

**FEDERAL RESERVE BANK  
OF NEW YORK**

Fiscal Agent of the United States

[ Circular No. 4811 ]  
November 23, 1959 ]

**4¾ Percent Treasury Notes of Series A-1964, Additional Issue  
OFFERED AT 99.75 IN EXCHANGE  
For Series F or G Savings Bonds Maturing in 1960**

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

The subscription books are open today through November 30 for an offering, at 99.75 percent of their face value, of—

4¾ percent Treasury Notes of Series A-1964, Additional Issue

in exchange for any Series F or G savings bonds that mature in the calendar year 1960. The notes are dated July 20, 1959, and mature May 15, 1964. Exchanges of equal face amounts of bonds for notes will be made as of December 15, 1959.

The savings bonds surrendered will be accepted at the exchange values set forth in the tables in Treasury Department Circular No. 1034, which contains the terms of the offering and is printed on the following pages. The effect of the various adjustments set forth in the tables will be to provide an investment yield on any bond surrendered of approximately one percent per annum more than would otherwise accrue from December 15 to the maturity date of the bond, and an investment yield on the note issued of approximately 4.81 percent per annum from the maturity date of the bond to the maturity date of the note (May 15, 1964).

The lowest denomination of the notes is \$1,000. Holders of smaller denomination bonds may exchange them for the next higher multiple of \$1,000 upon payment of any cash difference. No notes will be issued for cash in excess of any such difference.

Any qualified depository may make payments authorized or required in connection with this exchange by credit in Treasury Tax and Loan Account on December 15.

The notes will be delivered on December 15, 1959, and will be available at that time in bearer form. Notes in registered form, however, may not be available for immediate delivery on December 15, as special printing arrangements have to be made for registered notes.

This exchange will be a taxable exchange, the Secretary of the Treasury not having declared it nontaxable pursuant to the provisions of Public Law 86-346 (approved September 22, 1959).

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 from November 23 through November 30. Any subscription addressed to a Federal Reserve Bank or Branch or to the Treasury Department and placed in the mail before midnight November 30 will be considered timely.

**ALFRED HAYES,**  
*President.*

# UNITED STATES OF AMERICA

## 4<sup>3</sup>/<sub>4</sub> PERCENT TREASURY NOTES OF SERIES A-1964

Dated July 20, 1959, with interest from December 15, 1959

Due May 15, 1964

Interest payable May 15 and November 15

### ADDITIONAL ISSUE

1959  
Department Circular No. 1034  
Fiscal Service  
Bureau of the Public Debt

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, November 19, 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 99<sup>3</sup>/<sub>4</sub> percent of their face value, for notes of the United States, designated 4<sup>3</sup>/<sub>4</sub> percent Treasury Notes of Series A-1964, in exchange for a like face amount of United States Savings Bonds of Series F and G maturing in the calendar year 1960, which will be accepted at exchange values set forth in Section IV, PAYMENT. Holders of Series F and G bonds aggregating less than an even multiple of \$1,000 maturity value (the lowest denomination of notes available) may exchange such bonds with payment of the difference in cash to make up the next higher \$1,000 multiple. Interest on the notes will be adjusted as of December 15, 1959, and an adjustment in favor of subscribers representing the discount from the face value of the notes, will be made as set forth in Section IV, PAYMENT, hereof. The amount of the offering under this circular will be limited to the amount of securities, together with cash adjustments, tendered in exchange and accepted. The books will be open *only on November 23 through November 30* for the receipt of subscriptions for this issue.

#### II. DESCRIPTION OF NOTES

1. The notes now offered will be an addition to and will form a part of the 4<sup>3</sup>/<sub>4</sub> percent Treasury Notes of Series A-1964 issued pursuant to Department Circular No. 1029, dated July 20, 1959, will be freely interchangeable therewith, and are identical in all respects therewith except that (i) interest on the notes to be issued under this circular will accrue to subscribers from December 15, 1959, and (ii) the notes will also be available registered as to principal and interest, subject to delivery of definitive registered notes as set forth in Paragraph 1 of Section VI, and provision will be made for the interchange of coupon and registered notes, and for the transfer of registered notes, under rules and regulations prescribed by the Secretary of the Treasury. Subject to the provisions for the accrual of interest from December 15, 1959, on the notes now offered, and to the provisions relating to their availability in registered form, the notes are described in the following quotation from Department Circular No. 1029:

