

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the Commodity Credit Corporation

[Circular No. 5790]
March 24, 1966

Invitation for Bids on \$500,000,000 of 117-Day Commodity Credit Corporation Certificates of Interest Special Series

Dated April 6, 1966

Due August 1, 1966

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

Following is the text of an invitation for bids authorized by the Commodity Credit Corporation to be issued today on its special series of certificates of interest:

Commodity Credit Corporation (hereinafter referred to as "CCC"), an agency and instrumentality of the United States within the Department of Agriculture, hereby invites bids for the purchase of a special series of non-interest bearing negotiable Certificates of Interest in an approximate amount of \$500,000,000. These Certificates evidence participation in the financing, and an interest in a pool, of outstanding CCC price support loans on agricultural commodities. The Certificates will be sold on a discount basis and will be issued in denominations of \$5,000, \$10,000, \$100,000, and \$1,000,000, but denominational exchanges may be made at any Federal Reserve Bank. The Certificates have a maturity date of August 1, 1966, and will be redeemed by CCC on or after the maturity date upon presentation at any Federal Reserve Bank or Branch thereof. The Certificates are eligible as security for advances at Federal Reserve Banks and as collateral for Treasury Tax and Loan accounts.

Bids will be received at any Federal Reserve Bank up to 1:30 p.m., E.S.T., Wednesday, March 30, 1966. Bids must be in writing in multiples of \$5,000 and 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. It is urged that bids be made on the printed forms, and forwarded in the special envelopes, to be furnished by Federal Reserve Banks on application therefor.

Banking institutions generally may submit bids for accounts of customers, provided the names of the customers are set forth in such bids. Others may only submit bids for their own account. Bids will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Bids from others must be accompanied by a deposit of 2 percent of the face amount of the Certificates bid for, unless such bids are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, CCC will open and evaluate the bids, and will then publicly announce the amount and price range of accepted bids. CCC expressly reserves the right to accept or reject any or all bids, in whole or in part, and any such action shall be final. Subject to this reservation, non-competitive bids from any one bidder for \$200,000 or less without stated price will be accepted in full at the average price (in three decimals) of accepted competitive bids. Those submitting successful bids will be so advised by the Federal

Reserve Bank to which the bid was submitted, and settlement therefor must be made at such Bank on April 6, 1966, in U. S. dollars, either in cash or other immediately available funds. Payment cannot be made by credit through the Treasury Tax and Loan account.

After payment in full has been made to the Federal Reserve Bank for Certificates allotted against a bid, such Certificates so allotted on original issuance will be transferred by wire in any amount, on request of the owner, to any other Federal Reserve Bank for his account.

CCC has statutory authority to borrow up to \$14.5 billion and reserves an amount of its uncommitted borrowing authority sufficient to redeem outstanding special series Certificates of Interest. CCC has an arrangement to borrow from the Secretary of the Treasury of the United States any portion of the uncommitted amount of its borrowing authority whenever needed to redeem such Certificates, which arrangement is confirmed in a letter dated March 19, 1966, from Henry H. Fowler, Secretary of the Treasury, to John A. Schnittker, President of Commodity Credit Corporation, the text of which is as follows:

Reference is made to the request that an arrangement be made between Commodity Credit Corporation and the Secretary of the Treasury to borrow any portion of the uncommitted amount of Commodity Credit Corporation's borrowing authority whenever it is needed to redeem outstanding special series Certificates of Interest.

The Commodity Credit Corporation has statutory authority (15 U.S.C. 714b(i) and 713a-4) to borrow up to \$14.5 billion, provided the approval of the Secretary of the Treasury is obtained. I am advised that the unused balance of Commodity Credit Corporation's authorized borrowing authority presently exceeds \$1.9 billion. I understand that the Commodity Credit Corporation has reserved \$500 million of this unused balance to be used only for the redemption of special series Certificates of Interest at maturity on August 1, 1966. After giving effect to this reservation of \$500 million for such redemption, the current unreserved and unused balance of Commodity Credit Corporation's borrowing authority will be in excess of \$1.4 billion.

Accordingly, on the records of the Treasury Department, we are reserving \$500 million of your total unused borrowing authority for the purpose of redeeming outstanding special series Certificates of Interest.

This Bank will receive bids in accordance with the foregoing invitation, up to 1:30 p.m., Eastern Standard time, Wednesday, March 30, 1966, at the Securities Department of its Head Office. Please use the form on the reverse side of this circular to submit bids and return them sealed in the enclosed envelope marked "Tender for CCC Certificates of Interest." Bids may be submitted by telegraph, subject to written confirmation; they may not be submitted by telephone. Settlement must be made in immediately available funds at this Bank on Wednesday, April 6, 1966.

ALFRED HAYES,
President.

(OVER)

No.

TENDER FOR 117-DAY COMMODITY CREDIT CORPORATION CERTIFICATES OF INTEREST, SPECIAL SERIES

Dated April 6, 1966

Due August 1, 1966

TO FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the Commodity Credit Corporation.

