

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 3088]
May 20, 1946

OFFERING OF

$\frac{7}{8}$ Percent Treasury Certificates of Indebtedness of Series E-1947

Dated and bearing interest from June 1, 1946

Due June 1, 1947

IN EXCHANGE FOR

$\frac{7}{8}$ Percent Treasury Certificates of Indebtedness of Series E-1946, Maturing June 1, 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 Vinson today announced that the 3 percent Treasury Bonds of 1946-48, in the amount of \$1,035,873,400, and the $3\frac{1}{8}$ percent Treasury Bonds of 1946-49, in the amount of \$818,627,000, which have been called for redemption on June 15, 1946, will be redeemed in cash.

At the same time, the Secretary announced the offering, through the Federal Reserve Banks, of $\frac{7}{8}$ percent Treasury Certificates of Indebtedness of Series E-1947, open on an exchange basis, par for par, to holders of Treasury Certificates of Indebtedness of Series E-1946, in the amount of \$4,799,491,000, which will mature on June 1, 1946. Since it is planned to retire about \$2,000,000,000 of the maturing certificates on cash redemption, subscriptions will be received subject to allotment to all holders on an equal percentage basis, except that subscriptions in amounts up to \$25,000 will be allotted in full. Cash subscriptions will not be received.

The certificates now offered will be dated June 1, 1946, and will bear interest from that date at the rate of seven-eighths of one percent per annum, payable semiannually on December 1, 1946, and June 1, 1947. They will mature June 1, 1947. They will be issued in bearer form only, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000.

Pursuant to the provisions of the Public Debt Act of 1941, interest upon the certificates now offered shall not have any exemption, as such, under Federal tax Acts now or hereafter enacted. The full provisions relating to taxability are set forth in the official circular released today.

Subscriptions will be received at the Federal Reserve Banks and Branches, and at the Treasury Department, Washington, and should be accompanied by a like face amount of the maturing certificates.

The subscription books will close at the close of business Wednesday, May 22, except for the receipt of subscriptions from holders of \$25,000 or less of the maturing certificates. The subscription books will close for the receipt of subscriptions of the latter class at the close of business Friday, May 24.

Subscriptions addressed to a Federal Reserve Bank or Branch or to the Treasury Department, and placed in the mail before midnight of the respective closing days, will be considered as having been entered before the close of the subscription books.

The terms of this offering are set forth in Treasury Department Circular No. 788, dated May 20, 1946, copy of which is printed on the reverse side.

The subscription books are now open and applications will be received by this bank as fiscal agent of the United States. *Cash subscriptions will not be received.* Exchange 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.

(OVER)

UNITED STATES OF AMERICA

7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES E-1947

Dated and bearing interest from June 1, 1946

Due June 1, 1947

1946
Department Circular No. 788
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, May 20, 1946.

I. OFFERING OF CERTIFICATES

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 certificates of indebtedness of the United States; designated 7/8 percent Treasury Certificates of Indebtedness of Series E-1947, in exchange for Treasury Certificates of Indebtedness of Series E-1946, maturing June 1, 1946. Approximately \$2,000,000,000 of the maturing certificates will be retired on cash redemption.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated June 1, 1946, and will bear interest from that date at the rate of 7/8 percent per annum, payable semiannually on December 1, 1946, and June 1, 1947. They will mature June 1, 1947, and will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all Federal taxes, now or hereafter imposed. The certificates 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 certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer certificates with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The certificates will not be issued in registered form.

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

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, to allot less than the amount of certificates 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, subscriptions for amounts up to and including \$25,000 will be allotted in full, and subscriptions for amounts over \$25,000 will be allotted to all holders on an equal percentage basis, but not less than \$25,000 on any one subscription. The basis of the allotment will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before June 1, 1946, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series E-1946, maturing June 1, 1946, which will be accepted at par, and should accompany the subscription.

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

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.

FRED M. VINSON,
Secretary of the Treasury.