"1. The notes will be dated July 20, 1959, and will bear interest from that date at the rate of 4<sup>3</sup>/<sub>4</sub> 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, 1964, 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. \* \* \*

"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. Banking institutions generally, and paying agents eligible to process bonds under Treasury Department Circular No. 888, Revised, may submit exchange 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 or reduce any subscription, and to allot less than the amount of notes applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

#### IV. PAYMENT

1. Payment for the face amount of notes allotted hereunder must be made on or before December 15, 1959, or on later allotment, and may be made only in a like face amount of United States Savings Bonds of Series F and Series G maturing from January 1 to December 1, 1960, inclusive, and any cash difference necessary to make up an even \$1,000 multiple, which bonds and cash should accompany the subscription, together with the net amount of any interest to be collected from the subscriber. The Series F and G bonds will be accepted in the exchange at amounts set forth hereunder for the respective months of maturity. These exchange values have been fixed to provide the holders of such bonds an investment yield approximately 1% more than otherwise would accrue from December 15, 1959, until their respective maturity dates, less an amount equal to the interest which will accrue on the 4<sup>3</sup>/<sub>4</sub>% Treasury notes during the

corresponding period. The effect of these adjustments will also provide for the 4¾% Treasury notes an investment yield of approximately 4.81 percent per annum from the respective maturity dates of the Series F and G bonds to May 15, 1964, the maturity date of such notes. All subscribers will be charged the interest from November 15, 1959, to December 15, 1959 (\$4.00 per \$1,000) on the notes allotted. Other adjustments with respect to bonds accepted in exchange will be made as set forth in the following

tables which also show the net amounts to be paid to or collected from subscribers for each \$100 (face amount) of bonds accepted in exchange.

(a) *Series F bonds.*—The exchange values of Series F bonds, the differences between such values and the offering price of the 4¾% notes, the interest which will accrue on such notes and the total amounts to be collected from holders of Series F bonds per \$100 (face amount) are as follows:

<i>F bonds maturing on the first day of</i>	<i>Exchange values of F bonds per \$100 (face amt.)</i>	<i>Charge for differences between \$99.75 (offering price per \$100 of notes) and exchange values of bonds</i>	<i>Interest to be charged on notes per \$100 (face amt.) of F bonds</i>	<i><sup>1</sup>Total amounts to be collected from subscribers per \$100 (face amt.) of F bonds accepted (Cols. 2 plus 3)</i>
	COL. 1	COL. 2	COL. 3	COL. 4
January . . . . .1960	\$99.84	\$—0.09	\$0.40	\$0.31
February . . . . .1960	99.52	0.23	0.40	0.63
March . . . . .1960	99.20	0.55	0.40	0.95
April . . . . .1960	98.92	0.83	0.40	1.23
May . . . . .1960	98.60	1.15	0.40	1.55
June . . . . .1960	98.28	1.47	0.40	1.87
July . . . . .1960	97.96	1.79	0.40	2.19
August . . . . .1960	97.68	2.07	0.40	2.47
September . . .1960	97.36	2.39	0.40	2.79
October . . . . .1960	97.04	2.71	0.40	3.11
November . . .1960	96.76	2.99	0.40	3.39
December . . .1960	96.44	3.31	0.40	3.71

<sup>1</sup> In addition, for each \$100, or multiple or fraction thereof, between the face amount of Series F bonds submitted and the face amount of notes subscribed (to next higher multiple of \$1,000) the subscriber must pay \$100.15 (\$99.75 issue price plus \$.40 accrued interest).

(b) *Series G bonds.*—The exchange values of Series G bonds, the differences between such values and the offering price of the 4¾% notes, the accrued interest to be credited on the G bonds, the interest which will

accrue on the notes and the total amounts to be paid to or collected from holders of Series G bonds per \$100 (face amount) are as follows:

