

# FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[ Circular No. 3413  
January 21, 1949 ]

## Public Notice of Offering of \$900,000,000, or thereabouts, of 91-Day Treasury Bills

Dated January 27, 1949

Maturing April 28, 1949

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

Following is the text of a notice today made public by the Treasury Department with respect to a new offering of Treasury bills payable at maturity without interest to be sold on a discount basis under competitive and non-competitive bidding.

FOR RELEASE, MORNING NEWSPAPERS,  
Friday, January 21, 1949.

TREASURY DEPARTMENT  
Washington

The Secretary of the Treasury, by this public notice, invites tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing January 27, 1949, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated January 27, 1949, and will mature April 28, 1949, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, January 24, 1949. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on January 27, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing January 27, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. The bills 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. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

In accordance with the above announcement tenders will be received at the Securities Department of this bank (9th floor, 33 Liberty Street) New York 45, N. Y., or at the Buffalo Branch of this bank (270 Main Street) Buffalo 5, N. Y., up to two o'clock p.m., Eastern Standard time, on Monday, January 24, 1949. It is requested that tenders be submitted on special form printed on reverse side and returned in special envelope enclosed herewith. *Payment for the Treasury bills cannot be made by credit through the War Loan Deposit Account. Settlement must be made in cash or other immediately available funds or in maturing Treasury bills.*

ALLAN SPROUL, President.

(Extract from Treasury Department statement released for publication January 18, 1949, announcing results after tenders were opened for Treasury bills dated January 20, 1949 maturing April 21, 1949)

			Federal Reserve District	Total Applied for	Total Accepted
Total applied for.....	\$1,511,627,000		Boston .....	\$ 22,190,000	\$ 22,190,000
Total accepted .....	\$ 904,690,000 (includes \$73,264,000 entered on a non-competitive basis and accepted in full at the average price shown below)		New York .....	1,181,749,000	658,016,000
Average price.....	99.707	Equivalent rate of discount approx. 1.160% per annum	Philadelphia .....	27,055,000	17,605,000
Range of accepted competitive bids: (excepting one tender of \$200,000)			Cleveland .....	18,539,000	18,376,000
High .....	99.715	Equivalent rate of discount approx. 1.127% per annum	Richmond .....	5,772,000	5,772,000
Low .....	99.706	Equivalent rate of discount approx. 1.163% per annum	Atlanta .....	7,281,000	7,281,000
			Chicago .....	108,194,000	57,341,000
			St. Louis .....	19,978,000	19,852,000
			Minneapolis .....	8,740,000	8,614,000
			Kansas City .....	18,198,000	18,092,000
			Dallas .....	11,487,000	11,172,000
			San Francisco .....	82,444,000	60,379,000
(37 percent of the amount bid for at the low price was accepted)			TOTAL .....	\$1,511,627,000	\$904,690,000

(over)

**IMPORTANT**—If it is desired to bid on a competitive basis, fill in rate per 100 and maturity value in paragraph headed "Competitive Bid". If it is desired to bid on a non-competitive basis, fill in only the maturity value in paragraph headed "Non-competitive Bid". **DO NOT fill in both paragraphs on one form. A separate tender must be used for each bid.**

## TENDER FOR 91-DAY TREASURY BILLS

Dated January 27, 1949.

Maturing April 28, 1949.

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

No. \_\_\_\_\_  
Dated at \_\_\_\_\_ 1949

### COMPETITIVE BID

Pursuant to the provisions of Treasury Department Circular No. 418, as amended, and to the provisions of the public notice on January 21, 1949, as issued by the Secretary of the Treasury, the undersigned offers

\* for a total amount of

(Rate per 100)

\$\_\_\_\_\_ (maturity value)  
of the Treasury bills therein described, or for any less amount that may be awarded, settlement therefor to be made at your bank, on the date stated in the public notice, as follows:

By surrender of the maturing issue of Treasury bills \_\_\_\_\_ \$\_\_\_\_\_

By cash or other immediately available funds \_\_\_\_\_ \$\_\_\_\_\_

The Treasury bills for which tender is hereby made are to be dated January 27, 1949, and are to mature on April 28, 1949.

