

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

[Circular No. 1951]
June 21, 1939]

REDEMPTION OF HOME OWNERS' LOAN CORPORATION
2¾ PERCENT BONDS, SERIES B, 1939-49

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

In our Circular No. 1941, dated May 18, 1939, we transmitted the text of a public notice dated May 18, 1939, calling for redemption on August 1, 1939, all outstanding Home Owners' Loan Corporation 2¾ percent bonds, Series B, dated August 1, 1934.

We transmit herewith a printed copy of Treasury Department Circular No. 612, dated June 10, 1939, containing full information regarding the presentation and surrender of the bonds for redemption under the above mentioned call.

It will be noted from Treasury Circular No. 612 that in order to facilitate redemption of Home Owners' Loan Corporation 2¾ percent bonds, Series B, on August 1, 1939, any such bonds should be presented and surrendered in the manner therein prescribed well in advance of that date, but not before July 1, 1939.

GEORGE L. HARRISON,
President.

REDEMPTION OF HOME OWNERS' LOAN CORPORATION 2¾ PERCENT BONDS, SERIES B, 1939-49

1939
Department Circular No. 612

Public Debt Service

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, June 10, 1939.

To Holders of Home Owners' Loan Corporation 2¾ percent bonds, Series B, 1939-49, and Others Concerned:

I. NOTICE OF CALL FOR REDEMPTION BEFORE MATURITY

On May 18, 1939, the following public notice of call for redemption was given:

To Holders of Home Owners' Loan Corporation 2¾ percent bonds, Series B, and Others Concerned:

Public notice is hereby given that all outstanding Home Owners' Loan Corporation 2¾ percent bonds, Series B, dated August 1, 1934, are hereby called for redemption on August 1, 1939, and will cease to bear interest on that date. Full information regarding the presentation and surrender of the bonds for redemption under this call will be given in a Treasury Department circular to be issued later.

Holders of Home Owners' Loan Corporation bonds now called for redemption on August 1, 1939, will be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the Home Owners' Loan Corporation, concerning which public notice will be given by the Secretary of the Treasury on Monday, May 22, 1939.¹

Washington, D. C.,
May 18, 1939.

FEDERAL HOME LOAN BANK BOARD
HOME OWNERS' LOAN CORPORATION

APPROVED:

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

JOHN H. FAHEY, Chairman.

II. RULES AND REGULATIONS GOVERNING REDEMPTION OF HOME OWNERS' LOAN CORPORATION 2¾ PERCENT BONDS, SERIES B, 1939-49

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 Home Owners' Loan Corporation 2¾ percent bonds, Series B, 1939-49, hereinafter referred to as Series B bonds, for redemption on August 1, 1939.

1. *Payment of called bonds on August 1, 1939.*—Holders of any outstanding Series B bonds will be entitled to have such bonds redeemed and paid at par on August 1, 1939, with interest in full to that date. After August 1, 1939, interest will not accrue on any Series B bonds.

2. *Presentation and surrender of coupon bonds.*—Series B bonds in coupon form should be presented and surrendered to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington, D. C., for redemption on August 1, 1939. The bonds must be delivered at the expense and risk of holders (see par. 11 of this section), and should be accompanied by appropriate written advice (see Form P. D. 1619 attached hereto). Checks in payment of principal will be mailed to the address given in the form of advice accompanying the bonds surrendered.

3. Coupons dated August 1, 1939, which become payable on that date, should be detached from any Series B bonds, before such bonds are presented for redemption on August 1, 1939, and such coupons should be collected in regular course when due. All coupons pertaining to such bonds bearing dates subsequent to August 1, 1939, must be attached to any such bonds when presented for redemption, *provided, however*, if any such coupons are missing from bonds so presented for redemption the bonds nevertheless will be redeemed, but the full face amount of any such missing coupons will be deducted from the payment to be made on account of such redemption, and any amounts so deducted will be held in the Treasury to provide for adjustments or refunds on account of such missing coupons as may subsequently be presented.

4. *Execution of assignments.*—In accordance with the regulations of the Home Owners' Loan Corporation, all assignments must comply with the regulations of the Treasury Department governing assignments of United States registered bonds for redemption as set forth in Department Circular No. 300, as amended, except as otherwise provided herein.

¹ The exchange offering referred to was terminated on May 24, 1939.

5. *Presentation and surrender of registered bonds.*—Series B bonds 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 United States Treasury Department governing assignments of United States bonds, except as otherwise provided herein, in the form indicated in the next paragraph hereof, 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, D. C., for redemption on August 1, 1939. The bonds must be delivered at the expense and risk of holders (see par. 11 of this section) and should be accompanied by appropriate written advice (see Form P. D. 1620 attached hereto). In all cases checks in payment of principal and final interest due will be mailed to the address given in the form of advice accompanying the bonds surrendered.

6. 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 "Home Owners' Loan Corporation 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 "Home Owners' Loan Corporation 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 court order or the instrument under which he is acting; he may, however, assign for payment to himself *in his representative or fiduciary capacity*.

