

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

[Circular No. 1579]  
August 26, 1935]

OFFERING OF  
FEDERAL FARM MORTGAGE CORPORATION  
1½ PERCENT BONDS OF 1939

Dated September 3, 1935

Due September 1, 1939

Interest payable March 1 and September 1

---

*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. 549, dated August 26, 1935, in which the Secretary of the Treasury, on behalf of the Federal Farm Mortgage Corporation, offers to the people of the United States \$100,000,000, or thereabouts, 1½ percent bonds of 1939 of the Federal Farm Mortgage Corporation, and invites tenders therefor, through the Federal Reserve banks.

Tenders for bonds of the above issue will be received at the Securities Department of this bank (7th floor, 33 Liberty Street, New York City) or at the Buffalo Branch of this bank (272 Main Street, Buffalo, New York) until 12 o'clock noon, Eastern standard time (1 o'clock p.m., Daylight saving time), on Wednesday, August 28, 1935.

It is requested that tenders be submitted on special form and in special envelope enclosed herewith.

GEORGE L. HARRISON,  
*Governor.*

# FEDERAL FARM MORTGAGE CORPORATION

## 1½ PERCENT BONDS OF 1939

Dated September 3, 1935

Due September 1, 1939

Interest payable March 1 and September 1

---

FULLY AND UNCONDITIONALLY GUARANTEED BOTH AS TO PRINCIPAL AND INTEREST BY THE UNITED STATES OF AMERICA AS EVIDENCED BY THE STATEMENT OF THE SECRETARY OF THE TREASURY ON EACH BOND

---

Exempt both as to principal and interest from all Federal, State, municipal, and local taxation (except surtaxes, estate, inheritance, and gift taxes)

---

1935  
Department Circular No. 549  
Public Debt Service

TREASURY DEPARTMENT,  
*Office of the Secretary,*  
*Washington, August 26, 1935.*

The Secretary of the Treasury, on behalf of the Federal Farm Mortgage Corporation, offers to the people of the United States \$100,000,000, or thereabouts, 1½ percent bonds of 1939 of the Federal Farm Mortgage Corporation, and invites tenders therefor, through the Federal Reserve banks.

### DESCRIPTION OF BONDS

The bonds will be dated September 3, 1935, and will bear interest from that date at the rate of one and one-half percent per annum, payable on a semiannual basis on March 1, 1936, and thereafter semi-annually on September 1 and March 1 in each year until the principal amount becomes payable. They will mature September 1, 1939, and will not be subject to call for redemption prior to maturity.

Bearer bonds with interest coupons attached will be issued in denominations of \$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 at any Federal Reserve bank or at the Division of Loans and Currency of the United States Treasury, Washington, D. C., and through any other agency designated for the purpose by the Federal Farm Mortgage Corporation.

These bonds are issued under the authority of the Federal Farm Mortgage Corporation Act, approved January 31, 1934, as amended, which provides that these bonds and the income derived therefrom shall be exempt from Federal, State, municipal, and local taxation (except surtaxes, estate, inheritance, and gift taxes).

Section 16(a) of that act contains the following provisions: "The first sentence of the eighth paragraph of section 13 of the Federal Reserve Act, as amended, is further amended by inserting before the semicolon after the words 'Section 13(a) of this Act' a comma and the following: 'or by the deposit or pledge of Federal Farm Mortgage Corporation bonds issued under the Federal Farm Mortgage Corporation Act.'" Thus, the bonds are legally acceptable to secure 15-day borrowings from the Federal Reserve banks.

Section 4 of the Federal Farm Mortgage Corporation Act, as amended, also provides as follows: " \* \* \* 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. \* \* \* "

### TENDERS AND ALLOTMENTS

Tenders will be received at the Federal Reserve banks and branches thereof up to 12 o'clock noon, Eastern standard time, Wednesday, August 28, 1935, and unless received by that time will be disregarded. Tenders will not be received at the Treasury Department, Washington. Each tender must state the face

amount of bonds bid for, which must be \$1,000 or any even multiple thereof, and the price offered. The price offered must be expressed on the basis of 100, with fractions expressed as 32ds of 1 percent, in accordance with usual practice, e.g., 100-16/32.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied in every case by a deposit of 5 percent of the face amount of bonds bid for, except where the tender is accompanied by an express guaranty of payment by an incorporated bank or trust company. If the tender is accepted, in whole or in part, the deposit will be applied toward payment for the bonds, the balance to be paid as hereinafter provided. If the tender is rejected, the deposit will be returned to the bidder.

