

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 2297]
October 23, 1941

Offering of

United States of America 1 Percent Treasury Notes of Series A-1946

Dated and bearing interest from November 1, 1941

Due March 15, 1946

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

The following press statement was today made public:

Secretary of the Treasury Morgenthau today announced the plan for refinancing the outstanding notes of Series P of the Reconstruction Finance Corporation maturing November 1, 1941, and the outstanding notes of Series E of the Commodity Credit Corporation maturing November 15, 1941. In order to reduce the number of financing operations in the market on behalf of the Government and to simplify the financing program, an issue of Treasury notes is being made available to the holders of the two maturing corporate issues. It is contemplated that all of the Government-guaranteed issues now outstanding in the hands of the public will eventually be converted into Treasury issues so that the market will ultimately be dealing with but one class of Government obligation.

The Treasury notes now offered will be dated November 1, 1941, and will bear interest from that date at the rate of 1 percent per annum payable on a semiannual basis on March 15 and September 15 in each year. They will mature on March 15, 1946, and will not be subject to call for redemption prior to maturity. They will be issued only in bearer form with coupons attached, in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000.

Pursuant to the provisions of the Public Debt Act of 1941, interest upon the notes now offered shall not have any exemption, as such, under Federal tax acts now or hereafter enacted. Otherwise they will be accorded the same exemptions from taxation as are accorded other issues of Treasury notes now outstanding. These provisions are specifically set forth in the official circular released today.

Holders of Reconstruction Finance Corporation Notes of Series P who desire the proceeds of payment applied to the purchase of a like par amount of the new notes may subscribe for an amount equal to the amount of Series P notes so tendered for payment.

The Secretary of the Treasury, on behalf of the Commodity Credit Corporation, offers to purchase on November 1, 1941 at par and accrued interest to that date, Commodity Credit Corporation Notes of Series E to the extent that the holders of such notes subscribe for the new Treasury notes.

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. Subscriptions should be accompanied by a like face amount of Reconstruction Finance Corporation Notes of Series P, or of Commodity Credit Corporation Notes of Series E, with final coupon due November 15, 1941, attached. Following the acceptance of the Series E notes, accrued interest from May 15 to November 1, 1941, about \$4.62 per \$1,000 face amount, will be paid the owners of the surrendered notes.

The right is reserved to close the books as to any or all subscriptions at any time without notice. Subject to the reservations set forth in the official circular, all subscriptions will be allotted in full.

There are now outstanding \$299,839,000 of $\frac{7}{8}$ percent Reconstruction Finance Corporation Notes of Series P and \$204,241,000 of 1 percent Commodity Credit Corporation Notes of Series E.

The terms of this offering are set forth in Treasury Department Circular No. 671, dated October 23, 1941, 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.

ALLAN SPROUL,
President.

UNITED STATES OF AMERICA

1 PERCENT TREASURY NOTES OF SERIES A-1946

Dated and bearing interest from November 1, 1941

Due March 15, 1946

Interest payable March 15 and September 15

1941
Department Circular No. 671

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,

OFFICE OF THE SECRETARY,

Washington, October 23, 1941.

I. OFFERING OF NOTES AND INVITATION FOR TENDERS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par from the people of the United States for 1 percent notes of the United States, designated Treasury Notes of Series A-1946, the offering to be limited to the amount of subscriptions entered as provided in the two next succeeding paragraphs.

2. The Secretary of the Treasury offers to apply the proceeds of payment of Reconstruction Finance Corporation Notes of Series P, maturing November 1, 1941, tendered for payment in accordance with sections III and IV of this circular, to payment for Treasury notes subscribed for hereunder. Tenders of Series P notes for that purpose are invited.

3. The Secretary of the Treasury, on behalf of Commodity Credit Corporation, offers to purchase on November 1, 1941, at par and accrued interest, Commodity Credit Corporation Notes of Series E, maturing November 15, 1941, to the extent to which the holders thereof subscribe for Treasury notes hereunder. Tenders of Series E notes for that purpose are invited.

II. DESCRIPTION OF NOTES

1. The notes will be dated November 1, 1941, and will bear interest from that date at the rate of 1 percent per annum, payable on a semiannual basis on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1946, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all Federal taxes, now or hereafter imposed. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. 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.

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

5. 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.