7. Assignment in blank or other assignment having similar effect, 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. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

8. *Assignments by corporations and unincorporated associations for redemption for their own account.*—A bond registered in the name of, or assigned to, a corporation or unincorporated association will ordinarily be redeemed for the account of such corporation or unincorporated association upon an appropriate assignment for that purpose executed on behalf of the corporation or unincorporated association by a duly authorized officer thereof, without proof of the officer's authority. In all such cases payment will be made only by check drawn to the order of the corporation or unincorporated association.

9. *Detached assignments.*—The use of detached assignments by registered payees or assignees for redemption for their account (where checks in redemption are to be issued to them) may be authorized in particular cases.

10. *Payment of final interest.*—Final interest due on August 1, 1939, on registered Series B bonds will be paid with the principal in accordance with the assignments on the bonds surrendered. Transfers and exchanges involving registered bonds will be permitted up to the close of business on July 15, 1939, but not after that date.

11. *Transportation of bonds.*—Bonds presented for redemption under this circular must be delivered to a Federal Reserve bank or branch, or to the Treasury Department, Washington, D. C., at the expense and risk of the holder. Coupon bonds should be forwarded by registered mail insured, or by express prepaid. Registered bonds bearing restricted assignments may be forwarded by registered mail, but registered bonds bearing unrestricted assignments should be forwarded by registered mail insured, or by express prepaid. 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. Incorporated banks and trust companies are not agents of the United States under this circular.

III. TIME OF PRESENTATION OF CALLED BONDS FOR REDEMPTION

1. In order to facilitate the redemption of Series B bonds on August 1, 1939, any such bonds should be presented and surrendered in the manner herein prescribed well in advance of that date but not before July 1, 1939. Such early presentation by holders will assure prompt payment of principal when due. This is particularly important with respect to registered bonds, for payment cannot be made until registration shall have been discharged at the United States Treasury Department.

2. It will expedite redemption if the bonds are presented to Federal Reserve banks, or branches, and not direct to the Treasury Department.

IV. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of Series B bonds under this circular may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington, D. C., where copies of the Treasury Department's regulations governing assignments also may be obtained.

2. As fiscal agents of the Home Owners' Loan Corporation, 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.

JOHN W. HANES,

Acting Secretary of the Treasury.

(Filed with the Division of the Federal Register, June 12, 1939)

2-17937

TREASURY DEPARTMENT
PUBLIC DEBT SERVICE
Form PD 1619

FOR COUPON BONDS

(For registered bonds use Form PD 1620)

FORM OF ADVICE TO ACCOMPANY HOME OWNERS' LOAN CORPORATION 2½ PERCENT BONDS, SERIES B, 1939-49, IN COUPON FORM,
PRESENTED FOR REDEMPTION ON AUGUST 1, 1939

To the FEDERAL RESERVE BANK OF _____,

or
TREASURER OF THE UNITED STATES, Washington, D. C.:

Pursuant to the provisions of Treasury Department Circular No. 612, dated June 10, 1939, the undersigned presents and surrenders herewith for redemption on August 1, 1939, \$_____, face amount of Home Owners' Loan Corporation 2½ percent bonds, Series B, 1939-49, in coupon form, with coupon due February 1, 1940, and all subsequent coupons attached, as follows:

Number of bonds	Denomination	Serial numbers of bonds	Face amount
	\$25		\$
	50		
	100		
	500		
	1,000		
	5,000		
	10,000		
	100,000		
TOTAL			\$

and requests that remittance covering payment therefor be forwarded to the undersigned at the address indicated below.

Signature _____

Name _____

(Please print)

Address in full _____

Date _____

TREASURY DEPARTMENT
PUBLIC DEBT SERVICE
Form PD 1620

FOR REGISTERED BONDS

(For coupon bonds use Form PD 1619)

FORM OF ADVICE TO ACCOMPANY HOME OWNERS' LOAN CORPORATION 2½ PERCENT BONDS, SERIES B, 1939-49, IN REGISTERED
FORM, PRESENTED FOR REDEMPTION ON AUGUST 1, 1939

To the FEDERAL RESERVE BANK OF _____,

or
TREASURY DEPARTMENT, DIVISION OF LOANS AND CURRENCY, Washington, D. C.:

Pursuant to the provisions of Treasury Department Circular No. 612, dated June 10, 1939, the undersigned presents and surrenders herewith for redemption on August 1, 1939, \$_____, face amount of Home Owners' Loan Corporation 2½ percent bonds, Series B, 1939-49, in registered form, inscribed in the name of _____ and duly assigned to the "Home Owners' Loan Corporation for redemption," as follows:

Number of bonds	Denomination	Serial numbers of bonds	Face amount
	\$1,000		\$
	5,000		
	10,000		
	100,000		
TOTAL			\$

and requests that remittance covering payment of principal and final interest be forwarded to the undersigned at the address indicated below.

Signature _____

Name _____

(Please print)

Address in full _____

Date _____