

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 2124]
September 25, 1940]

Offering of
United States of America 2 Percent Treasury Bonds of 1953-55

Dated and bearing interest from October 7, 1940

Due June 15, 1955

Only Treasury Notes of Series C-1940, maturing December 15, 1940, may be tendered in payment

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

Secretary of the Treasury Morgenthau today announced an offering of United States of America 2 percent Treasury Bonds of 1953-55, dated and bearing interest from October 7, 1940, due June 15, 1955, in payment of which only Treasury Notes of Series C-1940, maturing December 15, 1940, may be tendered. The amount of the offering will be limited to the amount of Treasury Notes of Series C-1940 tendered and accepted. *Cash subscriptions will not be received.*

The terms of this offering are set forth in Treasury Department Circular No. 641, dated September 25, 1940, a copy of which is printed on the following pages. The subscription books are now open, and applications will be received by this bank as fiscal agent of the United States. Subscriptions should be made on official subscription blanks and mailed immediately, or if filed by telegram or letter, should be confirmed immediately by mail on the blanks provided.

GEORGE L. HARRISON,
President.

UNITED STATES OF AMERICA

2 PERCENT TREASURY BONDS OF 1953-55

Dated and bearing interest from October 7, 1940

Due June 15, 1955

REDEEMABLE AT THE OPTION OF THE UNITED STATES AT PAR AND ACCRUED INTEREST
ON AND AFTER JUNE 15, 1953

Interest payable June 15 and December 15

1940
Department Circular No. 641
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, September 25, 1940.

I. OFFERING OF BONDS

1. 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, from the people of the United States for 2 percent bonds of the United States, designated Treasury Bonds of 1953-55, in payment of which only Treasury Notes of Series C-1940, maturing December 15, 1940, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury Notes of Series C-1940 tendered and accepted.

II. DESCRIPTION OF BONDS

1. The bonds will be dated October 7, 1940, and will bear interest from that date at the rate of 2 percent per annum, payable on a semiannual basis on December 15, 1940, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature June 15, 1955, but may be redeemed at the option of the United States on and after June 15, 1953, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The bonds shall be exempt, both as to principal and interest, from all taxation 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, except (a) estate or inheritance taxes, or gift taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the Second Liberty Bond Act, approved September 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above.

3. The bonds will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege and will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

5. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in 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.

IV. PAYMENT

1. Payment at par for bonds allotted hereunder must be made or completed on or before October 7, 1940, or on later allotment, and may be made only in Treasury Notes of Series C-1940, maturing December 15, 1940, which will be accepted at par, and should accompany the subscription. Coupons dated December 15, 1940, must be attached to the notes when surrendered, and accrued interest from June 15, 1940 to October 7, 1940 (\$4.67213 per \$1,000) will be paid following acceptance of the notes.

V. GENERAL PROVISIONS

1. 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 bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. 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.

NON-NEGOTIABLE RECEIPT

For United States Government Obligations as Mentioned Below

Issued to.....

Number.....

Street.....

Date.....

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

Receipt is hereby acknowledged of \$..... par amount United States of America 1½ percent Treasury Notes of Series C-1940 surrendered in payment for United States of America 2 percent Treasury Bonds of 1953-55 subscribed for and allotted in full pursuant to the terms of Treasury Department Circular No. 641, dated September 25, 1940. If such new securities issued in exchange for those surrendered are to be delivered to the Federal Reserve Bank of New York over the counter to your representative the "authority to deliver" set forth below should be duly executed and returned to us.

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

Date Received..... Mail Sheet No.....

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

Teller.....

AUTHORITY TO DELIVER

DELIVERY RECEIPT

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

You are hereby authorized to deliver to

(Name of representative)

whose signature appears below \$..... par amount of United States Government obligations subscribed for and allotted in full in exchange for United States Government obligations surrendered in payment as indicated in the above non-negotiable receipt.

Name.....
(Please print)

(Official signature required)

(Signature of authorized representative)

Received from the Federal Reserve Bank of New York United States Government obligations at par in the amount stated above in exchange for United States Government obligations surrendered in payment as indicated in the above non-negotiable receipt.

By.....

Date.....

DUPLICATE

FILE COPY OF NON-NEGOTIABLE RECEIPT
For United States Government Obligations as Mentioned Below

Issued to.....
Street.....
Town..... State.....

