

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 4716]
March 23, 1959]

CASH OFFERINGS

4 Percent Treasury Notes of Series B-1963, and
4 Percent Treasury Bonds of 1969, Additional Issue

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

The subscription books will be open *today only* for cash offerings, at par, of—

\$1,500 million, or thereabouts, of 4 percent Treasury Notes of Series B-1963, and
\$500 million, or thereabouts, of an additional issue of 4 percent Treasury Bonds of 1969.

The 4 percent *notes* will be dated April 1, 1959, and will mature May 15, 1963. Subscriptions to the notes from commercial banks for their own account will be received without deposit, but will be restricted to 50 percent of their combined capital, surplus and undivided profits, and subscriptions from all others must be accompanied by payment of 2 percent of the amount of notes applied for, not subject to withdrawal until after allotment.

The 4 percent *bonds*, dated October 1, 1957, will bear interest from April 1, 1959, and will mature October 1, 1969. Subscriptions to the bonds from commercial banks for their own account, and from States, political subdivisions or instrumentalities thereof, and public pension and retirement and other public funds, will be received without deposit. Subscriptions from all others must be accompanied by payment of 20 percent of the amount of bonds applied for, not subject to withdrawal until after allotment. Subscriptions for the bonds from commercial banks for their own account will be restricted in each case to an amount not exceeding 5 percent of their combined amount of time certificates of deposit (but only those issued in the names of individuals, and of corporations, associations, and other organizations not operated for profit) and of savings deposits; or 15 percent of their combined capital, surplus and undivided profits, whichever is greater.

The Treasury reserves the right to make different percentage allotments to various classes of subscribers.

Subscribers to both issues are required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of the securities subscribed for under this offering, until after midnight, March 23. Commercial banks and other lenders are requested to refrain from making unsecured loans, or loans collateralized in whole or in part by the notes or bonds subscribed for, to cover the deposits required to be paid when subscriptions are entered, and banks will be required to make the usual certification to that effect. Both issues may be paid for by credit in Treasury Tax and Loan Accounts.

The terms of these offerings are set forth in Treasury Department Circulars Nos. 1023 and 1024, both dated March 23, 1959; a copy of each is printed on the following pages.

Subscriptions will be received by this Bank as fiscal agent of the United States. Subscriptions should be made on official subscription forms, copies of which are enclosed, and should be mailed immediately. If filed by telegram or letter, subscriptions should be confirmed immediately by mail on the forms provided. The subscription books will remain open *today only, March 23, 1959*. Any subscription addressed to a Federal Reserve Bank or Branch or to the Treasury Department and placed in the mail before midnight, March 23, will be considered timely.

Also enclosed is our Circular No. 4717, announcing a cash offering of \$2,000 million, or thereabouts, of 289-day special Treasury bills, dated April 1, 1959, and maturing January 15, 1960. Tenders for these bills will be received up to 1:30 p.m., Eastern Standard time, Thursday, March 26, 1959.

ALFRED HAYES,
President.

UNITED STATES OF AMERICA
4 PERCENT TREASURY NOTES OF SERIES B-1963

Dated and bearing interest from April 1, 1959

Due May 15, 1963

1959
Department Circular No. 1023
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, March 23, 1959.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for notes of the United States, designated 4 percent Treasury Notes of Series B-1963. The amount of the offering under this circular is \$1,500,000,000, or thereabouts. In addition to the amount offered for public subscription, the Secretary of the Treasury reserves the right to allot up to \$100,000,000 of these notes to Government Investment Accounts. The books will be open *only on March 23* for the receipt of subscriptions for this issue.

II. DESCRIPTION OF NOTES

1. The notes will be dated April 1, 1959, and will bear interest from that date at the rate of 4 percent per annum, payable on a semiannual basis on November 15, 1959, and thereafter on May 15 and November 15 in each year until the principal amount becomes payable. They will mature May 15, 1963, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are 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 acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$1,000,000, \$100,000,000 and \$500,000,000. The notes will not be issued in registered form.

5. 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 Office of the Treasurer of the United States, Washington. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit, but will be restricted in each case to an amount not exceeding 50 percent of the combined capital, surplus and undivided profits, of the subscribing bank. Subscriptions from all others must be accompanied by payment of 2 percent of the amount of notes applied for, not subject to withdrawal until

after allotment. Following allotment, any portion of the 2 percent payment in excess of 2 percent of the amount of notes allotted may be released upon the request of the subscribers.

2. All subscribers are required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any notes of this issue, until after midnight March 23, 1959.

3. Commercial banks in submitting subscriptions will be required to certify that they have no beneficial interest in any of the subscriptions they enter for the account of their customers, and that their customers have no beneficial interest in the banks' subscriptions for their own account.

