

FEDERAL RESERVE BANK  
OF NEW YORK  
Fiscal Agent of the United States

Circular No. 6787  
August 20, 1971

Amendments to Treasury Department Circulars on Maturity Extensions  
of Series E and H Savings Bonds and Freedom Shares

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

Enclosed are copies of the following Treasury documents, all dated May 20, 1971, which reflect the extensions of maturity for Series E and H Savings Bonds and Freedom Shares that were announced in our Circular No. 6727, dated May 4, 1971:

Second Amendment to Treasury Department Circular No. 653, Eighth Revision, "Offering of United States Savings Bonds, Series E."

Second Amendment to Treasury Department Circular No. 905, Fifth Revision, "Offering of United States Savings Bonds, Series H."

First Amendment to Treasury Department Circular No. 3-67, Public Debt Series, "Offering of United States Savings Notes."

Additional copies of the enclosures will be furnished upon request.

Alfred Hayes,  
President.

# OFFERING OF UNITED STATES SAVINGS BONDS, SERIES E

1971  
Second Amendment to  
Department Circular No. 653,  
Eighth Revision, dated  
December 12, 1969

Fiscal Service  
Bureau of the Public Debt

TREASURY DEPARTMENT  
Washington, May 20, 1971

Department Circular No. 653, Eighth Revision, dated December 12, 1969, and the tables incorporated therein, as amended (31 CFR Part 316), are further amended by revision of paragraph (a), renumbering of subparagraph (2) of paragraph (b) as (3), and insertion of a new subparagraph, numbered (2), in § 316.8; the revision of subparagraph (1), paragraph (b), of § 316.9; and addition of Tables 2-A and 3-A as follows:

## § 316.8 Extended terms and improved yields for outstanding bonds.

(a) *Extended maturity periods*—(1) *General.* The terms “extended maturity period,” “second extended maturity period,” and “third extended maturity period,” when used herein, refer to the intervals after the original maturity dates during which owners may retain their bonds and continue to earn interest on the maturity values or the extended maturity values.<sup>8</sup> No special action is required of owners desiring to take advantage of any extensions heretofore or herein granted.

(2) *Bonds with issue dates May 1, 1941, through April 1, 1952.* Owners of Series E bonds with issue dates of May 1, 1941, through April 1, 1952, may retain their bonds for a third and final extended maturity period of 10 years.

(3) *Bonds with issue dates May 1, 1952, through January 1, 1957.* Owners of Series E bonds with issue dates of May 1, 1952, through January 1, 1957, may retain their bonds for a second extended maturity period of 10 years.

<sup>8</sup> The redemption value of any bond at the maturity date, the extended maturity date or the second extended maturity date is the base, in each instance, upon which interest will accrue during the period following.

(4) *Bonds with issue dates of February 1, 1957, or thereafter.* Owners of Series E bonds with issue dates of February 1, 1957, or thereafter, may retain their bonds for an extended maturity period of 10 years.

(b) *Improved yields.* \* \* \*

(2) *Bonds entering third extended maturity period.* The investment yield (interest) for the third extended maturity period for all outstanding bonds entering this period will be at the rate prevailing for Series E bonds being issued at the time the extension begins. Tables showing the yields and the redemption values will be published prior to or as the bonds enter the extension. The yields shown in Tables 2-A and 3-A hereof apply to bonds with issue dates May 1, 1941, and June 1, 1941. Table 3-A will also apply to bonds with issue dates of July 1, 1941, through November 1, 1941, inclusive, unless tables showing different yields are published prior to or as these bonds enter the third extended maturity period.

## § 316.9 Taxation.

(b) *Federal income tax on bonds.* \* \* \*

(1) Defer reporting of the increase to the year of final maturity, actual redemption, or other disposition, whichever is earlier; or

The foregoing revisions and amendments, adopted on April 30, 1971, were effected under authority of section 22 of the Second Liberty Bond Act, as amended (49 Stat. 21, as amended; 31 U.S.C. 757c) and 5 U.S.C. 301. Notice and public procedures thereon are unnecessary as public property and contracts are involved.

JOHN K. CARLOCK,  
Fiscal Assistant Secretary.