<i>G bonds maturing in 1960 on the first day of</i>	<i>Exchange values of G bonds per \$100 (face amt.)</i>	<i>Charge for differences between \$99.75 (offering price per \$100 of notes) and exchange values of bonds</i>	<i>Interest to be credited on G bonds per \$100 (face amt.)</i>	<i>Interest to be charged on notes per \$100 (face amt.) of G bonds</i>	<i><sup>2</sup>To be paid to subscribers (Cols. 3 minus 2 and 4)</i>	<i>To be collected from subscribers (Cols. 2 and 4 minus 3)</i>
	COL. 1	COL. 2	COL. 3	COL. 4	COL. 5	COL. 6
January . . . . .	\$99.94	\$—0.19	\$1.15	\$0.40	\$0.94	\$—
February . . . . .	99.83	—0.08	0.94	0.40	0.62	—
March . . . . .	99.72	0.03	0.73	0.40	0.30	—
April . . . . .	99.62	0.13	0.52	0.40	—	0.01
May . . . . .	99.51	0.24	0.31	0.40	—	0.33
June . . . . .	99.41	0.34	0.10	0.40	—	0.64
July . . . . .	99.30	0.45	<sup>3</sup>	0.40	—	0.95
August . . . . .	99.19	0.56	0.94	0.40	—	0.02
September . . .	99.08	0.67	0.73	0.40	—	0.34
October . . . . .	98.98	0.77	0.52	0.40	—	0.65
November . . .	98.87	0.88	0.31	0.40	—	0.97
December . . . .	98.77	0.98	0.10	0.40	—	1.28

<sup>1</sup> In addition, for each \$100, or multiple thereof, between the face amount of Series G bonds submitted and the face amount of notes subscribed (to next higher multiple of \$1,000) the subscriber must pay \$100.15 (\$99.75 issue price plus \$.40 accrued interest).

<sup>2</sup> The net amount to be paid to subscribers will be paid following acceptance of the bonds by the agency through which the exchange is made.

<sup>3</sup> Interest will be paid to January 1, 1960, on bonds maturing July 1, 1960, in regular course on January 1, 1960, by checks mailed by the Treasury Department. As these checks will include unearned interest for the period from December 15, 1959, to January 1, 1960, each subscriber who tenders these bonds will be required to make an interest refund of \$0.10 per \$100 (face amount). The above amount in Col. 6 of \$0.95 includes such refund.

2. Any qualified depository will be permitted to make payment by credit in its Treasury Tax and Loan Account for any cash payments authorized or required to be made under this circular 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.

3. Series F and G bonds tendered in exchange must bear appropriate requests for payment in accordance with the provisions of Treasury Department Circular No. 530, Eighth Revision, as amended, or the special endorsements provided for in Treasury Department Circular No. 888, Revised. In any case in which notes in bearer form, or registered notes in another name, are desired, requests for payment must be supplemented by specific instructions signed by the owner who signed the request for payment. An owner's instructions for bearer or registered notes may be recorded on the surrendered bonds by typing or otherwise recording on the back thereof, or by changing the existing request for payment form to conform to, one of the two following forms:

- (a) I am the owner of this bond and hereby request exchange for  $4\frac{3}{4}\%$  Treasury Notes of Series A-1964 in bearer form to be delivered to (insert name and address of person to whom delivery is to be made).
- (b) I am the owner of this bond and hereby request exchange for  $4\frac{3}{4}\%$  Treasury Notes of Series A-1964 registered in the name of (insert exact registration desired — see Section V, REGISTRATION OF NOTES).

#### V. REGISTRATION OF NOTES

1. Treasury notes may be registered only as authorized in Treasury Department Circular No. 300,

Revised, as supplemented. Registration in the name of one person payable on death to another is not authorized. Registered Treasury notes may be transferred to a purchaser only upon proper assignment. Treasury notes registered in the form "A or B" may be transferred only upon assignment by or on behalf of both, except that if one of them is deceased, an assignment by or on behalf of the survivor will be accepted. Treasury notes are not redeemable before maturity at the option of the owners, but they may be sold in the market at prevailing prices.

#### VI. 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. Registered notes are expected to be available for delivery by December 15, 1959. However, should they not be printed by that date subscribers may upon specific request obtain an interim receipt 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.

**JULIAN B. BAIRD,**

*Acting Secretary of the Treasury.*

# SECURITY RECORDS "OUT TICKET"

Subscription No.

## DELIVERY INSTRUCTIONS—EXCHANGE SUBSCRIPTION

For United States of America 4<sup>3</sup>/<sub>4</sub> Percent Treasury Notes of Series A-1964  
Dated July 20, 1959, With Interest from December 15, 1959, Due May 15, 1964

### BEARER NOTES DESIRED IN EXCHANGE

*(Use schedule on reverse side for registered notes)*

Pieces	Denomination	Face amount			<i>(Leave this space blank)</i>
	\$ 1,000				
	5,000				
	10,000				
	100,000				
	1,000,000				
	<b>TOTAL</b>				

United States Savings Bonds of Series F or G maturing in 1960 must be tendered in payment for this subscription.