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

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington, and should be accompanied by Reconstruction Finance Corporation Notes of Series P tendered for payment, or Commodity Credit Corporation Notes of Series E tendered for purchase, to a par amount equal to the par amount of Treasury Notes of Series A-1946 subscribed for. 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, to allot less than the amount of notes applied for, 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 notes allotted hereunder must be made on or before November 1, 1941, or on later allotment, and may be made only through application of the principal proceeds of payment of a like par amount of Reconstruction Finance Corporation Notes of Series P, maturing November 1, 1941, or of Commodity Credit Corporation Notes of Series E, maturing November 15, 1941. Commodity Credit Corporation Notes of Series E tendered for purchase must have coupons dated November 15, 1941, attached, and payment will be made at par and accrued interest to November 1, 1941. Accrued interest from May 15, 1941 to November 1, 1941 on Series E notes (\$4.619565 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 notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

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

Delivered to.....

Number.....

Street.....

Date.....

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

Receipt is hereby acknowledged of \$..... par amount 7/8 Percent Reconstruction Finance Corporation Notes of Series P, maturing November 1, 1941, tendered for payment, the principal proceeds of which are to cover payment of a like amount of 1 Percent United States America Treasury Notes of Series A-1946, subscribed for and allotted in full subject to the terms of Treasury Department Circular No. 671, dated October 23, 1941. If such new notes are to be delivered at the Federal Reserve Bank of New York over the counter to your representative the "authority 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

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 as indicated in the above non-negotiable receipt.

Name.....
(Please print)

.....
(Official signature required)

.....
(Signature of authorized representative)

DELIVERY RECEIPT

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

By.....

Date.....

NON-NEGOTIABLE RECEIPT

For United States Government Obligations as Mentioned Below

ued to.....

Number.....

Street.....

Date

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

Receipt is hereby acknowledged of \$..... par amount 7/8 Percent Reconstruction Finance Corporation Notes of Series P, during November 1, 1941, tendered for payment, the principal proceeds of which are to cover payment of a like amount of 1 Percent United States America Treasury Notes of Series A-1946, subscribed for and allotted in full subject to the terms of Treasury Department Circular No. 671, dated October 23, 1941. If such new notes are to be delivered at the Federal Reserve Bank of New York over the counter to your representative the "authority 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.....

DESCRIPTION	DATE	SOURCE OF RECEIPT			
		OVER COUNTER	SAFEKEEPING	GOVERNMENT DEPOSIT	REGISTERED MAIL
AMOUNT					
DISPOSITION					
INTEREST DUE		OVER COUNTER	SAFEKEEPING	GOVERNMENT DEPOSIT	SHIP
AMOUNT					
SPECIAL DELIVERY INSTRUCTIONS					
AMOUNT PAID					
AMOUNT RECEIVED					

For use when Reconstruction Finance Corporation 7/8 percent notes of Series P maturing November 1, 1941 are tendered for payment

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

SUBSCRIPTION FOR UNITED STATES OF AMERICA 1 PERCENT TREASURY NOTES OF SERIES A-1946

Dated November 1, 1941

Due March 15, 1946

One day's interest on \$1,000 on coupon payable March 15, 1942 (134 days in 181 day period) is \$0.027624309

NOTE:

Subscriptions from holders of Series P notes who tender them for payment under the provisions of Treasury Department Circular No. 671 will be allotted in full.
Coupons dated November 1, 1941 should be detached from Series P notes when surrendered.

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

Dated at.....
.....1941

DEAR SIRs:

Subject to the provisions of Treasury Department Circular No. 671, dated October 23, 1941, the undersigned hereby subscribes for United States of America 1 percent Treasury Notes of Series A-1946 as stated below:

For own account \$.....
For our customers (for use of banking institutions) as shown on back of this form \$.....

Total Subscription..... \$.....

and tenders herewith for payment a like face amount of Reconstruction Finance Corporation notes designated Series P, maturing November 1, 1941, the proceeds of which are to be applied in payment of United States of America 1 percent Treasury Notes of Series A-1946 subscribed for and allotted.

Issue United States of America 1 percent Treasury Notes of Series A-1946 allotted on this subscription in the denominations and amounts as indicated below:

Reconstruction Finance Corporation notes of Series P tendered for payment are, 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	
	\$100				
	500				
	1,000				
	5,000				
	10,000				
x x	x x x	x	x x	x x	
	100,000				
	Total				

Delivered to you herewith.... \$.....

