

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5962]
March 22, 1967]

UNITED STATES SAVINGS BONDS, SERIES E
Third Amendment to Treasury Department Circular No. 653

*To Issuing and Paying Agents for Series E Savings Bonds
in the Second Federal Reserve District:*

Enclosed is a copy of the Third Amendment, dated February 23, 1967, to Treasury Department Circular No. 653, Seventh Revision, dated March 18, 1966, entitled "Offering of United States Savings Bonds, Series E." The amendment grants to owners of Series E bonds with issue dates of June 1, 1959, or thereafter, the option of holding the bonds for an extended maturity period of ten years at an annual investment yield of approximately 4.15 per cent, compounded semi-annually, except that the Secretary of the Treasury may prescribe a different yield for such bonds with issue dates of December 1, 1959, or thereafter, at any time prior to the publication of tables of redemption values and investment yields for the extended maturity period for those bonds. Tables showing redemption values and investment yields for Series E bonds with issue dates from June 1 through November 1, 1959, are incorporated in the amendment.

Additional copies of the amendment will be furnished upon request.

ALFRED HAYES,
President.

OFFERING OF UNITED STATES SAVINGS BONDS, SERIES E

1967
Third Amendment to
Department Circular No. 653
Seventh Revision, dated
March 18, 1966

TREASURY DEPARTMENT,
Washington, February 23, 1967.

Fiscal Service
Bureau of the Public Debt

Section 316.8 of Department Circular No. 653, Seventh Revision, dated March 18, 1966, as amended (31 CFR Part 316), is hereby further amended and revised, as follows:

Sec. 316.8. *Extended terms and improved yields for outstanding bonds.*—(a) *Optional extension privileges.* * * *

(4) *Bonds with issue dates June 1, 1959, or thereafter.*—Owners of Series E bonds with issue dates of June 1, 1959, or thereafter, have the option of retaining their bonds for an extended maturity period of 10 years.¹

(b) *Improved yields.*² * * *

(5) *Bonds with issue dates June 1, 1959, through November 1, 1959.*—The investment yield on all outstanding Series E bonds with issue dates of June 1, 1959, through November 1, 1959, for the *remaining period to the maturity date*, was increased by $\frac{4}{10}$ of 1 percent per annum if held to original maturity and by lesser amounts if redeemed earlier. The investment yield for the *extended maturity period* will be approximately 4.15 percent per annum compounded semiannually for each half-year period.

¹ See footnote 8, Department Circular No. 653, Seventh Revision (31 CFR Part 316).

² See footnote 2, Department Circular No. 653, Seventh Revision (31 CFR Part 316).

See table 50 for redemption values and investment yields.

(6) *Bonds with issue dates December 1, 1959, or thereafter.*—The investment yield on all outstanding Series E bonds with issue dates of December 1, 1959, through November 1, 1965, for the *remaining period to the maturity date*, was increased by $\frac{4}{10}$ of 1 percent per annum if held to original maturity and by lesser amounts if redeemed earlier. The investment yield for the *extended maturity period* for bonds bearing issue dates of December 1, 1959, or thereafter, will be approximately 4.15 percent per annum compounded semiannually for each half-year period: *Provided, however*, That the Secretary of the Treasury may at any time prior to their maturity prescribe a different yield for such bonds for which no tables of redemption values and investment yields for the extended maturity period have been previously published. Tables of redemption values and investment yields, which are a part of this circular, will be published periodically for the extended maturity period for bonds bearing issue dates of December 1, 1959, or thereafter.

JOHN K. CARLOCK,
Fiscal Assistant Secretary.