Dated at, 1966

Pursuant to the invitation for bids issued by the Commodity Credit Corporation on March 24, 1966, and printed on the reverse side of this tender, the undersigned hereby offers to purchase such certificates in the amount indicated below, and agrees to make payment therefor at your Bank on or before the issue date at the price indicated below:

COMPETITIVE TENDER
(In multiples of \$5,000)

[Do not fill in both competitive and
noncompetitive tenders on one form]

NONCOMPETITIVE TENDER
(In multiples of \$5,000)

\$.....(maturity value),
or any lesser amount that may be awarded.

\$.....(maturity value).
(Not to exceed \$200,000 for one bidder through all sources)

Price: per 100.

(Price must be expressed with not more than three
decimal places, for example, 99.925)

At the average price of accepted competitive bids.

Subject to allotment, please issue, deliver, and accept payment for the certificates as indicated below:

Pieces	Denomination	Maturity value			<div><input type="checkbox"/> 1. Deliver over the counter to the undersigned</div> <div><input type="checkbox"/> 2. Ship to the undersigned</div> <div><input type="checkbox"/> 3. Hold in safekeeping (for account of member bank only)*</div> <div><input type="checkbox"/> 4. Allotment transfer (see list attached)</div> <div><input type="checkbox"/> 5. Special instructions:</div> <div>(No changes in delivery instructions will be accepted)</div>	<div>Payment will be made as follows:</div> <div><input type="checkbox"/> By charge to our reserve account</div> <div><input type="checkbox"/> By cash or check in immediately available funds</div> <div>(Payment cannot be made through Treasury Tax and Loan Account)</div>
	\$ 5,000					
	10,000					
	100,000					
	1,000,000					
	Total					

* If this item is checked, the undersigned certifies that the allotted certificates will be owned solely by the undersigned.

*Insert this tender
in pink envelope
marked "Tender for
CCC Certificates of
Interest"*

Name of subscriber
(Please print)

By By
(Official signature(s) required)

Title Title

Address

(Banking institutions submitting tenders for customer account must list names below or on an attached rider)

..... (Name of customer) (Name of customer)

INSTRUCTIONS:

1. No tender for less than \$5,000 will be considered, and each tender must be for an even multiple of \$5,000 (maturity value).

2. Others than banking institutions will not be permitted to submit tenders except for their own account. Banking institutions submitting tenders for customer account may consolidate competitive tenders at the same price and may consolidate noncompetitive tenders, provided a list is attached showing the name of each bidder, the amount bid for his account, and method of payment.

3. If the person making the tender is a corporation, the tender should be signed by an officer of the corporation authorized to make the tender, and the signing of the tender by an officer of the corporation will be construed as a representation by him that he has been so authorized. If the tender is made by a partnership, it should be signed by a member of the firm, who should sign in the form "....., a copartnership, by, a member of the firm."

4. 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 certificates of interest applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

5. If the language of this tender is changed in any respect, which, in the opinion of the Commodity Credit Corporation, is material, the tender may be disregarded.

NOTICE OF ALLOTMENT
OF COMMODITY CREDIT CORPORATION CERTIFICATES OF INTEREST
SPECIAL SERIES

March 31, 1966

Your ☐ competitive ☐ noncompetitive tender for—

COMMODITY CREDIT CORPORATION CERTIFICATES OF INTEREST, SPECIAL SERIES
DATED APRIL 6, 1966, DUE AUGUST 1, 1966

has been accepted at the price of

(per 100), in the amount of—

\$

(maturity value)

Settlement therefor must be made in cash or other immediately available funds at the Federal Reserve Bank of New York on or before the issue date. If settlement is to be made by check on a bank other than the Federal Reserve Bank of New York, such checks should be received by us in time for collection on the issue date; otherwise it will be necessary for the bidder to pay for the certificates allotted at the accepted price, plus interest to the date of collection at the equivalent rate of discount.

Delivery of the certificates will be made in accordance with instructions given on your tender form, and your reserve account will be charged on the issue date if you so indicated. If additional instructions are required, a Letter of Instructions form will be found attached; please complete the letter in triplicate and return it promptly to this Bank.

FEDERAL RESERVE BANK OF NEW YORK
Fiscal Agent of the Commodity Credit Corporation

Checked by

(This letter of instructions, accompanied by attached duplicate and triplicate copies, should be filled in and returned to Federal Reserve Bank of New York)

LETTER OF INSTRUCTIONS

2

TO FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the Commodity Credit Corporation
Federal Reserve P. O. Station,
New York, N. Y. 10045

Attention: Government Bond Division—2nd Floor

Dated at

.....1966

On our ☐ competitive ☐ noncompetitive tender for—

COMMODITY CREDIT CORPORATION CERTIFICATES OF INTEREST, SPECIAL SERIES
DATED APRIL 6, 1966, DUE AUGUST 1, 1966

accepted at the price of

(per 100), in the amount of—

\$

(maturity value)

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

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

- ☐ 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:

Payment will be made as follows:

- ☐ By charge to our reserve account
- ☐ By cash or check in immediately available funds

(No changes in delivery instructions will be accepted)

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

* If this item is checked, the undersigned certifies that the allotted certificates will be owned solely by the undersigned.