TABLE 2-A

BONDS BEARING ISSUE DATE MAY 1, 1941

Issue price Denomination	\$18.75 25.00	\$37.50 50.00	\$75.00 100.00	\$375.00 500.00	\$750.00 1,000.00	Approximate investment yield (annual percentage rate)		
Period after second extended maturity (beginning 30 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)					(2) From beginning of third extended maturity period to beginning of each half-year period	(3) From begin- ning of each half-year period to beginning of next half-year period	(4) From begin- ning of each half-year period to third extended maturity <sup>1</sup>
	THIRD EXTENDED MATURITY PERIOD					Percent	Percent	Percent
First ½ year..... <sup>1</sup> (5/1/71)	\$50.28	\$100.56	\$201.12	\$1,005.60	\$2,011.20	0.00	5.49	5.50
½ to 1 year..... (11/1/71)	51.66	103.32	206.64	1,033.20	2,066.40	5.49	5.50	5.50
1 to 1½ years..... (5/1/72)	53.08	106.16	212.32	1,061.60	2,123.20	5.49	5.50	5.50
1½ to 2 years..... (11/1/72)	54.54	109.08	218.16	1,090.80	2,181.60	5.50	5.50	5.50
2 to 2½ years..... (5/1/73)	56.04	112.08	224.16	1,120.80	2,241.60	5.50	5.52	5.50
2½ to 3 years..... (11/1/73)	57.58	115.16	230.32	1,151.60	2,303.20	5.50	5.51	5.50
3 to 3½ years..... (5/1/74)	59.17	118.34	236.68	1,183.40	2,366.80	5.50	5.49	5.50
3½ to 4 years..... (11/1/74)	60.80	121.60	243.20	1,216.00	2,432.00	5.50	5.49	5.50
4 to 4½ years..... (5/1/75)	62.47	124.94	249.88	1,249.40	2,498.80	5.50	5.47	5.50
4½ to 5 years..... (11/1/75)	64.18	128.36	256.72	1,283.60	2,567.20	5.50	5.52	5.50
5 to 5½ years..... (5/1/76)	65.95	131.90	263.80	1,319.00	2,638.00	5.50	5.49	5.50
5½ to 6 years..... (11/1/76)	67.76	135.52	271.04	1,355.20	2,710.40	5.50	5.52	5.50
6 to 6½ years..... (5/1/77)	69.63	139.26	278.52	1,392.60	2,785.20	5.50	5.49	5.50
6½ to 7 years..... (11/1/77)	71.54	143.08	286.16	1,430.80	2,861.60	5.50	5.51	5.50
7 to 7½ years..... (5/1/78)	73.51	147.02	294.04	1,470.20	2,940.40	5.50	5.50	5.50
7½ to 8 years..... (11/1/78)	75.53	151.06	302.12	1,510.60	3,021.20	5.50	5.51	5.50
8 to 8½ years..... (5/1/79)	77.61	155.22	310.44	1,552.20	3,104.40	5.50	5.49	5.50
8½ to 9 years..... (11/1/79)	79.74	159.48	318.96	1,594.80	3,189.60	5.50	5.49	5.50
9 to 9½ years..... (5/1/80)	81.93	163.86	327.72	1,638.60	3,277.20	5.50	5.52	5.50
9½ to 10 years..... (11/1/80)	84.19	168.38	336.76	1,683.80	3,367.60	5.50	5.49	5.49
<b>THIRD EXTENDED MATURITY VALUE</b> (40 years from issue date)..... (5/1/81)	86.50	173.00	346.00	1,730.00	3,460.00	5.50		

<sup>1</sup> Month, day, and year on which issues of May 1, 1941, enter each period.

<sup>2</sup> Based on third extended maturity value in effect on the beginning date of the half-year period.

<sup>3</sup> Yield on purchase price from issue date to third extended maturity date is 3.96 percent.