Tenders must be enclosed in envelopes, securely sealed, addressed to the Federal Reserve bank, or branch, of the district, and plainly marked "Tender for 1½ percent bonds of 1939 of the Federal Farm Mortgage Corporation". The Federal Reserve banks will supply printed forms and special envelopes for submitting tenders. Incorporated banks and trust companies not located in a city where a Federal Reserve bank or branch is located may, in their discretion, submit tenders by telegram, but such telegrams must be received at the Federal Reserve bank or branch before the time fixed for closing.

Immediately after the closing hour for the receipt of tenders on August 28, 1935, all tenders received in writing or by telegraph at the Federal Reserve banks or branches thereof up to the closing hour (12 o'clock noon, Eastern standard time) will be opened. The Secretary of the Treasury will determine the acceptable prices offered and will make public announcement thereof as soon as possible after the opening of tenders. Those submitting tenders will be advised by the Federal Reserve banks of the acceptance or rejection thereof, and payment on accepted tenders must be made as hereinafter provided. In considering the acceptance of tenders, the highest prices offered will be accepted in full down to the amount required; and if the same price appears in two or more tenders and it is necessary to accept only a part of the amount offered at such price, tenders for smaller amounts may be accorded preference and tenders for larger amounts prorated to the extent necessary in accordance with the respective amounts bid for. The Secretary of the Treasury expressly reserves the right, however, to reject any or all tenders or parts of tenders, and to award less than the amount bid for, and any action he may take in any such respect or respects shall be final.

#### PAYMENT

Payment for any bonds allotted on accepted tenders must be made or completed on or before September 3, 1935, in cash or other immediately available funds. In every case where payment is not so completed, the 5 percent deposit with the application shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the Federal Farm Mortgage Corporation.

#### GENERAL PROVISIONS

Federal Reserve banks, as fiscal agents of the United States, are authorized and requested to receive tenders, to make allotments as indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid allotments, and to perform such other acts as may be necessary to carry out the provisions of this circular. Pending delivery of the definitive bonds, Federal Reserve banks may issue interim receipts.

The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the receipt of tenders and the sale of bonds under this circular, which will be communicated promptly to the Federal Reserve banks.

**HENRY MORGENTHAU, JR.,**

*Secretary of the Treasury.*

DUPLICATE

MAIL TO

FEDERAL RESERVE BANK  
OF NEW YORK

No.

NOTICE OF ALLOTMENT

of

FEDERAL FARM MORTGAGE CORPORATION BONDS

Under Treasury Department Circular No. 549, dated August 26, 1935.

From

Referring to our tender at the rate of \_\_\_\_\_ per \$100 of face amount which has been accepted in the total face amount of \$ \_\_\_\_\_ for 1½% Federal Farm Mortgage Corporation bonds of 1939, dated September 3, 1935, due September 1, 1939, please issue and make delivery of the bonds in the denominations as instructed below.

Payment will be made as indicated: By cash  By check  By debit to our reserve account

(Payment cannot be made through War Loan Deposit Account.)

Issue the Bonds in the Following Denominations		(PLEASE DO NOT USE THESE SPACES)				DISPOSE OF THE BONDS AS INDICATED BELOW	
Pieces	Denomination	Par Amount		Numbers			
	\$100					Hold for safekeeping (for member banks only).....	<input type="checkbox"/>
	500					Deliver to your Discount Department.....	<input type="checkbox"/>
	1,000					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.	
	5,000					Hold as collateral for War Loan Deposits.....	<input type="checkbox"/>
	10,000					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.	
	100,000					Deliver over counter.....	<input type="checkbox"/>
	TOTAL					Ship by registered mail.....	<input type="checkbox"/>

(PLEASE DO NOT USE THESE SPACES)

	Figured	Checked
Premium or Discount		
Interest		
Face Amount		
TOTAL		

Name .....

Post Office Address .....

State .....

.....

Official signature required

Released .....	Paid Stamp Amount .....	Delivery Receipt		
Taken from Vault .....		By .....	Received from FEDERAL RESERVE BANK OF NEW YORK the above described Federal Farm Mortgage Corporation bonds allotted in the amount indicated above.	
Counted .....			Subscriber.....	
Checked .....			Date.....	By.....
Delivered .....				

TRIPLICATE

FFMC

FEDERAL RESERVE BANK  
OF NEW YORK

No.

## PENDING DELIVERY TICKET

of

FEDERAL FARM MORTGAGE CORPORATION BONDS

Under Treasury Department Circular No. 549, dated August 26, 1935.

Your tender at the rate of \_\_\_\_\_ per \$100 of face amount has been  
 accepted in the total face amount of \$ \_\_\_\_\_ for 1½% Federal Farm Mortgage  
 Corporation bonds of 1939, dated September 3, 1935, due September 1, 1939.