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

Federal Reserve Bank of New York,
Fiscal Agent of the Commodity Credit Corporation.

Submitted by

(Please print)

By, By

(Authorized signature(s) required)

Title Title

Address

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

Government Bond Division	Security Custody Department	Safekeeping Division
PAYMENT RECEIVED		
signed:	Taken from vault	Checked
DELIVER AGAINST PAYMENT	Counted	Delivered
OF \$	Checked	
signed:		

DELIVERY RECEIPT

Received from Federal Reserve Bank of New York, Fiscal Agent of the Commodity Credit Corporation, the above-described certificates allotted in the amount indicated above.

Digitized by FRASER

<http://treaserver.stlouisfed.org/>

Federal Reserve Bank of St. Louis

Subscriber

By

DELIVERY TICKET—SAFEKEEPING DIVISION

3

To FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the Commodity Credit Corporation
Federal Reserve P. O. Station,
New York, N. Y. 10045

Attention: Government Bond Division—2nd Floor

Dated at

.....1966

On our ☐ competitive ☐ noncompetitive tender for—

COMMODITY CREDIT CORPORATION CERTIFICATES OF INTEREST, SPECIAL SERIES
DATED APRIL 6, 1966, DUE AUGUST 1, 1966

accepted at the price of

(per 100), in the amount of—

\$

(maturity value)

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

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

- ☐ 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:

Payment will be made as follows:

- ☐ By charge to our reserve account
☐ By cash or check in immediately available funds

(No changes in delivery instructions will be accepted)

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

* If this item is checked, the undersigned certifies that the allotted certificates will be owned solely by the undersigned.

This letter of instructions must be signed
officially in the space provided and re-
turned immediately to

Federal Reserve Bank of New York,
Fiscal Agent of the Commodity Credit Corporation.

Submitted by

(Please print)

By

(Authorized signature(s) required)

Title

Title

Address

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

Government Bond Division	Security Custody Department	Safekeeping Division
PAYMENT RECEIVED		
signed:	Taken from vault	Checked
DELIVER AGAINST PAYMENT	Counted	Delivered
OF \$	Checked	
signed:		

DELIVERY RECEIPT

Received from Federal Reserve Bank of New York, Fiscal Agent of the Commodity Credit Corporation, the above-described certificates allotted in the amount indicated above.

RELOCATION OFFICE—OUT

4

To FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the Commodity Credit Corporation
Federal Reserve P. O. Station,
New York, N. Y. 10045

Attention: Government Bond Division—2nd Floor

Dated at

.....1966

On our ☐ competitive ☐ noncompetitive tender for—

COMMODITY CREDIT CORPORATION CERTIFICATES OF INTEREST, SPECIAL SERIES
DATED APRIL 6, 1966, DUE AUGUST 1, 1966

accepted at the price of

(per 100), in the amount of—

\$

(maturity value)

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

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

- ☐ 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:

Payment will be made as follows:

- ☐ By charge to our reserve account
☐ By cash or check in immediately available funds

(No changes in delivery instructions will be accepted)

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

* If this item is checked, the undersigned certifies that the allotted certificates will be owned solely by the undersigned.

**This letter of instructions must be signed
officially in the space provided and re-
turned 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 Commodity Credit Corporation.

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

Government Bond Division	Security Custody Department	Safekeeping Division
PAYMENT RECEIVED		
signed:	Taken from vault	Checked
DELIVER AGAINST PAYMENT	Counted	Delivered
OF \$	Checked	
signed:		

DELIVERY RECEIPT

Received from Federal Reserve Bank of New York, Fiscal Agent of the Commodity Credit Corporation, the above-described certificates allotted in the amount indicated above.

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http://fraser.stlouisfed.org/

Federal Reserve Bank of St. Louis

Subscriber

By

☐ competitive ☐ noncompetitive

**COMMODITY CREDIT CORPORATION CERTIFICATES OF INTEREST, SPECIAL SERIES
DATED APRIL 6, 1966, DUE AUGUST 1, 1966**

price of

\$

PURCHASE PRICE				
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MASTER

MATURITY VALUE				
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PURCHASE PRICE				
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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"/> Check or Cash
<input type="checkbox"/> Reserve Account
<input type="checkbox"/> Delivery Teller
<input type="checkbox"/> Foreign Oper. Div.
<input type="checkbox"/> Form 12

☐ competitive ☐ noncompetitive

**COMMODITY CREDIT CORPORATION CERTIFICATES OF INTEREST, SPECIAL SERIES
DATED APRIL 6, 1966, DUE AUGUST 1, 1966**

price of

\$

☐ competitive ☐ noncompetitive

COMMODITY CREDIT CORPORATION CERTIFICATES OF INTEREST, SPECIAL SERIES
DATED APRIL 6, 1966, DUE AUGUST 1, 1966

price of

\$