TABLE 50

BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1959

Issue price-----	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Approximate investment yield	
Original maturity value-----	25.00	50.00	100.00	200.00	500.00	1,000.00	10,000		
Period after issue date	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period ¹	(3) On current redemption value from beginning of each half-year period ¹ to maturity
								Percent	Percent
First ½ year-----	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	*3.75
½ to 1 year-----	18.91	37.82	75.64	151.28	378.20	756.40	7,564	1.71	*3.89
1 to 1½ years-----	19.19	38.38	76.76	153.52	383.80	767.60	7,676	2.33	*3.96
1½ to 2 years-----	19.51	39.02	78.04	156.08	390.20	780.40	7,804	2.67	*4.01
2 to 2½ years-----	19.90	39.80	79.60	159.20	398.00	796.00	7,960	3.00	*4.01
2½ to 3 years-----	20.28	40.56	81.12	162.24	405.60	811.20	8,112	3.16	*4.03
3 to 3½ years-----	20.66	41.32	82.64	165.28	413.20	826.40	8,264	3.26	*4.05
3½ to 4 years-----	21.07	42.14	84.28	168.56	421.40	842.80	8,428	3.36	*4.06
4 to 4½ years-----	21.50	43.00	86.00	172.00	430.00	860.00	8,600	3.45	*4.06
4½ to 5 years-----	21.95	43.90	87.80	175.60	439.00	878.00	8,780	3.53	*4.04
5 to 5½ years-----	22.40	44.80	89.60	179.20	448.00	896.00	8,960	3.59	*4.03
5½ to 6 years-----	22.86	45.72	91.44	182.88	457.20	914.40	9,144	3.64	*4.02
6 to 6½ years-----	23.32	46.64	93.28	186.56	466.40	932.80	9,328	3.67	*4.01
6½ to 7 years-----	23.79	47.58	95.16	190.32	475.80	951.60	9,516	3.70	†4.43
Redemption values and investment yields to maturity on basis of December 1, 1965, revision									
7 to 7½ years-----	\$24.29	\$48.58	\$97.16	\$194.32	\$485.80	\$971.60	\$9,716	3.73	4.58
7½ years to 7 years and 9 months-----	24.83	49.66	99.32	198.64	496.60	993.20	9,932	3.78	4.86
MATURITY VALUE (7 years and 9 months from issue date)-----	25.13	50.26	100.52	201.04	502.60	1,005.20	10,052	3.81	-----
Period after maturity date	EXTENDED MATURITY PERIOD							(b) to extended maturity	
First ½ year-----	\$25.13	\$50.26	\$100.52	\$201.04	\$502.60	\$1,005.20	\$10,052	3.81	4.15
½ to 1 year-----	25.65	51.30	102.60	205.20	513.00	1,026.00	10,260	3.83	4.15
1 to 1½ years-----	26.18	52.36	104.72	209.44	523.60	1,047.20	10,472	3.85	4.15
1½ to 2 years-----	26.73	53.46	106.92	213.84	534.60	1,069.20	10,692	3.87	4.15
2 to 2½ years-----	27.28	54.56	109.12	218.24	545.60	1,091.20	10,912	3.88	4.15
2½ to 3 years-----	27.85	55.70	111.40	222.80	557.00	1,114.00	11,140	3.90	4.15
3 to 3½ years-----	28.43	56.86	113.72	227.44	568.60	1,137.20	11,372	3.91	4.15
3½ to 4 years-----	29.02	58.04	116.08	232.16	580.40	1,160.80	11,608	3.92	4.15
4 to 4½ years-----	29.62	59.24	118.48	236.96	592.40	1,184.80	11,848	3.93	4.15
4½ to 5 years-----	30.23	60.46	120.92	241.84	604.60	1,209.20	12,092	3.94	4.15
5 to 5½ years-----	30.86	61.72	123.44	246.88	617.20	1,234.40	12,344	3.95	4.15
5½ to 6 years-----	31.50	63.00	126.00	252.00	630.00	1,260.00	12,600	3.95	4.15
6 to 6½ years-----	32.15	64.30	128.60	257.20	643.00	1,286.00	12,860	3.96	4.15
6½ to 7 years-----	32.82	65.64	131.28	262.56	656.40	1,312.80	13,128	3.97	4.15
7 to 7½ years-----	33.50	67.00	134.00	268.00	670.00	1,340.00	13,400	3.97	4.15
7½ to 8 years-----	34.20	68.40	136.80	273.60	684.00	1,368.00	13,680	3.98	4.14
8 to 8½ years-----	34.91	69.82	139.64	279.28	698.20	1,396.40	13,964	3.99	4.14
8½ to 9 years-----	35.63	71.26	142.52	285.04	712.60	1,425.20	14,252	3.99	4.14
9 to 9½ years-----	36.37	72.74	145.48	290.96	727.40	1,454.80	14,548	3.99	4.14
9½ to 10 years-----	37.12	74.24	148.48	296.96	742.40	1,484.80	14,848	4.00	4.15
EXTENDED MATURITY VALUE (10 years from original maturity date ²)-----	37.89	75.78	151.56	303.12	757.80	1,515.60	15,156	4.00	-----

*Yield from beginning of each half-year period to maturity at original maturity value prior to the December 1, 1965, revision.

†Yield from effective date of the December 1, 1965, revision to maturity date.

¹ 3 month period in the case of the 7½ year to 7 year and 9 month period.² 17 years and 9 months from issue date.