EXCHANGE SUBSCRIPTION

For United States of America 4 3/4 Percent Treasury Notes of Series A-1964 Dated July 20, 1959, With Interest from December 15, 1959, Due May 15, 1964

Important

ADDITIONAL ISSUE

- 1. Subject to the reservations in Treasury Department Circular No. 1034, dated November 19, 1959, all exchange subscriptions will be allotted in full.
2. The lowest denomination of the new notes is \$1,000. If the Series F and G bonds tendered in payment aggregate less than an even multiple of \$1,000, the cash difference should accompany the subscription to make up the next higher \$1,000 multiple.
3. Separate subscription forms should be used for bearer notes and registered notes desired in exchange.
4. Series F and G bonds tendered in exchange must bear appropriate requests for payment in accordance with the provisions of Treasury Department Circular No. 530, Eighth Revision, as amended, or the special endorsements provided for in Treasury Department Circular No. 888, Revised.

To 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 Savings Bond Department—6th Floor

DEAR SIRs:

Subject to the provisions of Treasury Department Circular No. 1034, dated November 19, 1959, the undersigned hereby subscribes for United States of America 4 3/4 percent Treasury Notes of Series A-1964 in the amount of \$..... (par amount) and herewith tenders in payment therefor United States Savings Bonds of Series F and G in the amount of ..... (maturity value), as shown below, plus a cash difference, if any, of \$..... to make an even multiple of \$1,000, and interest adjustment, if any, of \$....., as shown below. Payment for any cash difference and for any interest adjustment is made as follows:

- By cash By check By charge to reserve account By credit to Treasury Tax and Loan Account (If payment is made by credit to Treasury Tax and Loan Account, please submit completed Form Sav. B. 197.)

The savings bonds tendered in payment are:

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

SAVINGS BONDS SURRENDERED

(List on reverse side name of each registered owner whose bonds are surrendered and the amounts thereof)

Table with columns for SERIES F and SERIES G, including Maturity value, Month of Maturity, and Amounts to be paid by Subscriber.

(Do not fill in boxes below)

(Signature(s) required also on Delivery Instructions below)

Table with columns: Received, Checked, Canceled

Submitted by ..... (Please print)

By ..... By ..... (Authorized signature(s) required)

Title ..... Title .....

Address .....

DELIVERY INSTRUCTIONS—EXCHANGE SUBSCRIPTION

Subscription No.

For United States of America 4 3/4 Percent Treasury Notes of Series A-1964 Dated July 20, 1959, With Interest from December 15, 1959, Due May 15, 1964

BEARER NOTES DESIRED IN EXCHANGE

(Use schedule on reverse side for registered notes)

Table with columns: Denomination, Face amount, (Leave this space blank)

Delivery Instructions

(For bearer notes desired in exchange)

- 1. Deliver over the counter to the undersigned
2. Hold in safekeeping (for member bank only)
3. Hold as collateral for Treasury Tax and Loan Account
4. Ship to the undersigned
5. Special instructions:

The undersigned hereby certifies that the securities to be disposed of as indicated in item 2 or 3 above are owned solely by the undersigned.

(IMPORTANT: No changes in delivery instructions will be accepted. A separate subscription form must be submitted for each group of securities for which different delivery instructions are given.)

Submitted by ..... (Please print)

By ..... By ..... (Authorized signature(s) required)

Title ..... Title .....

Address .....

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

Table with columns: Savings Bond Division, Government Bond Division, Safekeeping Division

DELIVERY RECEIPT

Received from Federal Reserve Bank of New York, Fiscal Agent of the United States, the above described securities in the amount indicated above.

Date..... Subscriber..... By.....