Number.....
Date

Receipt is hereby acknowledged of \$..... par amount United States of America 1 1/2 percent Treasury Notes of Series C-1940
surrendered in payment for United States of America 2 percent Treasury Bonds of 1953-55 subscribed for and allotted in full pursuant to the terms
of Treasury Department Circular No. 641, dated September 25, 1940. If such new securities issued in exchange for those surrendered are to be delivered
at the Federal Reserve Bank of New York over the counter to your representative the "authority to deliver" set forth below should be duly executed
and returned to us.

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

Date Received..... Mail Sheet No.....
Refer to your letter dated..... No.....

Teller

Table with 2 columns: RECEIPT TO BE FILLED IN BY THE ISSUING OFFICE and DETAILS OF RECEIPT. The table contains mirrored text from the top section of the document, including recipient information, amount, and date.

EXCHANGE SUBSCRIPTION

For Use When United States of America 1½ Percent Treasury Notes
of Series C-1940 Maturing December 15, 1940 Are Tendered in Payment

FOR UNITED STATES OF AMERICA 2 PERCENT TREASURY BONDS OF 1953-55

Dated October 7, 1940

Due June 15, 1955

NOTE:

If registered securities of the series offered are desired upon issue the required necessary instructions must be given as indicated in the spaces provided on this subscription.

Coupons dated December 15, 1940, should be attached to the notes when surrendered, and accrued interest from June 15, 1940, to October 7, 1940 (\$4.67213 per \$1,000), will be paid following acceptance of the notes.

Subscriptions for which securities of the United States are tendered in payment and accepted will be allotted in full.

Dated at.....
.....1940

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

DEAR SIR:

Pursuant to the provisions of Treasury Department Circular No. 641, dated September 25, 1940, the undersigned hereby subscribes for United States of America 2 percent Treasury Bonds of 1953-55, in the amount and as stated below, and tenders in payment therefor United States of America 1½ percent Treasury Notes of Series C-1940, maturing December 15, 1940, which are:

Delivered to you herewith	In the amount of \$.....
To be delivered to you for our account	
by	“ \$.....
To be withdrawn from securities you are holding for our account	“ \$.....
 Total amount of subscription	 \$.....

Pay accrued interest on securities surrendered.....

}	by credit to our Reserve account.....	<input type="checkbox"/>
	by check made payable to our order.....	<input type="checkbox"/>
	by credit to our account with.....	<input type="checkbox"/>

Issue and dispose of securities allotted on this subscription as indicated below :

Indicate by X mark		When both coupon securities and registered securities are desired, use a separate subscription form for each.	DISPOSITION									
In coupon form	In registered form											
DENOMINATIONS			1. Deliver over the counter to the undersigned \$.....									
Pieces	Par Value	Leave Blank	2. Ship to the undersigned..... \$.....									
	\$50		3. Hold in safekeeping (For member bank only) \$.....									
	100		4. Register in the names as indicated in the schedule on reverse side..... <input type="checkbox"/>									
	500		5. Hold as collateral for War Loan deposits \$.....									
	1,000		6. Deliver as indicated below..... \$.....									
	5,000		Deliver to: <table border="1" style="float: right; margin-left: 20px;"> <thead> <tr> <th style="text-align: center;">Par Amount</th> <th style="text-align: center;">Against Payment of</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$.....</td> <td style="text-align: center;">\$.....</td> </tr> <tr> <td style="text-align: center;">\$.....</td> <td style="text-align: center;">\$.....</td> </tr> <tr> <td style="text-align: center;">\$.....</td> <td style="text-align: center;">\$.....</td> </tr> </tbody> </table>		Par Amount	Against Payment of	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....
Par Amount	Against Payment of											
\$.....	\$.....											
\$.....	\$.....											
\$.....	\$.....											
	10,000		and credit proceeds to our Reserve account..... <input type="checkbox"/> or to our account with.....									
	XX XXX											
	100,000											
	Total											

The undersigned, if a bank or trust company, hereby certifies (a) that the securities which you are hereby or hereafter instructed to dispose of in the manner indicated in item numbered 3 above are the sole property of the undersigned, and (b) that the securities which you are hereby or hereafter instructed to dispose of in the manner indicated in items numbered 5 and 6 above are either the sole property of the undersigned or the property of its customers who have authorized in writing such disposition.

(Fill in all required spaces before signing)

TO SUBSCRIBER:

Please indicate if this is a confirmation.....

If subscriber is a Bank or Trust Company, please indicate amount of this subscription for own account.

\$.....

Name of Subscriber.....
(Please print)

By.....
(Official signature required) (Title)

Street address.....

City, Town or Village, and State.....

Spaces below for the use of the Federal Reserve Bank

RECEIVED	CHECKED	TAKEN FROM VAULT	COUNTED	CHECKED	BLOTTER	DELIVERED	AUDIT

