

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 2770]
March 2, 1944

Notices of Calls for Redemption
FEDERAL FARM MORTGAGE CORPORATION
HOME OWNERS' LOAN CORPORATION

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

Following is a copy of a press statement containing the text of a public notice of call dated March 2, 1944, sent to you at the request of the Treasury Department:

UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL FARM MORTGAGE CORPORATION

FOR IMMEDIATE RELEASE,
March 2, 1944.

Federal Farm Mortgage Corporation Calls Bonds

The call for redemption of two issues of outstanding Federal Farm Mortgage Corporation Bonds was announced today by A. G. Black, Chairman of the Board of Directors of the Federal Farm Mortgage Corporation. One of these is a 3¼ percent issue dated March 15, 1934, due March 15, 1964, and redeemable on and after March 15, 1944. Bonds of this issue will cease to bear interest on March 15, 1944. The other is a 3 percent issue dated May 15, 1934, due May 15, 1949, and redeemable on and after May 15, 1944. Bonds of this issue will cease to bear interest on May 15, 1944. Approximately \$95,000,000 and \$835,000,000, respectively, of bonds of these two issues are now outstanding.

It was also announced that the Secretary of the Treasury will make available to holders of bonds of the above described issues interest bearing obligations of the United States.

The text of the public notice of call follows:

NOTICE OF CALL FOR REDEMPTION
FEDERAL FARM MORTGAGE CORPORATION

To Holders of 3¼ Percent Bonds of 1944-64 and 3 Percent Bonds
of 1944-49 of the Federal Farm Mortgage Corporation, and Others Concerned:

Public notice is hereby given that the Federal Farm Mortgage Corporation has called for redemption on March 15, 1944, all its outstanding 3¼ percent bonds of 1944-64. They will cease to bear interest on that date. Unless previously surrendered these bonds will be payable at par upon presentation at any Federal reserve bank or branch, or at the Treasury Department, Washington, D. C., on and after March 15, 1944.

Public notice is also hereby given that the Federal Farm Mortgage Corporation has called for redemption on May 15, 1944, all its outstanding 3 percent bonds of 1944-49. They will cease to bear interest on that date. Unless previously surrendered these bonds will be payable at par upon presentation at any Federal reserve bank or branch, or at the Treasury Department, Washington, D. C., on and after May 15, 1944.

The presentation and surrender of bonds of these two issues will be governed by the provisions of Treasury Department Circular No. 666, dated July 21, 1941.

An offering of interest bearing obligations of the United States will be made available to holders of bonds of these two issues, concerning which public announcement will be made by the Secretary of the Treasury.

March 2, 1944

FEDERAL FARM MORTGAGE CORPORATION

By HARRIS E. WILLINGHAM
Executive Vice President

ATTEST:

GEORGE H. THOMAS
Secretary

Approved:

H. MORGENTHAU, JR.
Secretary of the Treasury

(OVER)

Following is a copy of a press statement containing the text of a public notice of call dated March 2, 1944, also sent to you at the request of the Treasury Department:

WASHINGTON, March 2—A call for the payment on May 1 of \$778,577,600 Series A 3 Percent Bonds of the Home Owners' Loan Corporation, which mature May 1, 1952, was announced today by John H. Fahey, Commissioner of the Federal Home Loan Bank Administration, which directs the HOLC.

"After May 1 the outstanding bonds of the Corporation will amount to about \$1,400,000,000, a reduction of more than \$2,000,000,000 from the total of bonds issued by HOLC since it began operations," Mr. Fahey said.

"Increased payments obtained by the Corporation, as the liquidation of its loans and investments has been accelerated, have made it possible to retire HOLC Bonds during the current fiscal year at a rate in excess of \$30,000,000 a month, which constitutes a new high record."

The official text of the HOLC notice to holders of the Series A Bonds is as follows:

Home Owners' Loan Corporation
3 Percent Bonds, Series A
Notice of Call for Redemption Before Maturity

*To Holders of Home Owners' Loan Corporation
3 Percent Bonds, Series A, and Others Concerned:*

Public notice is hereby given that all outstanding Home Owners' Loan Corporation 3 percent bonds of Series A, 1944-52, dated May 1, 1934, each and every number of all denominations, are hereby called for redemption on May 1, 1944, and will cease to bear interest on that date.

An offering of interest-bearing obligations of the United States will be made available to holders of the bonds now called for redemption, concerning which public announcement will be made by the Secretary of the Treasury.

Full information regarding the presentation and surrender of such Home Owners' Loan Corporation 3 percent bonds of Series A for redemption on May 1, 1944, is contained in United States Treasury Department Circular No. 666 relating to payment or redemption of securities.

HOME OWNERS' LOAN CORPORATION
JOHN H. FAHEY
Federal Home Loan Bank Commissioner

Washington, D. C.
March 2, 1944

Approved:
H. MORGENTHAU, JR.
Secretary of the Treasury

Additional copies of this circular will be furnished upon request.

ALLAN SPROUL,
President.