

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 6020]
August 17, 1967]

Treasury Announces \$2.5 Billion New Cash Borrowing

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 Department announced today that it is offering for cash subscription \$2.5 billion, or thereabouts, of 3½ year 5¾ percent Treasury Notes of Series C-1971 at a price of 99.92 (to yield 5.40 percent).

The notes will be dated August 30, 1967, will mature February 15, 1971, and will be issued in registered and bearer form. Interest will be payable on February 15 and August 15.

Subscriptions will be received for *one day only, on Tuesday, August 22*. Any subscription, with required deposit, addressed to a Federal Reserve Bank or Branch, or to the Treasurer of the United States, Washington, D. C. 20220, and placed in the mail before midnight, August 22, 1967, will be considered timely.

The payment date for the notes will be August 30, 1967. Payment may be made through credit to Treasury Tax and Loan Accounts.

Subscriptions from banking institutions for their own account, federally insured savings and loan associations, States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, and Government Investment Accounts will be received without deposit. Subscriptions from all others must be accompanied by payment of 2 percent of the amount of notes applied for, not subject to withdrawal until after allotment.

Subscriptions from commercial banks for their own account will be restricted in each case to an amount not exceeding 50 percent of the combined capital (not including capital notes or debentures), surplus, and undivided profits of the subscribing bank.

The Secretary of the Treasury reserves the right to reject or reduce any subscription, to allot less than the amount of notes applied for, and to make different percentage allotments to various classes of subscribers. Allotment notices will be sent out promptly upon allotment.

Commercial banks and other lenders are requested to refrain from making unsecured loans, or loans collateralized in whole or in part by the notes subscribed for, to cover the deposits required to be paid when subscriptions are entered, and banks will be required to make the usual certification to that effect.

All subscribers are required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of, the notes subscribed for under this offering at a specific rate or price until after midnight, August 22, 1967.

The official offering circular and subscription form for the notes will be mailed to reach you on Monday, August 21.

ALFRED HAYES,
President.