4. The Secretary of the Treasury reserves the right to reject or reduce any subscription, to allot less than the amount of notes applied for, and to make different percentage allotments to various classes of subscribers; and any action he may take in these respects shall be final. 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 and accrued interest, if any, for notes allotted hereunder must be made or completed on or before April 1, 1959, or on later allotment. In every case where payment is not so completed, the payment with application up to 2 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depository will be permitted to make payment by credit in its Treasury tax and loan account for notes allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its District.

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.

ROBERT B. ANDERSON,
Secretary of the Treasury.

UNITED STATES OF AMERICA

4 PERCENT TREASURY BONDS OF 1969

Dated October 1, 1957, with interest from April 1, 1959

Due October 1, 1969

Interest payable April 1 and October 1

ADDITIONAL ISSUE

1959
Department Circular No. 1024
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, March 23, 1959.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 4 percent Treasury Bonds of 1969. The amount of the offering under this circular is \$500,000,000, or thereabouts. In addition to the amount offered for public subscription, the Secretary of the Treasury reserves the right to allot up to \$50,000,000 of these bonds to Government Investment Accounts. The books will be open *only on March 23, 1959*, for the receipt of subscriptions for this issue.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 4 percent Treasury Bonds of 1969 issued pursuant to Department Circular No. 996, dated September 16, 1957, will be freely interchangeable therewith, and are identical in all respects therewith except that interest on the bonds to be issued under this circular will accrue from April 1, 1959. Subject to the provision for the accrual of interest from April 1, 1959, on the bonds now offered, the bonds are described in the following quotation from Department Circular No. 996:

"1. The bonds will be dated October 1, 1957, and will bear interest from that date at the rate of 4 percent per annum, payable semiannually on April 1 and October 1 in each year until the principal amount becomes payable. They will mature October 1, 1969, and will not be subject to call for redemption prior to maturity.

"2. The income derived from the bonds is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are 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 bonds will be acceptable to secure deposits of public moneys.

"4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

"5. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of

the deceased owner's estate, at par and accrued interest to date of payment,¹ provided:

(a) that the bonds were actually owned by the decedent at the time of his death; and

(b) that the Secretary of the Treasury be authorized to apply the entire proceeds of redemption to the payment of Federal estate taxes.

Registered bonds submitted for redemption hereunder must be duly assigned to "The Secretary of the Treasury for redemption, the proceeds to be paid to the District Director of Internal Revenue at for credit on Federal estate taxes due from estate of". Owing to the periodic closing of the transfer books and the impossibility of stopping payment of interest to the registered owner during the closed period, registered bonds received after the closing of the books for payment during such closed period will be paid only at par with a deduction of interest from the date of payment to the next interest payment date;² bonds received during the closed period for payment at a date after the books reopen will be paid at par plus accrued interest from the reopening of the books to the date of payment. In either case checks for the full six months' interest due on the last day of the closed period will be forwarded to the owner in due course. All bonds submitted must be accompanied by Form PD 1782,³ properly completed, signed and sworn to, and by proof of the representatives' authority in the form of a court certificate or a certified copy of the representatives' letters of appointment issued by the court. The certificate, or the certification to the letters, must be under the seal of the court, and except in the case of a corporate representative, must contain a statement that the appointment is in full force and be dated within six months prior to the submission of the bonds, unless the certificate or letters show that the appointment was made within one year immediately prior to such submission. Upon payment of the bonds appropriate memorandum receipt will be forwarded to the representatives, which will be followed in due course by formal receipt from the District Director of Internal Revenue.

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

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington. Commercial banks, which for this purpose are defined as banks

¹ An exact half-year's interest is computed for each full half-year period irrespective of the actual number of days in the half year. For a fractional part of any half year, computation is on the basis of the actual number of days in such half year.

² The transfer books are closed from March 2 to April 1, and from September 2 to October 1 (both dates inclusive) in each year.

³ Copies of Form PD 1782 may be obtained from any Federal Reserve Bank or from the Treasury Department, Washington, D. C.

accepting demand deposits, may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit, but will be restricted in each case to an amount not exceeding 5 percent of the combined amount of time certificates of deposit (but only those issued in the names of individuals, and of corporations, associations, and other organizations not operated for profit), and of savings deposits, or 15 percent of the combined capital, surplus and undivided profits, of the subscribing bank, whichever is greater. Subscriptions from States, political subdivisions or instrumentalities thereof, and public pension and retirement and other public funds also will be received without deposit. Subscriptions from all others must be accompanied by payment of 20 percent of the amount of bonds applied for, not subject to withdrawal until after allotment. Following allotment, any portion of the 20 percent payment in excess of 20 percent of the amount of bonds allotted may be released upon the request of the subscribers.

2. All subscribers are required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any bonds subscribed for hereunder, until after midnight March 23, 1959.