**Names of registered owners and amounts of bonds surrendered**

(If space below is insufficient, attach separate listing)

Leave blank	Name of registered owner	Amount	Leave blank	Name of registered owner	Amount

**Interest adjustment tables**

**Series F Bonds**

F bonds maturing on the first day of	Exchange values of F bonds per \$100 (face amt.)	Charge for differences between \$99.75 (offering price per \$100 of notes) and exchange values of bonds	Interest to be charged on notes per \$100 (face amt.) of F bonds	Total amounts to be paid by subscribers per \$100 (face amt.) of F bonds accepted (Cols. 2 plus 3)
	COL. 1	COL. 2	COL. 3	COL. 4
January . . . 1960	\$99.84	\$-0.09	\$0.40	\$0.31
February . . . 1960	99.52	0.23	0.40	0.63
March . . . . . 1960	99.20	0.55	0.40	0.95
April . . . . . 1960	98.92	0.83	0.40	1.23
May . . . . . 1960	98.60	1.15	0.40	1.55
June . . . . . 1960	98.28	1.47	0.40	1.87
July . . . . . 1960	97.96	1.79	0.40	2.19
August . . . . . 1960	97.68	2.07	0.40	2.47
September . . . 1960	97.36	2.39	0.40	2.79
October . . . . . 1960	97.04	2.71	0.40	3.11
November . . . 1960	96.76	2.99	0.40	3.39
December . . . 1960	96.44	3.31	0.40	3.71

1 In addition, for each \$100, or multiple or fraction thereof, between the face amount of Series F bonds submitted and the face amount of notes subscribed (to next higher multiple of \$1,000) the subscriber must pay \$100.15 (\$99.75 issue price plus \$0.40 accrued interest).

**Series G Bonds**

G bonds maturing in 1960 on the first day of	Exchange values of G bonds per \$100 (face amt.)	Charge for differences between \$99.75 (offering price per \$100 of notes) and exchange values of bonds	Interest to be credited on G bonds per \$100 (face amt.)	Interest to be charged on notes per \$100 (face amt.) of G bonds	Total amounts per \$100 (face amt.) of G bonds accepted	To be paid to subscribers (Cols. 3 minus 2 and 4)	To be paid by subscribers (Cols. 2 and 4 minus 3)
	COL. 1	COL. 2	COL. 3	COL. 4	COL. 5	COL. 6	COL. 7
January . . . . .	\$99.94	\$-0.19	\$1.15	\$0.40	\$0.94	\$-	\$-
February . . . . .	99.83	-0.08	0.94	0.40	0.62	-	-
March . . . . .	99.72	0.03	0.73	0.40	0.30	-	-
April . . . . .	99.62	0.13	0.52	0.40	-	0.01	0.01
May . . . . .	99.51	0.24	0.31	0.40	-	0.33	0.33
June . . . . .	99.41	0.34	0.10	0.40	-	0.64	0.64
July . . . . .	99.30	0.45	3	0.40	-	0.95	0.95
August . . . . .	99.19	0.56	0.94	0.40	-	0.02	0.02
September . . .	99.08	0.67	0.73	0.40	-	0.34	0.34
October . . . . .	98.98	0.77	0.52	0.40	-	0.65	0.65
November . . .	98.87	0.88	0.31	0.40	-	0.97	0.97
December . . . .	98.77	0.98	0.10	0.40	-	1.28	1.28

1 In addition, for each \$100, or multiple thereof, between the face amount of Series G bonds submitted and the face amount of notes subscribed (to next higher multiple of \$1,000) the subscriber must pay \$100.15 (\$99.75 issue price plus \$0.40 accrued interest).

2 The net amount to be paid to subscribers will be paid following acceptance of the bonds by the agency through which the exchange is made.

3 Interest will be paid to January 1, 1960, on bonds maturing July 1, 1960, in regular course on January 1, 1960, by checks mailed by the Treasury Department. As these checks will include unearned interest for the period from December 15, 1959, to January 1, 1960, each subscriber who tenders these bonds will be required to make an interest refund of \$0.10 per \$100 (face amount). The above amount in Col. 6 of \$0.95 includes such refund.

**Schedule for Issue of Registered Notes**

(If registered notes, which are mailed directly by Treasury Department, Washington, D. C., are not to be sent to the registered owner, give mailing instructions below.)

Name in which notes shall be registered and post-office address for interest checks and other mail. <i>(Please print or typewrite)</i>	Amount	(Indicate under appropriate denominations, number of notes desired.)				
		\$1,000	\$5,000	\$10,000	\$100,000	\$1,000,000

Mail registered notes to .....

The subscriber bonds will open on November 23 and close at the close of business November 30, 1959.