FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 1864] July 22, 1938]

Public Notice of Offering of \$100,000,000, or thereabouts, of Treasury Bills
Dated July 27, 1938

Maturing October 26, 1938

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

Following is the text of a notice today made public by the Treasury Department with respect to a new offering of Treasury bills payable at maturity without interest to be sold on a discount basis to the highest bidders.

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$100,000,000, or thereabouts. They will be 91-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p.m., Eastern Standard time, on Monday, July 25, 1938. Tenders will not be received at the Treasury Department, Washington.

The Treasury bills will be dated July 27, 1938, and will mature on October 26, 1938, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e. g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on July 25, 1938, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on July 27, 1938.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, and this notice prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or branch thereof.

In accordance with the above announcement tenders will be received at the Securities Department of this bank (2nd floor, 33 Liberty Street, New York City) or at the Buffalo Branch of this bank (272 Main Street, Buffalo, New York) until two o'clock p.m., Eastern Standard time (three o'clock p.m., "Daylight Saving time"), on Monday, July 25, 1938.

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

Attention is invited to the fact that payment for the Treasury bills cannot be made by credit through the War Loan Deposit Account. Payment must be made in cash or other immediately available funds.

GEORGE L. HARRISON.

President.

					TEN	DER F	OR 91-DAY	TREAS	SURY	BILL	S						
					Dated	l July 27	, 1938. M	aturing O	ctober	26, 193	8.						
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		Го тні		al Agent o		Bank of New York, Inited States, 7, N. Y.											
			Pursua	ent to th	ne provisi	ons of	Treasury Dep	artment	Circul	ar No.	418,	as ame	ended,	and to			
	the provisions of the public announcement on July 22, 1938, as issued by the Secretary of the																
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					ay be allotted, payment therefor to be made at your bank in cash or other												
immediately available funds on the date stated in the public announcement. The Treasury bills for which tender is hereby made are to be dated July 27, 1938,																	
	a	nd are	to ma	ture on (October 26	6, 1938.											
			This te	nder will l	be inserted	in specia	l envelope enti	tled "Tend	ler for	Treasur	y bills."	,,					
	I	MPOI	RTANT	INSTR	UCTION	S:											
1. No tender for less than \$1,000 will be considered, and each tender must be for an amount in multiples of \$1,000 (maturity value). 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 "																	
3. Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company. 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.																	
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No.....

TENTB-421-a

Received

^{*}Price should be expressed on the basis of 100, with not more than three decimal places, e.g., 99.125. Fractions must not be used.

FEDERAL RESERVE BANK OF NEW YORK

July 22, 1938.

NEW COUNTERFEIT

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

In a letter dated July 20, 1938, the Treasury Department, Secret Service Division, describes a certain new counterfeit as follows:

\$10 SILVER CERTIFICATE

Series of 1934; check letter "D"; face plate No. 44; back plate No. 549; serial No. B89520101A; W. A. Julian, Treasurer of the United States; Henry Morgenthau, Jr., Secretary of the Treasury; portrait of Hamilton.

This counterfeit is printed on one sheet of bond paper from photoetched plates of fairly good workmanship.

DEFECTS

- l. The highest serial number to date on genuine \$10 Silver Certificates of this series is A39,336,000A. In this counterfeit the letter B appears before the serial number and this discrepancy alone will stamp the note as counterfeit, as genuine notes of this series and denomination have been issued to date with serial numbers preceded ONLY BY THE LETTER A. In the counterfeit the letter A following the serial number is crossed midway instead of at the bottom, and the numerals 1, 2 and 9 are shaped differently from the same numerals on genuine notes.
- 2. The blue seal is slightly smaller than the genuine and the seal rim points are not sharp and regular. The check letter "D" in both places on the counterfeit is incompletely formed, the curved section being detached through faulty etching. The large blue 10 above the serial number to the left of the portrait is crudely reproduced and printed in a fainter shade of blue than on the genuine. In the lower left hand corner of the front of the note, the cipher in the number 10 has an ink spot at the top inside edge of the figure caused by an imperfection in the plate.
- 3. In the portrait the hair lines over the left ear and forehead are too light and broken in many places. The lines over the bridge of the nose are also broken. The outside border line enclosing the portrait oval is ragged. The background of the portrait over the shoulder of the coat blends with the coat. In the left side of the oval border around the portrait at a point directly opposite Hamilton's mouth is a small black ink spot caused by an imperfection in the plate.

4. The back of the counterfeit is poorly executed, the line work in the sky and foreground being scratchy and lacking in detail. The reproduction of the Treasury Building is generally rough and the border lathework smudgy through heavy inking. In the small frame in the foreground, the words U. S. TREASURY are barely discernible.

In addition to the serial number B89520101A, this counterfeit has also appeared with serial Nos. B52010189A and B95201018A. The combination 8952010 is also appearing on counterfeit \$10 Federal Reserve Note described in circular letter dated April 18, 1938, and the same style of serial numbers, unlike the genuine, is being used on the counterfeit \$10 Federal Reserve Note described in circular letter issued March 24, 1938 and also on counterfeit \$5 Silver Certificate described in circular letter dated April 19, 1938.

This counterfeit will deceive unwary handlers of currency and you are requested to notify handlers of money to exercise caution in accepting notes of this variety and denomination.

The Treasury Department has requested that any counterfeits which come to the attention of banks or others be forwarded with all available information to the office of the United States Secret Service having jurisdiction in their territory.

Offices of the Secret Service are located in Albany, Buffalo, Syracuse and New York City, New York, and in Newark, New Jersey.

George L. Harrison, President.