3. Commercial banks in submitting subscriptions will be required to certify that they have no beneficial interest in any of the subscriptions they enter for the account of their customers, and that their customers have no beneficial interest in the banks' subscriptions for their own account.

4. The Secretary of the Treasury reserves the right to reject or reduce any subscription, to allot less than the amount of bonds applied for, and to make differ-

ent percentage allotments to various classes of subscribers; and any action he may take in these respects shall be final. 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 and accrued interest, if any, for bonds allotted hereunder must be made or completed on or before April 1, 1959, or on later allotment. In every case where payment is not so completed, the payment with application up to 20 percent of the amount of bonds allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depository will be permitted to make payment by credit in its Treasury tax and loan account for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its District.

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

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.

ROBERT B. ANDERSON,
Secretary of the Treasury.

CASH SUBSCRIPTION

For United States of America 4 Percent Treasury Notes of Series B-1963

Dated April 1, 1959, Due May 15, 1963

**Subscription books will be open only on March 23
for the receipt of cash subscriptions.**

Important

1. Payment at par for these securities will be made on or before April 1, 1959.
2. Subscriptions from commercial banks for their own account will be received without deposit; subscriptions from all others must be accompanied by payment of 2 percent of the amount of notes applied for.
3. Commercial banks subscribing for account of customers should hold the 2 percent deposits paid to them by their customers (see certification below).
4. Checks accompanying the subscriptions of others than commercial banks should be made payable to the order of the Federal Reserve Bank of New York, Fiscal Agent of the United States.
5. Amount of notes applied for must be in multiples of \$1,000.

FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Federal Reserve P. O. Station,
New York 45, N. Y.

Dated at
.....1959

DEAR SIR: Attention: Securities Department—9th Floor

Pursuant to the provisions of Treasury Department Circular No. 1023, dated March 23, 1959, the undersigned hereby subscribes at par for United States of America 4 percent Treasury Notes of Series B-1963, as follows:

For own account	\$.....
For our customers, shown on reverse side (for use of commercial banks)	\$.....
Total subscription.....	\$.....

(If a commercial bank is subscribing for its own account or for account of customers, the following certifications are made a part of this subscription)

WE HEREBY CERTIFY that we have received applications from our customers in the amounts set opposite the customers' names on the list which is made a part of this subscription; that there has been paid to us by each such customer, not subject to withdrawal until after allotment, 2 percent of the amount applied for; that we have not made unsecured loans, or loans collateralized in whole or in part by the securities applied for, to supply the amounts of such payments to any of such customers; that we have no beneficial interest in the applications of such customers, and that none of our customers has any beneficial interest in the amount subscribed for our own account.

WE FURTHER CERTIFY that all subscribers for whom subscriptions are hereby entered, have agreed not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any notes of this issue, until after midnight, March 23, 1959.

WE FURTHER CERTIFY that the subscription for our own account does not exceed 50 percent of our combined capital, surplus and undivided profits.

The undersigned agrees not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any notes of this issue, until after midnight, March 23, 1959.

TO SUBSCRIBER:

(Fill in all required spaces before signing)

Mark (X) in proper space to indicate if this is:

- Original subscription
- Confirmation of a telegram.....
- Confirmation of a letter.....

.....
(Name of subscriber—Please print or typewrite)

By.....,
(Official signature) (Title)

Address

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

DEPOSIT		ALLOTMENT
\$	Examined.....	
	Acknowledged.....	\$
	Coded.....	Figured
	Carded.....	Advised

CASH SUBSCRIPTION

For United States of America 4 Percent Treasury Bonds of 1969
Dated October 1, 1957, with interest from April 1, 1959, Due October 1, 1969
ADDITIONAL ISSUE

Subscription books will be open only on March 23 for the receipt of cash subscriptions.

Important

- 1. Amount of bonds applied for must be in multiples of \$500.
2. A deposit of 20 percent of the face amount of bonds applied for must be obtained from all customers, except states, political subdivisions or instrumentalities thereof, and public pension and retirement and other public funds.
3. No payments, either for your own or customer account, are to be forwarded to the Federal Reserve Bank or credited to Treasury Tax and Loan Account until April 1.
4. When listing customers on reverse side, please indicate the appropriate class of savings-type investors by means of the alphabetical designations given below:
A. Pension and Retirement Funds—public and private
B. Endowment Funds (where principal ordinarily is not expendable)
C. Insurance Companies
D. Mutual Savings Banks
E. Fraternal Benefit Associations and Labor Unions' Insurance Funds
F. Savings and Loan Associations
G. Credit Unions
H. Other Savings Organizations, not including commercial banks (state type)
I. States, Political Subdivisions or Instrumentalities thereof, and Public Funds.

FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Federal Reserve P. O. Station,
New York 45, N. Y.

