

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5025]
April 18, 1961

**Treasury Announces That Preemptive Rights Will Not Attach
to Securities Maturing May 15, 1961**

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

The following statement was made public today by the Treasury Department:

The holders of \$3,674 million of 4 $\frac{3}{8}$ percent Certificates of Indebtedness of Series B-1961, dated May 15, 1960, maturing May 15, 1961, and holders of \$4,078 million of 3 $\frac{5}{8}$ percent Treasury Notes of Series B-1961, dated December 1, 1958, maturing May 15, 1961, *will not* be offered preemptive rights to exchange their holdings for new securities to be offered early next month. The maturing certificates and notes, aggregating \$7,752 million, will be paid off in cash. Approximately \$4,800 million of the certificates and notes are publicly held.

The necessary funds to pay off the maturing certificates and notes will be provided by another issue, or other issues, of direct Treasury obligations offered for cash subscriptions. Subscribers to such new issue or issues who hold the maturing certificates and notes may, if they wish, deposit them at face value in lieu of any cash down-payments required with subscriptions. To the extent subscribers are allotted the new securities, the Treasury will accept the maturing securities in lieu of cash in making final payments.

The announcement of the terms of the new issue or issues will be made later this month.

ALFRED HAYES,
President.