*This tender will be inserted in special envelope entitled "Tender for Treasury bills".*

Name of Bidder \_\_\_\_\_

(Please print)

By \_\_\_\_\_

(Official signature required)

(Title)

Street Address \_\_\_\_\_

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

If this tender is submitted for the account of a customer, indicate the customer's name on line below:

(Name of Customer)

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

Use a separate tender for each customer's bid.

### IMPORTANT INSTRUCTIONS:

1. No tender for less than \$1,000 will be considered, and each tender must be for an even multiple of \$1,000 (maturity value). A separate tender must be executed for each bid.

2. If the person making the tender is a corporation, the tender should be signed by an officer of the corporation authorized to make the tender, and the signing of the tender by an officer of the corporation will be construed as a representation by him that he has been so authorized. If the tender is made by a partnership, it should be signed by a member of the firm, who should sign in the form "\_\_\_\_\_, a copartnership, by \_\_\_\_\_, a member of the firm".

3. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

4. If the language of this tender is changed in any respect, which, in the opinion of the Secretary of the Treasury, is material, the tender may be disregarded.

**Payment by credit through War Loan Deposit Account will not be permitted.**

\* Price must be expressed on the basis of 100, with not more than three decimal places. Fractions may not be used.

at 3413

**FEDERAL RESERVE BANK  
OF NEW YORK**

January 24, 1949.

*To all Member and Nonmember Clearing Banks in the  
Second Federal Reserve District, and Others Concerned:*

On the reverse side of this letter there are set forth lists showing (1) the currently effective operating circulars (numbered 1 through 20) of this Bank, and the supplements thereto, and (2) the currently effective Regulations (lettered A through W) of the Board of Governors of the Federal Reserve System, and the amendments and supplements thereto. The lists will enable you to determine whether your sets of those documents are complete. We shall be pleased to furnish upon request copies of any which you do not have.

We transmit herewith revised tables of contents of the operating circulars and of the regulations to replace those now in your binder.

ALLAN SPROUL,  
*President.*

(OVER)



CURRENTLY EFFECTIVE  
OPERATING CIRCULARS OF FEDERAL RESERVE BANK OF NEW YORK  
and  
REGULATIONS OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

January 24, 1949

<i>Operating Circulars</i>	<i>Regulations</i>
Operating Circular No. 1 . . . January 7, 1949	Rules of Organization and
First Supplement . . . January 24, 1949	Rules of Procedure . . . September 11, 1946
Operating Circular No. 2 . . . December 8, 1947	Regulation A . . . . . October 1, 1937
Operating Circular No. 3 . . . . July 22, 1948	Amendment . . . . . March 20, 1942
Operating Circular No. 4 . . . January 1, 1949	Amendment . . . . . September 11, 1944
Operating Circular No. 5 . . . . June 3, 1948	Regulation B . . . . . May 15, 1930
Operating Circular No. 6 . . . . June 3, 1948	Regulation C . . . . . August 31, 1946
Operating Circular No. 7 . . . September 29, 1948	Regulation D . . . . . September 16, 1948
Operating Circular No. 8 . . . December 8, 1947	Supplement . . . September 16 and 24, 1948
First Supplement . . . . February 16, 1948	Regulation E . . . . . March 1, 1940
Operating Circular No. 9 . . . December 8, 1947	Regulation F . . . . . June 1, 1940
Operating Circular No. 10 . . . December 8, 1947	Amendment . . . . . September 1, 1945
Operating Circular No. 11 . . . September 27, 1948	Amendment to Appendix . . . . . —
Operating Circular No. 12 . . . December 8, 1947	Regulation G . . . . . February 1, 1940
Operating Circular No. 13 . . . August 12, 1948	Regulation H . . . . . September 1, 1948
Operating Circular No. 14 . . . December 8, 1947	Regulation I . . . . . January 1, 1936
First Supplement . . . . February 9, 1948	Regulation J . . . . . January 1, 1949
Second Supplement . . . . July 29, 1948	Regulation K . . . . . May 29, 1930
Operating Circular No. 15 . . . December 8, 1947	Amendment . . . . . September 1, 1937
Operating Circular No. 16 . . . December 8, 1947	Amendment . . . . . November 1, 1943
Operating Circular No. 17 . . . March 1, 1948	Amendment . . . . . February 2, 1945
First Supplement . . . . December 20, 1948	Regulation L . . . . . February 1, 1940
Operating Circular No. 18 . . . December 8, 1947	Amendment . . . . . July 1, 1948
First Supplement . . . . January 23, 1948	Regulation M . . . . . August 14, 1937
Second Supplement . . . . March 16, 1948	Regulation N . . . . . January 1, 1944
Third Supplement . . . . July 22, 1948	Regulation O . . . . . July 1, 1939
Operating Circular No. 19 . . . December 8, 1947	Regulation P . . . . . January 1, 1936
Operating Circular No. 20 . . . October 1, 1948	Regulation Q . . . . . February 11, 1937
	Supplement . . . . . January 1, 1936
	Regulation R . . . . . January 4, 1936
	Regulation S . . . . . April 30, 1942
	Regulation T . . . . . April 1, 1948
	Supplement . . . . . February 1, 1947
	Regulation U . . . . . April 1, 1948
	Supplement . . . . . February 1, 1947
	Regulation V . . . . . September 11, 1944
	Regulation W . . . . . September 20, 1948
	Amendment No. 1 . . . . November 1, 1948
	Amendment No. 2 . . . . January 1, 1949