Dated at
.....1959

Attention: Securities Department—9th Floor

DEAR SIRs:

Pursuant to the provisions of Treasury Department Circular No. 1024, dated March 23, 1959, the undersigned hereby subscribes at par for United States of America 4 percent Treasury Bonds of 1969, Additional Issue, as stated below:

For own account \$.....
For our customers as listed on reverse side \$.....
Total subscription \$.....

WE HEREBY CERTIFY that we have received applications from our customers in the amounts set opposite the customers' names on the list which is made a part of this subscription; that there has been paid to us by each such customer, as required by official offering circular, not subject to withdrawal until after allotment, 20 percent of the amount applied for; that we have not made unsecured loans, or loans collateralized in whole or in part by the securities applied for, to any of our customers; that we have no beneficial interest in the applications of our customers, and that none of our customers has any beneficial interest in the amount subscribed for our own account.

WE FURTHER CERTIFY that all subscribers for whom subscriptions are hereby entered, have agreed not to purchase or to make any agreements with respect to the purchase or sale or other disposition of any bonds subscribed for hereunder, until after midnight, March 23, 1959.

WE FURTHER CERTIFY that the subscription for our own account does not exceed 5 percent of our combined amount in time certificates of deposit (but only those issued in the names of individuals, and of corporations, associations, and other organizations not operated for profit), and of savings deposits, or 15 percent of our combined capital, surplus and undivided profits, whichever is greater.

The undersigned agrees not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any bonds subscribed for hereunder, until after midnight, March 23, 1959.

TO SUBSCRIBER:

(Fill in all required spaces before signing)

Mark (X) in proper space to indicate if this is:

- Original subscription []
Information of a telegram..... []
Information of a letter..... []

By..... (Official signature)
(Name of subscriber—Please print or typewrite)
..... (Title)
Address

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

Examined.....
Acknowledged.....
Coded.....
Carded.....

ALLOTMENT

\$.....
Figured Advised

CASH SUBSCRIPTION

For United States of America 4 Percent Treasury Bonds of 1969
Dated October 1, 1957, with interest from April 1, 1959, Due October 1, 1969

ADDITIONAL ISSUE

Subscription books will be open only on March 23
for the receipt of cash subscriptions.

Important

- 1. Amount of bonds applied for must be in multiples of \$500.
2. All subscriptions, except those of states, political subdivisions or instrumentalities thereof, and public pension and retirement and other public funds, must be accompanied by a deposit of 20 percent of the face amount of bonds applied for.
3. Checks should be made payable to the order of the Federal Reserve Bank of New York, Fiscal Agent of the United States.
4. Payment at par for the balance due on the bonds allotted must be made in immediately available funds on or before April 1, 1959.

FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Federal Reserve P. O. Station,
New York 45, N. Y.

Dated at
.....1959

Attention: Government Bond Division—2nd Floor

DEAR SIRs:

Pursuant to the provisions of Treasury Department Circular No. 1024, dated March 23, 1959, the undersigned hereby subscribes at par for United States of America 4 percent Treasury Bonds of 1969, Additional Issue, for—

\$(face amount)

Subject to allotment, please issue and deliver, the bonds as indicated below:

- Coupon bonds Registered bonds (Please print or typewrite)

Name(s) in which bonds shall be registered:

Post office address for mailing interest checks for registered bonds:

Issue the number of bonds in each denomination
as shown below

Dispose of securities issued, as follows:

Table with 6 columns: \$500, \$1,000, \$5,000, \$10,000, \$100,000, \$1,000,000

- 1. Deliver over the counter to the undersigned
2. Ship to the undersigned
3. Ship to the owner (for registered bonds only)
4. Special instructions:

(In the event of a partial allotment, denominations as close as possible to those indicated will be issued unless additional instructions are received.)

(IMPORTANT: No changes in delivery instructions will be accepted.)

(If the subscriber is a savings-type investor of the kind indicated below, please check the appropriate box.)

- A. Pension and Retirement Funds—public and private
B. Endowment Funds (where principal ordinarily is not expendable)
C. Insurance Companies
D. Mutual Savings Banks
E. Fraternal Benefit Associations and Labor Unions' Insurance Funds
F. Savings and Loan Associations
G. Credit Unions
H. Other Savings Organizations, not including commercial banks (state type)
I. States, Political Subdivisions or Instrumentalities thereof, and Public Funds.

The undersigned agrees not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any bonds subscribed for hereunder, until after midnight, March 23, 1959.

SUBSCRIBER:

(Fill in all required spaces before signing)

Mark (X) in proper space to indicate if this is:

- Original subscription
Confirmation of a telegram
Confirmation of a letter

(Name of subscriber—Please print or typewrite)
By (Official signature) (Title)
Address

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

Table with columns: DEPOSIT, Examined, Acknowledged, Coded, Carded, ALLOTMENT, Figured, Advised