EA-C

EXCHANGE SUBSCRIPTION
(Subject to allotment if in excess of \$25,000)

FOR UNITED STATES OF AMERICA 7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES E-1947, DATED JUNE 1, 1946, DUE JUNE 1, 1947

NOTICE TO SUBSCRIBERS:

- 1. Payment for the securities allotted on this subscription may be made only in 7/8 percent Certificates of Indebtedness of Series E-1946. The amount of this subscription must not exceed the par value of 7/8 percent Certificates of Indebtedness of Series E-1946 tendered with this subscription.
2. The amount of 7/8 percent Certificates of Indebtedness of Series E-1946 in excess of the 7/8 percent Certificates of Indebtedness of Series E-1947 allotted on this subscription will be redeemed as of June 1, 1946, and the proceeds of redemption will be paid in accordance with instructions given below.
3. Coupons maturing June 1, 1946, should be detached from the Certificates of Indebtedness of Series E-1946 which are tendered in payment and collected in the usual manner.
4. Subscriptions for amounts up to and including \$25,000 will be allotted in full, and subscriptions for amounts over \$25,000 will be allotted to all holders on an equal percentage basis, but not less than \$25,000 on any one subscription.
5. Securities allotted on this subscription will be available for delivery on Monday, June 3, 1946.

FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Government Bond Department—2nd Floor:

.....1946

DEAR SIRs:

Subject to the provisions of Treasury Department Circular No. 788, dated May 20, 1946, the undersigned hereby subscribes for United States of America 7/8 percent Treasury Certificates of Indebtedness of Series E-1947 as stated below:

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

and tenders in payment therefor a like par amount of United States of America 7/8 percent Treasury Certificates of Indebtedness of Series E-1946, maturing June 1, 1946, as follows:

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

Pay the proceeds of redemption of maturing securities, in excess of the amount of new securities allotted, as follows:

By check []
By credit to our reserve account..... []

(Fill in all required spaces before signing)

TO SUBSCRIBER:

Application submitted by.....

(Please print)

Please indicate if this is a confirmation.

YES.....

NO.....

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

Street address

City, Town or Village, P. O. No., and State.....

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

Table with 7 columns: Examined, Allotment, Figured, Checked, Advised, Securities Received by, Checked

Do not list subscriptions for \$25,000 or less on same application with those in excess of \$25,000

List of customers whose applications are included in the foregoing subscription

Name of Customer <i>(Please print or use typewriter)</i>	Address	Amount Subscribed	Do not use this space. AMOUNT ALLOTTED

Do not list subscriptions for \$25,000 or less on same application with those in excess of \$25,000

NOTICE OF ALLOTMENT

On Exchange Subscription to United States Government Obligations Applied for by Subscriber as Described Below

To Subscriber:

1946

Referring to your subscription, numbered as above indicated, for \$ (par value)

**UNITED STATES OF AMERICA 7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES E-1947
DATED JUNE 1, 1946, DUE JUNE 1, 1947**

for which you have applied under the provisions of the Treasury Department's circular containing the offering of such securities for subscription, you have been allotted by the Secretary of the Treasury

\$ of the amount applied for.

IMPORTANT INFORMATION FOR SUBSCRIBER

1. To expedite delivery of the securities of this issue allotted to subscriber and to facilitate prompt completion of this transaction, please observe the following directions, and **fill in, sign and return immediately the attached letter of instructions to the Federal Reserve Bank of New York, Fiscal Agent of the United States, New York, N. Y.**

Payment by Tender of Certain United States Government Obligations

2. Subscribers have been required to present with their subscription forms Treasury certificates of indebtedness of Series E-1946 in face amount equivalent to the amount of their exchange subscriptions, notwithstanding any reduced allotment that may be made. The amount of such maturing Treasury certificates of indebtedness in excess of the allotment will be redeemed as of June 1, 1946.

Delivery

3. (a) Delivery of the securities of this issue will be made by the Federal Reserve Bank of New York at its head office in New York, N. Y., and will not be made before **Monday, June 3, 1946.**

(b) Securities of this issue allotted to subscriber will be delivered over the counter to a representative of the subscriber only when a letter of authority signed officially by the subscriber identifying such representative is presented by him.

(c) Securities of this issue allotted to subscriber will be delivered to others under special instructions from subscriber but only when such securities are either the sole property of the subscriber or are the property of its customers who have authorized the subscriber in writing to cause their said securities to be so delivered.