## Partial Deliveries Made as Follows:

DATE	AMOUNT	BALANCE	DISPOSITION

## NOTICE OF ALLOTMENT

of

FEDERAL FARM MORTGAGE CORPORATION BONDS

Under Treasury Department Circular No. 549, dated August 26, 1935.

Your tender at the rate of \_\_\_\_\_ per \$100 of face amount has been  
accepted in the total face amount of \$ \_\_\_\_\_ for 1½% Federal Farm Mortgage  
Corporation bonds of 1939, dated September 3, 1935, due September 1, 1939.

Payment therefor must be made in cash or other immediately available funds at the  
Federal Reserve Bank of New York on or before September 3, 1935.

To obtain delivery of the bonds, please state on the attached form in the spaces provided  
therefor, the denominations of the bonds desired and method by which payment will be made.  
If payment is to be made by check on a bank other than the Federal Reserve Bank of New York,  
such check should be received by us in time for collection on September 3, 1935, otherwise it  
will be necessary to charge interest to the date of collection.

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

*per pro*.....  
(Securities Department)

**TENDER FOR FEDERAL FARM MORTGAGE CORPORATION**

**1½ PERCENT BONDS OF 1939**

**Dated September 3, 1935      Due September 1, 1939**

Dated at.....

TO THE FEDERAL RESERVE BANK OF NEW YORK,  
*Fiscal Agent of the United States,*  
 New York City, N. Y.

....., 1935.


Pursuant to the provisions of Treasury Department Circular No. 549, dated August 26, 1935, the undersigned offers to pay at the rate of.....\* per \$100 of face amount for a total face amount of \$..... of the Federal Farm Mortgage Corporation 1½ percent bonds of 1939 therein described, or for any less amount that may be allotted, payment therefor to be made at your bank in cash or other immediately available funds on or before September 3, 1935.

*This tender will be inserted in special envelope entitled "Tender for 1½ percent bonds of 1939 of the Federal Farm Mortgage Corporation."*

**IMPORTANT INSTRUCTIONS:**

1. No tender for less than \$1,000 will be considered, and each tender must be for an amount in multiples of \$1,000 (face amount). Also, if more than one price is offered, a separate form must be executed at each price.
2. If the person making the tender is a corporation, the form should be signed by an officer of the corporation authorized to make the tender, and the signing of the form by an officer of the corporation will be construed as a representation by him that he has been so authorized. If the tender is made by a partnership, it should be signed by a member of the firm, who should sign in the form "....., a copartnership, by....., a member of the firm."
3. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied in every case by a deposit of 5 percent of the face amount of bonds bid for, except where the tender is accompanied by an express guaranty of payment by an incorporated bank or trust company. If the tender is accepted, in whole or in part, the deposit will be applied toward payment for the bonds, the balance to be paid as provided in the above mentioned Treasury Department circular governing the offering. If the tender is rejected, the deposit will be returned to the bidder.
4. If the language of this form is changed in any respect, which, in the opinion of the Secretary of the Treasury, is material, the tender may be disregarded.

***Payment by credit through War Loan Deposit Account will not be permitted.***

 Before signing fill in all required spaces.

Bank or Trust Company.....

Post Office Address.....

State.....

.....  
 Official signature required.

SPACES BELOW ARE FOR THE USE OF THE FEDERAL RESERVE BANK

Examined	Carded	Classified	Ledger	Acknowledged	Disposition		
Allotment	Figured	Checked	Advised	Method of Payment	Amount	Date Released	By
Received	Checked	Recorded	Window	Custody	Mail	Other Departments	

\* Price offered must be expressed on the basis of 100, with fractions expressed as 32ds of 1 percent, in accordance with usual practice, e.g., 100 16/32.

FEDERAL RESERVE BANK  
OF NEW YORK

August 27, 1935

Dear Sirs:

I have received from the Federal Reserve Board under date of August 26, 1935, a letter which reads in part as follows:

"The Federal Reserve Board has approved the enclosed form for use in obtaining current monthly reports from member firms of the New York Stock Exchange and other national securities exchanges, and it will be appreciated if you will request all member firms of the New York Stock Exchange that have their principal offices in the New York Federal Reserve district to make monthly reports on this form.

"The purpose of these reports is to provide current statistical information for the use of the Federal Reserve Board in the performance of its duties under the Securities Exchange Act of 1934, particularly the regulation, through the prescribing of margin requirements, of the total amount of credit used for the purpose of purchasing or carrying securities. It is believed that changes from time to time in the reported figures, when assembled into aggregates for the reporting firms as a group, will be most informative for this purpose, and the Board hopes to arrange in due time, in accordance with its established practice, for the current publication of such aggregates."

