation of a telegram..... (Official signature required)
 Confirmation of a letter..... Street Address
 Town and State.....

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 described United States of America Treasury notes allotted on this subscription. Date..... By.....
Checked	Taken from vault	
Recorded	Counted	
Acknowledged	Checked	
	Delivered	

List of customers' applications included in the foregoing subscription
entered and certified by.....
(Name of bank or trust company)

Post office address State

Name of Customer

Address

Amount Subscribed

NON-NEGOTIABLE RECEIPT

for
UNITED STATES OF AMERICA 3 PERCENT TREASURY NOTES OF SERIES A-1935
and/or
UNITED STATES OF AMERICA 1 3/8 PERCENT TREASURY NOTES OF SERIES B-1935
tendered in payment for
UNITED STATES OF AMERICA 1 1/2 PERCENT TREASURY NOTES OF SERIES B-1940
offered in exchange

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

Receipt is hereby acknowledged of \$..... of the securities above named tendered in payment for the securities offered in exchange therefor and allotted in full to the subscriber by the Secretary of the Treasury pursuant to the provisions of the Treasury Department circular governing the offering.

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,
Fiscal Agent of the United States,
New York, N. Y. Date.....

You are hereby authorized to deliver to..... whose signature appears below \$..... of the securities above named, offered in exchange, for which the undersigned by exchange subscription has tendered in payment and surrendered securities pursuant to the provisions of the Treasury Department circular governing the offering.

Name..... (Please Print)

(Signature of Authorized Representative)

(Official Signature Required)

TRIPPLICATE

FILE COPY

for
UNITED STATES OF AMERICA 3 PERCENT TREASURY NOTES OF SERIES A-1935
and/or
UNITED STATES OF AMERICA 1 3/8 PERCENT TREASURY NOTES OF SERIES B-1935
tendered in payment for
UNITED STATES OF AMERICA 1 1/2 PERCENT TREASURY NOTES OF SERIES B-1940
offered in exchange

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

Receipt is hereby acknowledged of \$..... of the securities above named tendered in payment for the securities offered in exchange therefor and allotted in full to the subscriber by the Secretary of the Treasury pursuant to the provisions of the Treasury Department circular governing the offering.

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

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

DUPLICATE

PENDING DELIVERY TICKET

for

UNITED STATES OF AMERICA 3 PERCENT TREASURY NOTES OF SERIES A-1935

and/or

UNITED STATES OF AMERICA 1 5/8 PERCENT TREASURY NOTES OF SERIES B-1935

tendered in payment for

UNITED STATES OF AMERICA 1 1/2 PERCENT TREASURY NOTES OF SERIES B-1940

offered in exchange

Issued to.....

Number.....

Street.....

Date.....

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

Receipt is hereby acknowledged of \$..... of the securities above named tendered in payment for the securities offered in exchange therefor and allotted in full to the subscriber by the Secretary of the Treasury pursuant to the provisions of the Treasury Department circular governing the offering.

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

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

Teller.....