**FEDERAL RESERVE BANK  
OF NEW YORK**

**CONTENTS**

<i>Title of Operating Circular</i>	<i>No.</i>
Authorized Signatures .....	1
Reserves of Member Banks.....	2
Paper Currency and Coin.....	3
Collection of Cash Items.....	4
New York Head Office Time Schedule.....	5
Buffalo Branch Time Schedule.....	6
Saturday Closing .....	7
Collection of Noncash Items.....	8
Collection of Postal Money Orders.....	9
Transfers of Funds.....	10
Schedule of Time Limits for Telegraphic Transfers of Funds to Other Federal Reserve Banks and Branches.....	11
Advances and Discounts Under Sections 13, 13a and 10(b) of the Federal Reserve Act.....	12
Discount Rates.....	13
Safekeeping, Handling and Shipment of Securities.....	14
Payment of Interest on Time and Savings Deposits.....	15
Taxation of Income from Federal Reserve Bank Stock.....	16
Transactions in Marketable Securities of the United States Government.....	17
Payment Through Depositary Banks of Funds Withheld as Taxes .....	18
Reports of Transactions in Foreign Exchange, Transfers of Credit, and the Export of Coin and Currency.....	19
United States Savings Bonds, Series E, Instructions to Issuing Agents .....	20

**FEDERAL RESERVE BANK  
OF NEW YORK**

**BOARD OF GOVERNORS  
OF THE FEDERAL RESERVE SYSTEM**

**RULES**

**Rules of Organization and Rules of Procedure**

**REGULATIONS**

Discounts for and Advances to Member Banks by Federal Reserve Banks.....	A
Open Market Purchases of Bills of Exchange, Trade Acceptances and Bankers' Acceptances under Section 14.....	B
Acceptance by Member Banks of Drafts or Bills of Exchange.....	C
Reserves of Member Banks.....	D
Purchase of Warrants.....	E
Trust Powers of National Banks.....	F
Collection of Noncash Items.....	G
Membership of State Banking Institutions in the Federal Reserve System.....	H
Increase or Decrease of Capital Stock of Federal Reserve Banks and Cancellation of Old and Issue of New Stock Certificates.....	I
Check Clearing and Collection.....	J
Banking Corporations Authorized to do Foreign Banking Business under the Terms of Section 25(a) of the Federal Reserve Act.....	K
Interlocking Bank Directorates under the Clayton Act.....	L
Foreign Branches of National Banks and of Corporations Organized under the Provisions of Section 25(a) of the Federal Reserve Act....	M
Relations with Foreign Banks and Bankers.....	N
Loans to Executive Officers of Member Banks.....	O
Holding Company Affiliates—Voting Permits.....	P
Payment of Interest on Deposits.....	Q
Relationships with Dealers in Securities under Section 32 of the Bank- ing Act of 1933.....	R
Industrial Loans by Federal Reserve Banks.....	S
Extension and Maintenance of Credit by Brokers, Dealers, and Members of National Securities Exchanges.....	T
Loans by Banks for the Purpose of Purchasing or Carrying Stocks Registered on a National Securities Exchange.....	U
Financing of War Production and War Contract Termination.....	V
Consumer Instalment Credit.....	W