To be withdrawn from securities you are holding for our account \$.....

To be delivered to you for our account by
..... \$.....

Dispose of the securities allotted on this subscription in the amounts and as indicated below:

1. Deliver over the counter to the undersigned..... \$.....
2. Ship to the undersigned..... \$.....
3. Hold in safekeeping (for member bank only)..... \$.....
4. Hold as collateral for War Loan deposits..... \$.....
5. Deliver as indicated below..... \$.....

Deliver to:

.....
.....
.....

Par Amount	Against Payment of
\$.....	\$.....
\$.....	\$.....

and credit proceeds to our Reserve account.....

or to our account with.....

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 4 and 5 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.....

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

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

Street address.....

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

Spaces below are for the use of the Federal Reserve Bank of New York

Released	Taken from Vault	Counted	Checked	Delivered	Paid Stamp	Delivery Receipt
_____	_____	_____	_____	_____	Amount _____	Received from FEDERAL RESERVE BANK OF NEW YORK the above described United States Government obligations in the amount indicated above. Subscriber..... Date..... By.....
_____	_____	_____	_____	_____	By _____	
_____	_____	_____	_____	_____		
_____	_____	_____	_____	_____		
_____	_____	_____	_____	_____		

For use when Commodity Credit Corporation 1 percent notes of Series E maturing November 15, 1941 are tendered for purchase

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

SUBSCRIPTION FOR UNITED STATES OF AMERICA 1 PERCENT TREASURY NOTES OF SERIES A-1946

Dated November 1, 1941

Due March 15, 1946

One day's interest on \$1,000 on coupon payable March 15, 1942 (134 days in 181 day period) is \$0.027624309

NOTE:

Subscriptions from holders of Series E notes who tender them for purchase under the provisions of Treasury Department Circular No. 671 will be allotted in full.

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

Dated at.....
.....1941

DEAR SIRs:

Subject to the provisions of Treasury Department Circular No. 671, dated October 23, 1941, the undersigned hereby subscribes for United States of America 1 percent Treasury Notes of Series A-1946 as stated below:

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

and tenders herewith for purchase at par and accrued interest by the Secretary of the Treasury, on behalf of the Commodity Credit Corporation, a like face amount of notes of the corporation designated Series E, maturing November 15, 1941, with November 15, 1941 coupons attached, the principal proceeds to cover payment of United States of America 1 percent Treasury Notes of Series A-1946, subscribed for and allotted, and requests that the difference representing accrued interest from May 15, 1941 to November 1, 1941 (\$4.619565 per \$1,000) be paid to the undersigned upon acceptance of the Series E notes and that such payment be disposed of as follows:

By check made payable to our order.....
By credit to our Reserve account By credit to our account with.....

Issue United States of America 1 percent Treasury Notes of Series A-1946 allotted on this subscription in the denominations and amounts as indicated below:

Commodity Credit Corporation notes of Series E tendered for purchase are, 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	
	\$100				
	500				
	1,000				
	5,000				
	10,000				
x x	x x x	x	x x	x x	
	100,000				
	Total				

Delivered to you herewith \$.....
To be withdrawn from securities you are holding for our account \$.....
To be delivered to you for our account by
..... \$.....

Dispose of the securities allotted on this subscription in the amounts and as indicated below:

1. Deliver over the counter to the undersigned..... \$.....
2. Ship to the undersigned..... \$.....
3. Hold in safekeeping (for member bank only)..... \$.....
4. Hold as collateral for War Loan deposits..... \$.....
5. Deliver as indicated below..... \$.....

Deliver to:

Par Amount	Against Payment of
\$.....	\$.....
\$.....	\$.....
\$.....	\$.....

and credit proceeds to our Reserve account.....
or to our account with.....

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 4 and 5 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.....
Name of Subscriber..... (Please print)
By..... (Official signature required) (Title)
Street address.....
City, Town or Village, and State.....

Spaces below are for the use of the Federal Reserve Bank of New York

Released	Paid Stamp	Delivery Receipt
Taken from Vault.....	Amount.....	Received from FEDERAL RESERVE BANK OF NEW YORK the above described United States Government obligations in the amount indicated above. Subscriber..... Date..... By.....
Counted.....	By.....	
Checked.....		
Delivered.....		