Further Instructions

4. (a) Securities of this issue will be held for sakekeeping by, or delivered to the Discount Department of, the Federal Reserve Bank of New York for the account of member banks only, provided such securities are the sole property of the member bank.

(b) Securities of this issue will be held by the Federal Reserve Bank of New York, fiscal agent of the United States, as collateral for the War Loan Deposit Account of any qualified depository in the Second Federal Reserve District, provided such securities are the sole property of such depository and the depository elects that they be so held.

(c) It is requested that all blank spaces be typed in where necessary on the attached letter of instructions to this bank and that such letter be signed officially and returned to this bank without delay.

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

LETTER OF INSTRUCTIONS

TO FEDERAL RESERVE BANK OF NEW YORK,
 Fiscal Agent of the United States,
 Government Bond Department,
 Federal Reserve P. O. Station,
 New York 7, N. Y.

From (Name and address of Subscriber)

1946

Referring to our subscription, numbered as above indicated, for \$ _____ (par value)

**UNITED STATES OF AMERICA 7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES E-1947
 DATED JUNE 1, 1946, DUE JUNE 1, 1947**

for which we have applied under the provisions of the Treasury Department's circular containing the offering of such securities for subscription, we have received your notice of allotment stating that we have been allotted by the Secretary of the Treasury

\$ _____ of the amount applied for.

As requested we are sending you the following instructions.

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

DENOMINATIONS				DISPOSITION
Pieces	Par Value	Leave Blank		
\$1,000				<input type="checkbox"/> 1. Deliver over the counter to the undersigned
5,000				<input type="checkbox"/> 2. Ship to the undersigned
10,000				<input type="checkbox"/> 3. Hold in safekeeping (for member bank only)
100,000				<input type="checkbox"/> 4. Hold as collateral for War Loan deposits
1,000,000				<input type="checkbox"/> 5. Special instructions:
Total				

IMPORTANT: No changes in delivery instructions will be accepted.

The undersigned, if a bank or trust company, hereby certifies that the securities which you are hereby or hereafter instructed to dispose of in the manner indicated in items numbered 3 and 4 above are the sole property of the undersigned.

This letter of instructions must be signed officially in the space provided here and returned immediately to

**Federal Reserve Bank of New York,
 Fiscal Agent of the United States.**

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

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

Street address

City, Town or Village, P. O. No., and State.....

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

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

ADVICE TO SUBSCRIBER

To

Application No.

Date

Your exchange subscription for \$..... **United States of America 7/8 percent Treasury Certificates of Indebtedness of Series E-1947, dated June 1, 1946, due June 1, 1947,** and tender of like amount of United States of America 7/8 percent Treasury Certificates of Indebtedness of Series E-1946 maturing June 1, 1946 have been received by this bank, as fiscal agent of the United States, and, pursuant to the provisions of the Treasury Department's circular offering the above-mentioned obligations of the United States, allotment notices will be sent out promptly upon allotment and allotments will be made on the basis and up to the amounts indicated by the Secretary of the Treasury to this bank.

Notice: If the new securities are to be delivered at the Federal Reserve Bank of New York over the counter to your representative the following authority should be executed.

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

TO FEDERAL RESERVE BANK OF NEW YORK:
You are hereby authorized to deliver to

.....
Teller

.....
(Name of Representative)

whose signature appears below \$..... par amount of securities allotted and issued in exchange for those above described.

Name.....
(Please Print)

.....
(Official Signature Required)

.....
(Signature of Authorized Representative)

FILE RECORD

To

Application No.

Date

Your exchange subscription for \$..... **United States of America $\frac{7}{8}$ percent Treasury Certificates of Indebtedness of Series E-1947, dated June 1, 1946, due June 1, 1947**, and tender of like amount of United States of America $\frac{7}{8}$ percent Treasury Certificates of Indebtedness of Series E-1946 maturing June 1, 1946 have been received by this bank, as fiscal agent of the United States, and, pursuant to the provisions of the Treasury Department's circular offering the above-mentioned obligations of the United States, allotment notices will be sent out promptly upon allotment and allotments will be made on the basis and up to the amounts indicated by the Secretary of the Treasury to this bank.

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

SECURITIES
CHECKED BY

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