

**FEDERAL RESERVE BANK  
OF NEW YORK**

Fiscal Agent of the United States

[ Circular No. 5184 ]  
April 26, 1962

**Treasury to Refund \$11.7 Billion of Securities Maturing May 15 and June 15**

*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 Treasury is offering holders of Treasury securities maturing May 15 and June 15, 1962, aggregating \$11,683 million, the right to exchange them for any of the following securities:

- 3 $\frac{1}{4}$  percent Treasury Certificates of Indebtedness to be dated May 15, 1962, and to mature May 15, 1963, at par;
- 3 $\frac{5}{8}$  percent Treasury notes to be dated May 15, 1962, and to mature February 15, 1966, at 99.80, to yield about 3.68 percent to maturity; or
- 3 $\frac{7}{8}$  percent Treasury bonds to be dated May 15, 1962, and to mature November 15, 1971, at 99.50, to yield about 3.94 percent to maturity.

Cash subscriptions for the new securities will not be received.

The maturing issues eligible for exchange are as follows:

- \$5,509 million of 3 percent Treasury Certificates of Indebtedness of Series A-1962, dated May 15, 1961, maturing May 15, 1962;
- \$2,211 million of 4 percent Treasury Notes of Series E-1962, dated April 14, 1960, maturing May 15, 1962; and
- \$3,963 million of 2 $\frac{1}{4}$  percent Treasury Bonds of 1959-62, dated June 1, 1945, maturing June 15, 1962.

The subscription books will be open only on April 30 through May 2 for the receipt of subscriptions. Subscriptions for any issue addressed to a Federal Reserve Bank or Branch, or to the Office of the Treasurer of the United States, and placed in the mail before midnight May 2, will be considered as timely. The new securities will be delivered May 15, 1962. Interest on the 2 $\frac{1}{4}$  percent bonds which are exchanged will be paid through May 15, as indicated below. The new certificates of indebtedness will be available only in bearer form. The new notes and bonds will be made available in registered as well as bearer form.

Interest on the 3 $\frac{1}{4}$  percent certificates of indebtedness will be paid on November 15, 1962, and May 15, 1963. Interest on the 3 $\frac{5}{8}$  percent notes will be paid on August 15, 1962, and semiannually thereafter on February 15 and August 15. Interest on the 3 $\frac{7}{8}$  percent bonds will be paid on November 15, 1962, and semiannually thereafter on May 15 and November 15.

***Exchanges of 3 percent certificates and 4 percent notes***

Exchanges of the 3 percent certificates and 4 percent notes maturing May 15, 1962, may be made for a like face amount of any of the securities included in this exchange offering. Coupons dated May 15, 1962, on the maturing 3 percent certificates and 4 percent notes in bearer form should be detached by holders and cashed when due. Subscribers to the new 3 $\frac{5}{8}$  percent notes and 3 $\frac{7}{8}$  percent bonds will be paid, respectively, \$2.00 and \$5.00 per \$1,000, representing the discount on these securities.

***Exchange of 2 $\frac{1}{4}$  percent bonds***

Exchanges of the 2 $\frac{1}{4}$  percent bonds maturing June 15, 1962, may be made for a like face amount of any of the securities included in this exchange offering. Coupons dated June 15, 1962, must be attached to the maturing 2 $\frac{1}{4}$  percent bonds in bearer form when surrendered for exchange. Payments will be made to holders who exchange their 2 $\frac{1}{4}$  percent bonds as follows:

<i>2<math>\frac{1}{4}</math>% bonds exchanged for</i>	<i>Credits per \$1,000</i>		
	<i>Accrued interest on 2<math>\frac{1}{4}</math>% bonds to 5/15/62</i>	<i>Discount on new securities</i>	<i>Amount to be paid to subscriber</i>
3 $\frac{1}{4}$ % Certificates 5/15/63 .....	\$9.33379	—	\$ 9.33379
3 $\frac{5}{8}$ % Notes 2/15/66 .....	9.33379	\$2.00	11.33379
3 $\frac{7}{8}$ % Bonds 11/15/71 .....	9.33379	5.00	14.33379

Circulars and subscription forms for this offering will be mailed to reach you by Monday, April 30.

ALFRED HAYES,  
*President.*