FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

Circular No. 6296 L February 20, 1969

OFFERING OF \$1,000,000,000 STRIP OF MONTHLY BILLS

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 and released for publication on February 19:

The Treasury Department, by this public notice, invites tenders for additional amounts of five series of Treasury bills to an aggregate amount of \$1,000,000,000, or thereabouts, for cash. The additional bills will be issued March 3, 1969, will be in the amounts, and will be in addition to the bills originally issued and maturing, as follows:

Amount of additional issue	Original issue dates 1968	Maturity Dates 1969	Days from March 3, 1969 to maturity	Amount currently outstanding (in millions)
\$ 200,000,000	April 30	April 30	58	\$1 ,501
200,000,000	May 31	May 31	89	1,503
200,000,000	June 30	June 30	119	1,502
200,000,000	July 31	July 31	150	2,606
200,000,000	August 31	August 31	181	1,506
\$1,000,000,000		(A:	verage) 119.4	

The additional and original bills will be freely interchangeable.

Each tender submitted must be in the amount of \$5,000, or an even multiple thereof, and one-fifth of the amount tendered will be applied to each of the above series of bills.

The bills offered hereunder 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 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, February 25, 1969. Tenders will not be received at the Treasury Department, Washington. 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. A single price must be submitted for each unit of \$5,000, or even multiple thereof. A unit represents \$1,000 face amount of each issue of bills offered hereunder, as previously described. 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 and 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.

All bidders 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 any bills of these additional issues at a specific rate or price until after one-thirty p.m., Eastern Standard time, Tuesday, February 25, 1969.

(OVER)

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 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. Noncompetitive tenders for \$100,000 or less (in even multiples of \$5,000) 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 or Branch in cash or other immediately available funds on March 3, 1969; provided, however, any qualified depositary will be permitted to make payment by credit in its Treasury Tax and Loan Account for Treasury bills allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its District.

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. Purchasers of a strip of the bills offered hereunder should, for tax purposes, take such bills on to their books on the basis of their purchase price prorated to each of the five outstanding issues, using as a basis for proration the closing market prices for each of the issues on March 3, 1969. (Federal Reserve Banks will have available a list of these market prices, based on the mean between the bid and asked quotations furnished by the Federal Reserve Bank of New York.)

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.

This Bank will receive tenders up to 1:30 p.m., Eastern Standard time, Tuesday, February 25, 1969, at the Securities Department of its Head Office and at its Buffalo Branch. Please use the enclosed tender form to submit a tender, and return it in the enclosed envelope marked "Tender for Strip of Outstanding Treasury Bills." Tenders may be submitted by telegraph, subject to written confirmation; they may not be submitted by telephone. Settlement for accepted tenders must be made on March 3, 1969, in cash or other immediately available funds, except that any qualified depositary will be permitted to make payment by credit in its Treasury Tax and Loan Account for Treasury bills allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its District.

ALFRED HAYES,

President.

	No
TENDER FOR STRIP OF 5 S	ERIES OF TREASURY BILLS
TO BE ISSUED	MARCH 3, 1969
Additional Amounts of Outstanding Series Maturing A	April 30, May 31, June 30, July 31, and August 31, 1969)
To Federal Reserve Bank of New York, Fiscal Agent of the United States.	Dated at
sions of the public notice issued by the Treasury Depa Treasury bills, the undersigned hereby offers to purcha	Circular No. 418 (current revision) and to the provirtment inviting tenders for the above-described strip of se such strip of Treasury bills in the amount indicated bank on or before the issue date at the price indicated
COMPETITIVE TENDER (In multiples of \$5,000) Do not fill in both Noncompetitive ten	
\$(maturity value) or any lesser amount that may be awarded.	\$(maturity value). (Not to exceed \$100,000 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
	ade at your Bank on March 3, 1969, by cash or other fied depositary) by credit in Treasury Tax and Loan
We hereby agree not to buy or to sell, or to make or other disposition of any bills of these additional issu Eastern Standard time, Tuesday, February 25, 1969.	any agreements with respect to the purchase or sale es at a specific rate or price, until after one-thirty p.m.,
	Name of subscriber—please print or type)
Insert this tender in envelope marked	(Address—please print or type)
"Tender for Strip of Outstanding Treasury Bills"	gnature of subscriber or authorized signature)
	(Title of authorized signer)
(Banks submitting tenders for customer account must indi	cate name on line below, or attach a list)
(Name of Customer) (Note. Successful bidders will receive a letter of instruction	(Name of Customer) ns form with their allotment notice to instruct us as to the
disposition of, and method of payment for, the bills allotted	to them.)
1. Tenders must be submitted in units of \$5,000 or	multiples thereof. A unit represents \$1,000 face amount of

