

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 4419]
January 31, 1957]

TREASURY FINANCING

—Exchange of Certificates and Notes Maturing in February, March, and April

—Offering of 129-Day Tax Anticipation Bills

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

The following statement was made public today:

The Treasury Department announced today an optional exchange offering of $3\frac{3}{8}$ percent 1-year Treasury certificates of indebtedness maturing February 14, 1958, and $3\frac{1}{2}$ percent 3-year and 3-month Treasury notes maturing May 15, 1960, open to the holders of \$7,219 million $2\frac{5}{8}$ percent certificates maturing February 15 and \$2,997 million $2\frac{7}{8}$ percent notes maturing March 15. The new certificate offering will also be open to holders of the \$531 million $1\frac{1}{2}$ percent notes maturing April 1. Cash subscriptions will not be received.

The new certificates and the new notes will be dated February 15, 1957, and exchanges will be made at par, with an adjustment of interest in all cases as of that date. In the case of the notes maturing March 15, accrued interest from September 15 to February 15 will be paid to subscribers following acceptance of the notes. In the case of the notes maturing April 1, accrued interest from October 1 to February 15 will be paid to subscribers following acceptance of these notes. In all cases the final coupon should be **attached** to the notes when surrendered.

Interest on the new certificates will be payable August 15, 1957, and at maturity on February 14, 1958. Interest on the new notes will be payable on November 15, 1957, and semiannually thereafter.

The subscription books will open on Monday, February 4, and will remain open **only for two days** for this exchange offering. Any subscription for either issue addressed to a Federal Reserve Bank or Branch, or to the Treasurer of the United States, and placed in the mail before midnight Tuesday, February 5, will be considered as timely.

The Treasury also announced that it will invite tenders for \$1,750 million, or thereabouts, of 129-day Treasury bills for cash and in exchange for the special Treasury bills maturing February 15. The full terms of the offering will be contained in a statement to be released Monday morning, February 4. Tenders will be opened at 1:30 p.m., Eastern Standard time, on Thursday, February 7.

The new bills will be dated February 15 and will mature June 24, 1957. These will be Tax Anticipation bills, acceptable at face value in payment of income and profits taxes due June 15, 1957. Settlement for accepted tenders must be made in cash or other immediately available funds or in a like face amount of Treasury bills maturing February 15.

Subscription forms for the new certificates and notes, and tender forms for the Treasury bills, will be mailed to reach you on Monday, February 4. Please note that the subscription books for the new certificates and notes will be open for only **two** days, February 4 and February 5.

ALFRED HAYES,
President.

at 4419

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK 45, N.Y.

RECTOR 2-5700

(x⁴)

February 1, 1957

DECEPTIVE COUNTERFEIT FEDERAL RESERVE NOTES

To all Banks in the
Second Federal Reserve District:

We have been requested by the United States Secret Service to alert all banks in our District that counterfeit Federal Reserve notes of the 1950 A series in the \$20 denomination have appeared in the Second Federal Reserve District. Your tellers and customers should be warned to be on the alert for the appearance of similar counterfeits.

The United States Secret Service has supplied the following description of these counterfeits:

\$20 Denomination

<u>Series</u>	<u>Check Letter</u>	<u>Face Plate</u>	<u>Back Plate</u>
1950 A	M	143	834
1950 A	M	43	34

The serial number varies.

The face of some of the notes is deceptively good in appearance. It is printed on good grade bond paper of approximately the same thickness as genuine paper. No attempt has been made to simulate the red and blue fiber threads. The back of the note has a washed-out appearance. Department stores, bars, and bakery shops have been the principal victims to date.

All counterfeit currency received from any source should be marked for identification and forwarded to the nearest office of the United States Secret Service, rather than to Washington, D. C. In this District, the Secret Service has offices in Room 801, Federal Office Building, 90 Church Street, New York 7, New York; in the United States Court House, Buffalo 1, New York; in the Post Office Building, Syracuse, New York; and in the Post Office Building, Federal Square, Newark 2, New Jersey.

Additional copies of this letter will be furnished upon request.

ALFRED HAYES,
President.