In accordance with the instructions of the Federal Reserve Board, we are enclosing a copy of the form for the report of your firm as of August 31, 1935, together with a duplicate for your file, and request that you submit the data called for as early thereafter as possible. Forms for subsequent reports will be sent you later.

Very truly yours,

J. H. Case,

Federal Reserve Agent.



*(Duplicate copy for your files)*

F. R. Board—Form 240—8-35

Code Number of  
Reporting Firm.....

**Report of Member Firm of a  
National Securities Exchange**

This report is to be sent to the Federal Reserve Bank of New York as soon as possible after the end of each month, and should reach the Federal Reserve Bank in any event (except by special arrangement) not later than the 5th full business day of the following month.

*(Form to be filled out in accordance with instructions on page 4)*

## DEBITS

**Total of  
LEDGER BALANCES**  
(In even dollars—cents omitted)

1. <b>Cash on hand and in banks</b> .....		
2. <b>Securities borrowed</b> .....		
3. <b>Securities sold, delivery pending (Failed to deliver)</b> .....		
4. <b>NET debit balances due from member firms of national securities exchanges—</b>		
(a) <b>Member firms of New York Stock Exchange</b> .....		
(b) <b>Member firms of other national securities exchanges</b> .....		
5. <b>NET debit balances due from all other customers exclusive of partners of     this firm</b> .....		
6. <b>NET debit balances in partners' individual investment and trading accounts</b>		
7. <b>Debit balances in firm investment and trading accounts</b> .....		
8. <b>Commodity margins on deposit with banks, and commodity guaranty funds     on deposit</b> .....		
9. <b>All other debit balances</b> .....		
10. <b>TOTAL OF ITEMS 1-9</b> .....		

:\_\_\_\_\_

Is firm carrying any "margin accounts" for customers? .....

Is firm otherwise extending any credit to customers? .....

Remarks (firm may include here any explanatory matter) .....

.....  
.....

## CREDITS

Total of  
LEDGER BALANCES  
(In even dollars—cents omitted)

11. Money borrowed—			
(a) From banks and trust companies in New York City.....			
(b) From banks and trust companies elsewhere in the United States.....			
(c) From other lenders (NOT INCLUDING members of national securities exchanges).....			
12. Securities loaned.....			
13. Securities bought, delivery pending (Failed to receive).....			
14. NET credit balances due to member firms of national securities exchanges—			
(a) Member firms of New York Stock Exchange.....			
(b) Member firms of other national securities exchanges.....			
15. Credit balances of other customers exclusive of partners of this firm—			
(a) Free credit balances.....			
(b) Other NET credit balances.....			
16. NET credit balances in partners' individual investment and trading accounts			
17. Credit balances in firm investment and trading accounts.....			
18. All other credit balances (EXCEPT those included in Item 19).....			
19. Net balance in capital and profit and loss accounts and partners' drawing accounts.....			
20. TOTAL OF ITEMS 11-19.....			

:—

21. (Memorandum) Valuation of short security positions carried—	Against reported debit balances			Against reported credit balances		
(a) For members of national securities exchanges other than N. Y. S. E.....						
(b) For other customers exclusive of partners of this firm.....						
(c) In partners' individual investment and trading accounts.....						
(d) In firm investment and trading accounts....						

## INSTRUCTIONS

**General instructions**—Make single combined report covering main office and all branches (domestic and foreign). **TOTALS** only are to be reported, with no separate listing of individual accounts.

**ITEM 1**—Include only cash on hand and deposited in banks in the United States.

**ITEMS 4 AND 14**—An account carried for a firm, or with a firm, which is a member both of the New York Stock Exchange and of one or more other national securities exchanges, should be included among accounts of member firms of the New York Stock Exchange.

**ITEMS 4, 5, 14, AND 15**—Where **NET** balances are called for, ALL\* accounts of EACH firm or other customer should be combined and the net balance of each firm or other customer included under the proper caption.

**ITEMS 6 AND 16**—**NET** balances should be determined for EACH partner and reported under the proper caption. Include ALL of the partner's accounts, except capital and drawing accounts, which are to be included in Item 19.

**ITEMS 7 AND 17**—Balances in firm investment and trading accounts should NOT be combined, but all debit balances in such accounts should be included in Item 7 and all credit balances in such accounts should be included in Item 17.

**ITEM 10**—Item 10 must agree with Item 20.

**ITEM 14**—Should include not only net credit balances of correspondents, etc., who are members of national securities exchanges, but also any "money borrowed" from members of such exchanges.

**ITEM 21**—Valuation of short security positions may be on the basis of market value or on the basis of proceeds of sale, whichever procedure is in accordance with the customary practice of the firm in bringing down customers' positions.

\* Including security accounts, both long and short, commodity accounts, and all other accounts.