INSTRUCTIO

(Additional Am

- 1. Tender each series of bills offered hereunder Amounts issued on accepted tenders will be applied equally to each of the five separate series included in the offering.
- 2. Others than banking institutions will not be permitted to submit tenders for their own account. Banks 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. Forms for this purpose will be furnished on request.
- 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 Treasury bills 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 Secretary of the Treasury, is material, the tender may be disregarded.

NOTICE OF ALLOTMENT OF UNITED STATES OF AMERICA TREASURY BILLS

February 25, 1969

		Februar
Your		TREASURY BILLS TO BE ISSUED MARCH 3, 1969 NE 30, JULY 31, AND AUGUST 31, 1969
	has been accepted at the price of	(per 100), in the amount of—
	\$	(maturity value)
	Reserve Bank of New York on or before Marmake settlement by credit to its Treasury Tarattached to the enclosed letter-of-instructions tlement is to be made by check on a bank other checks should be received by us in time for the prescribed deposit may be declared by the On the enclosed letter-of-instructions for	m, please fill in instructions as to payment and dis- Treasury bills awarded to you, and return the letter
		FEDERAL RESERVE BANK OF NEW YORK Fiscal Agent of the United States
	Checked by	

Your competitive nonce							
A STRIP OF UNITED MATURING	STATES O APRIL 30,	F AMERICA , MAY 31, JU	TREA:	SURY BI D, JULY	ILLS TO 31, AN	D BE ISSU D AUGUS	ED MARCH 3, 1969 T 31, 1969
	price o	of					
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	PURCHA	ASE PRICE					
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DISPOSITION		A	MOU	NT			METHOD OF PAYMENT
Over the Counter			_				D Charles Cal
☐ Safekeeping							Check or Cash
☐ Treasury Tax & Loan							☐ Reserve Account ☐ Treas. T. & L. Acc.
☐ Ship							Delivery Teller
☐ Allotment Transfer			-				Foreign Oper. Div.
Anounent Transfer			_				Form 12
							- J. III 12

competitive noncompetitive

A STRIP OF UNITED STATES OF AMERICA TREASURY BILLS TO BE ISSUED MARCH 3, 1969
MATURING APRIL 30, MAY 31, JUNE 30, JULY 31, AND AUGUST 31, 1969

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competitive noncompetitive

A STRIP OF UNITED STATES OF AMERICA TREASURY BILLS TO BE ISSUED MARCH 3, 1969
MATURING APRIL 30, MAY 31, JUNE 30, JULY 31, AND AUGUST 31, 1969

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(This letter of instructions, accompanied by attached duplicate and triplicate copies, should be filled in for the total amount of this strip of Treasury bills awarded, and returned to Federal Reserve Bank of New York)

LETTER OF INSTRUCTIONS

To Federal Reserve Bank of New York, Fiscal Agent of the United States, Federal Reserve P. O. Station, New York, N. Y. 10045

