

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 5172]
April 3, 1962

Offering of \$2,000,000,000 of Special 365-Day Treasury Bills

Dated April 15, 1962

Maturing April 15, 1963

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

Following is the text of a notice issued by the Treasury Department for release today:

The Treasury Department, by this public notice, invites tenders for \$2,000,000,000, or thereabouts, of 365-day Treasury bills, for cash and in exchange for Treasury bills maturing April 15, 1962, in the amount of \$2,000,462,000, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be dated April 15, 1962, and will mature April 15, 1963, 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, \$50,000, \$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, one-thirty p.m., Eastern Standard time, Tuesday, April 10, 1962. 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. (Notwithstanding the fact that these bills will run for 365 days, the discount rate will be computed on a bank discount basis of 360 days, as is currently the practice on all issues of Treasury bills.) 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.

Banking institutions generally may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others than banking institutions will not be permitted to submit tenders except for their own account. 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 Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection

This Bank will receive tenders up to 1:30 p.m., Eastern Standard time, Tuesday, April 10, 1962, at the Securities Department of its Head Office and at its Buffalo Branch. Please use the form on the reverse side of this circular to submit a tender, and return it in the enclosed yellow envelope marked "Tender for Special Treasury Bills." Tenders may be submitted by telegraph, subject to written confirmation; they may not be submitted by telephone. *Payment for the Treasury bills cannot be made by credit through the Treasury Tax and Loan Account. Settlement must be made in cash or other immediately available funds or in maturing Treasury bills.*

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, noncompetitive tenders for \$400,000 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 April 16, 1962, in cash or other immediately available funds or in a like face amount of Treasury bills maturing April 15, 1962. 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, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills 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. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest. Under Sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are 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 (current revision) 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.

ALFRED HAYES,
President.

(OVER)

Federal Reserve Bank of New York

Securities Department (9th Floor)

33 Liberty Street

New York 45, N. Y.

TENDER FOR SPECIAL
TREASURY BILLS

(DO NOT USE THIS ENVELOPE FOR OTHER PURPOSES)

NOTICE OF ALLOTMENT
OF UNITED STATES OF AMERICA SPECIAL TREASURY BILLS

April 11, 1962.

Your [] competitive [] noncompetitive tender for—

UNITED STATES OF AMERICA SPECIAL 365-DAY TREASURY BILLS
DATED APRIL 15, 1962, DUE APRIL 15, 1963

has been accepted at the price of \$ (per 100), in the amount of—

\$ (maturity value)

Settlement therefor must be made in cash or check in immediately available funds or in a like face amount of the maturing issue of Treasury bills at the Federal Reserve Bank of New York on or before April 16, 1962.

Delivery of the Treasury bills will be made in accordance with instructions submitted with your tender, and your reserve account will be charged on April 16, 1962 if you so indicated.

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

Checked by

This letter of instructions must be signed
wholly in the space provided and
returned immediately to

Federal Reserve Bank of New York,
Fiscal Agent of the United States.

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

Government Bond Division

Exchange Division

Request received

Checked

Amount of \$

Delivered

DELIVERY RECEIPT

Accepted by Federal Reserve Bank of New York, Fiscal Agent of the United States, the above described securities allotted in the amount

LETTER OF INSTRUCTIONS

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

Attention: Government Bond Division—2nd Floor

Dated at

.....1962

On our competitive noncompetitive tender for—

**UNITED STATES OF AMERICA SPECIAL 365-DAY TREASURY BILLS
DATED APRIL 15, 1962, DUE APRIL 15, 1963**

accepted at the price of

(per 100), in the amount of—

\$

(maturity value)

Please issue and make delivery of the bills as instructed below:

Pieces	Denomination	Maturity Value	PLEASE DO NOT USE THIS SPACE
	\$ 1,000		
	5,000		
	10,000		
	50,000		
	100,000		
	500,000		
	1,000,000		
	Totals—		

- 1. Deliver over the counter to the undersigned
- 2. Ship to the undersigned
- 3. Hold in safekeeping (for account of member bank only)
- 4. Allotment transfer (see list attached)
- 5. Special instructions:

(No changes in delivery instructions will be accepted.)

Payment will be made as follows:

- By charge to our reserve account
- By cash or check in immediately available funds
- By surrender of \$..... (maturity value) of maturing Treasury bills. Pay cash adjustment, if any—
 - By check
 - By credit to our reserve account

(Payment cannot be made through Treasury Tax and Loan Account)

The undersigned (if a bank or trust company) hereby certifies that the Treasury bills which you are hereby instructed to dispose of in the manner indicated in item numbered 3 above are owned solely by the undersigned.

This letter of instructions must be signed officially in the space provided and returned immediately to

Submitted by

(Please print)

By, By

(Authorized signature(s) required)

Title, Title

Address

Federal Reserve Bank of New York,
Fiscal Agent of the United States.

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

Government Bond Division	Safekeeping Division
Payment received	Checked
Deliver against payment of \$	Delivered

DELIVERY RECEIPT

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

Date _____ Subscriber, By

LETTER OF INSTRUCTIONS

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

Attention: Government Bond Division—2nd Floor

Dated at

.....1962

On our [] competitive [] noncompetitive tender for—

UNITED STATES OF AMERICA SPECIAL 365-DAY TREASURY BILLS
DATED APRIL 15, 1962, DUE APRIL 15, 1963

accepted at the price of (per 100), in the amount of—

\$ (maturity value)

Please issue and make delivery of the bills as instructed below:

Table with columns: Pieces, Denomination, Maturity Value, and PLEASE DO NOT USE THIS SPACE. Rows include denominations from \$1,000 to 1,000,000 and a Totals row.