Attention: Government Bond Division-2nd Floor

Dated at

On our	A STRIP OF U	noncompetitive NITED STATES C URING APRIL 30	F AMERICA TR	EASURY BILLS TO 30, JULY 31, AN	D BE ISSUED MA D AUGUST 31, 1	RCH 3, 1969	1969		
accepted in	the aggregate an	nount of-							
		\$			(maturity v	value)			
Please issue	and make delive	ry of the bills as	instructed belov	₹:					
Issue Maturing	\$1,000	\$5,000	\$10,000	\$50,000 \$100,000 \$500,000					
ril 30, 1969									
y 31, 1969									
ne 30, 1 969									
y 31, 1969									
ust 31, 1969									
(No change of this letter of officially in the turned immediately in the federal Reference of th	ges in delivery in item is checked, instructions must be space provide	t be signed ed and re-	e accepted)	lotted bills will be (Name of subs	is submitted	Treasury Tax which Advice of herewith the undersigned.	and Loan f Deposit		
	(for the use of Fe		of authorized signer)				
	Ge	overnment Bond Div	rision		Sai	fekeeping Division			
?ayment receive	d				Checked	*****	• • • • • • • • • • •		
Deliver against	payment of \$				Delivered				
Date	ent is to be ma Bank on the fo	de by credit to	Treasury Tax	and Loan Accou	y int, an advice o	of the deposit :	••••••		
		Advice of Do		ry Tax and Loan					
Govern We will Reserve Bank to withdrawal	on demand in p	rision. ch 3, 1969 \$ Viscal Agent of th		s, in the Treasury	ourchase price) to Tax and Loan A alue) of a strip o	Account, to be he	eld subject		
					(Name of Deposita	ry)			
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DELIVERY TICKET—SAFEKEEPING DIVISION

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

Digitized for FRASER http://fraser.stlouisfed.org/ Federal Reserve Bank of St. Louis Attention: Government Bond Division-2nd Floor

Dated at

	A STRIP OF UN	noncompetitive NITED STATES O JRING APRIL 30	OF AMERICA TRI	EASURY BILLS T 30, JULY 31, AN	O BE ISSUED MAI	RCH 3, 1969 969	1969
accepted in th	ne aggrega te am	ount of—			(maturity v	alue)	
Please issue a	nd make deliver	y of the bills as	instructed below	7:			
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ly 31, 1969			-				
gust 31, 1969							
only) 4. Hold as 5. Special	collateral for Trinstructions:	or account of m reasury Tax and astructions will	Loan Account*	\$	 By cash or of funds By charge to By credit in Account for is submitted 	our reserve acc	count
This letter of i	nstructions mus	t be signed		(Name of sub	bscriber—please print or ss—please print or type)	type)	
Federal Re	serve Bank of I			(Signature of su	ubscriber or authorized signer)	gnature)	
	`		for the use of Fe	deral Reserve Bar			
		overnment Bond D				afekeeping Division	
						• • • • • • • • • • • • • • • • • • • •	
Deliver against	payment of \$				Delivered		• • • • • • • • •
Received from I indicated above.	Federal Reserve Ba	ank of New York,	DELIVERY Fiscal Agent of		the above-described s	ecurities allotted in	n the amount
Date	Subse	criber			Ву	• • • • • • • • • • • • • • • • • • • •	• • • • • • • • •

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RELOCATION OFFICE—OUT

To Federal Reserve Bank of New York, Fiscal Agent of the United States, Federal Reserve P. O. Station, New York, N. Y. 10045

On our competitive and noncompetitive tenders for-

Attention: Government Bond Division-2nd Floor

accepted in t		RING APRIL 30,			O BE ISSUED MA ND AUGUST 31, 1		
	and make deliver	\$		·:	(maturity v	zalue)	
Issue Maturing	\$1,000	\$5,000	\$10,000	\$50,000	\$500,000	\$1,000,000	
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у 31, 1969							
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ly 31, 1969							
gust 31, 1969							
2. Ship to shi	ges in delivery in item is checked, instructions must the space provided instruction of the United Agent of the United	d or account of m reasury Tax and instructions will the undersigned of the besigned ed and re- New York, I States.	tember bank Loan Account* be accepted) certifies that the a	(Name of su (Addra) (Signature of s	is submitted be owned solely by becriber—please print or type cess—please print or type ubscriber or authorized s le of authorized signer)	o our reserve ace Treasury Tax which Advice herewith the undersigned.	eount and Loan of Deposit
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Received from indicated abov		ank of New York		RECEIPT the United States,	the above-described	securities allotted	in the amount
Date	Subs	criber			Ву		
Digitized for FRAS http://fraser.stlouis Federal Reserve E	sfed.org/						