- 1. Deliver over the counter to the undersigned
2. Ship to the undersigned
3. Hold in safekeeping (for account of member bank only)
4. Allotment transfer (see list attached)
5. Special instructions:

(No changes in delivery instructions will be accepted)

Payment will be made as follows:

- [] By charge to our reserve account
[] By cash or check in immediately available funds
[] By surrender of \$.....(maturity value) of maturing Treasury bills. Pay cash adjustment, if any—
[] By check
[] By credit to our reserve account

(Payment cannot be made through Treasury Tax and Loan Account)

The undersigned (if a bank or trust company) hereby certifies that the Treasury bills which you are hereby instructed to dispose of in the manner indicated in item numbered 3 above are owned solely by the undersigned.

This letter of instructions must be signed officially in the space provided and returned immediately to

Submitted by (Please print)
By By (Authorized signature(s) required)
Title Title
Address

Federal Reserve Bank of New York,
Fiscal Agent of the United States.

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

Table with columns: Government Bond Division, Safekeeping Division. Rows: Payment received, Checked, Deliver against payment of \$, Delivered.

DELIVERY RECEIPT

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

Your competitive noncompetitive tender for—

UNITED STATES OF AMERICA SPECIAL 365-DAY TREASURY BILLS
DATED APRIL 15, 1962, DUE APRIL 15, 1963

which has been accepted at the price of

(per 100), in the amount of—

\$

PRINCIPAL				
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MASTER

MATURITY VALUE				
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PRINCIPAL				
-----------	--	--	--	--

DISPOSITION	SPLIT DISPOSITION			
<input type="checkbox"/> Over the Counter				
<input type="checkbox"/> Safekeeping				
<input type="checkbox"/> Ship				
<input type="checkbox"/> Treasury Tax & Loan				
<input type="checkbox"/> Allotment Transfer				

METHOD OF PAYMENT
<input type="checkbox"/> Reserve Account
<input type="checkbox"/> Check or Cash
<input type="checkbox"/> Delivery Teller
<input type="checkbox"/> Foreign Oper. Div.
<input type="checkbox"/> Form 12

competitive noncompetitive

UNITED STATES OF AMERICA SPECIAL 365-DAY TREASURY BILLS
DATED APRIL 15, 1962, DUE APRIL 15, 1963

\$

FEDERAL RESERVE BANK OF NEW YORK
First Agent for the United States

[REDACTED]

OFFERING OF TWO SERIES OF TREASURY BILLS

\$1,200,000,000 of 91-Day Bills, Additional Amount, Series Dated January 11, 1962, Due July 12, 1962
(To Be Issued April 12, 1962)

\$800,000,000 of 182-Day Bills, Dated April 12, 1962, Due October 11, 1962

competitive noncompetitive

UNITED STATES OF AMERICA SPECIAL 365-DAY TREASURY BILLS
DATED APRIL 15, 1962, DUE APRIL 15, 1963

To All Interested Parties
Concerned in the United States

Following is the text of a notice issued by the Treasury Department, released for publication today at 4:00 p.m. Eastern Standard time:

The Treasury Department, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of \$1,200,000,000, or thereabouts, for cash and in exchange for Treasury bills maturing April 12, 1962, in the amount of \$1,000,000,000, as follows:

91-day bills (to maturity) to be issued April 12, 1962, in the amount of \$1,000,000,000, or thereabouts, representing an additional amount of bills dated January 11, 1962, and to mature July 12, 1962, originally issued in the amount of \$200,000,000, the additional and original bills to be freely interchangeable.

182-day bills, for 200,000,000, or thereabouts, to be dated April 12, 1962, and to mature October 11, 1962.

The bills of both series will be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided, and at maturity their 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, \$50,000, \$100,000, \$500,000 and \$1,000,000 (nominal value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, one-thirty p.m., Eastern Standard time, Monday, April 9, 1962. 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., 99.923. 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.

Banking institutions generally may submit tenders for account of customers, provided the names of the customers are set forth on such tenders. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and stock companies and from responsible individuals acting as investment securities. Tenders from others must be accompanied by payment of 5 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guarantee 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 Treasury Department.

The Bank will receive tenders for both series up to 1:30 p.m., Eastern Standard time, Monday, April 9, 1962, at the Securities Department of its Head Office and at its Buffalo Branch. Tender forms for the respective series are enclosed. Please use the appropriate form to submit tenders and return them in an envelope marked "Tenders for Treasury Bills." Tenders may be submitted by telegraph, subject to written confirmation; they may not be submitted by telephone. Payment for the Treasury bills cannot be made by check through the Treasury for one series. Payment for Treasury bills is made by check through the Treasury for one series.

Tenders of the last offering of Treasury bills (91-day bills to be issued April 5, 1962, representing an additional amount of bills dated January 4, 1962, and maturing July 5, 1962, and 182-day bills dated April 5, 1962, maturing October 4, 1962) are shown on the reverse side of this circular.

Arthur Hayes
First Agent