TABLE 3-A

BONDS BEARING ISSUE DATE JUNE 1, 1941<sup>1</sup>

Issue price Denomination	\$18.75 25.00	\$37.50 50.00	\$75.00 100.00	\$375.00 500.00	\$750.00 1,000.00	Approximate investment yield (annual percentage rate)		
Period after second extended maturity (beginning 30 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)					(2) From beginning of third extended maturity period to beginning of each half-year period	(3) From begin- ning of each half-year period to beginning of next half-year period	(4) From begin- ning of each half-year period to third extended maturity <sup>1</sup>
	THIRD EXTENDED MATURITY PERIOD					Percent	Percent	Percent
First ¼ year..... <sup>3</sup> (6/1/71)	\$50.80	\$101.60	\$203.20	\$1,016.00	\$2,032.00	0.00	5.51	5.50
¼ to 1 year..... (12/1/71)	52.20	104.40	208.80	1,044.00	2,088.00	5.51	5.48	5.50
1 to 1½ years..... (6/1/72)	53.63	107.26	214.52	1,072.60	2,145.20	5.50	5.52	5.50
1½ to 2 years..... (12/1/72)	55.11	110.22	220.44	1,102.20	2,204.40	5.50	5.48	5.50
2 to 2½ years..... (6/1/73)	56.62	113.24	226.48	1,132.40	2,264.80	5.50	5.51	5.50
2½ to 3 years..... (12/1/73)	58.18	116.36	232.72	1,163.60	2,327.20	5.50	5.50	5.50
3 to 3½ years..... (6/1/74)	59.78	119.56	239.12	1,195.60	2,391.20	5.50	5.49	5.50
3½ to 4 years..... (12/1/74)	61.42	122.84	245.68	1,228.40	2,456.80	5.50	5.50	5.50
4 to 4½ years..... (6/1/75)	63.11	126.22	252.44	1,262.20	2,524.40	5.50	5.51	5.50
4½ to 5 years..... (12/1/75)	64.85	129.70	259.40	1,297.00	2,594.00	5.50	5.49	5.50
5 to 5½ years..... (6/1/76)	66.63	133.26	266.52	1,332.60	2,665.20	5.50	5.49	5.50
5½ to 6 years..... (12/1/76)	68.46	136.92	273.84	1,369.20	2,738.40	5.50	5.52	5.50
6 to 6½ years..... (6/1/77)	70.35	140.70	281.40	1,407.00	2,814.00	5.50	5.49	5.50
6½ to 7 years..... (12/1/77)	72.28	144.56	289.12	1,445.60	2,891.20	5.50	5.51	5.50
7 to 7½ years..... (6/1/78)	74.27	148.54	297.08	1,485.40	2,970.80	5.50	5.49	5.50
7½ to 8 years..... (12/1/78)	76.31	152.62	305.24	1,526.20	3,052.40	5.50	5.50	5.50
8 to 8½ years..... (6/1/79)	78.41	156.82	313.64	1,568.20	3,136.40	5.50	5.51	5.50
8½ to 9 years..... (12/1/79)	80.57	161.14	322.28	1,611.40	3,222.80	5.50	5.49	5.50
9 to 9½ years..... (6/1/80)	82.78	165.56	331.12	1,655.60	3,311.20	5.50	5.51	5.51
9½ to 10 years..... (12/1/80)	85.06	170.12	340.24	1,701.20	3,402.40	5.50	5.50	5.50
<b>THIRD EXTENDED MATURITY VALUE</b> (40 years from issue date)..... 6-1-81	87.40	174.80	349.60	1,748.00	3,496.00	5.50		

<sup>1</sup> Yields also apply to bonds with issue dates July 1 through November 1, 1941, unless tables showing different yields are published. (See Sec. 316.8(b)(2).)

<sup>2</sup> Month, day, and year on which issues of June 1, 1941, enter each period. For subsequent issue months add the appropriate number of months.

<sup>3</sup> Based on third extended maturity value in effect on the beginning date of the half-year period.

<sup>4</sup> Yield on purchase price from issue date to third extended maturity date is 3.99 percent.

# OFFERING OF UNITED STATES SAVINGS BONDS

## SERIES H

1971  
Second Amendment to  
Department Circular No. 905,  
Fifth Revision, dated  
December 12, 1969

Fiscal Service  
Bureau of the Public Debt

TREASURY DEPARTMENT

Washington, May 20, 1971

Section 332.8, paragraph (a), and § 332.10 of Department Circular No. 905, Fifth Revision, dated December 12, 1969, as amended (31 CFR Part 332), have been amended and revised to read as follows:

**§ 332.8 Extended terms and improved yields for outstanding bonds.**

(a) *Extended maturity periods* - (1) *General*. The terms "extended maturity period" and "second extended maturity period," when used herein, refer to the intervals after the original maturity dates during which owners may retain their bonds and continue to earn interest thereon. No special action is required of owners desiring to take advantage of any extensions heretofore or herein granted.

(2) *Bonds with issue dates June 1, 1952, through January 1, 1957*. Owners of Series H bonds with issue date of June 1, 1952, through January 1, 1957, may retain their bonds for a second extended maturity period of 10 years.

(3) *Bonds with issue dates February 1, 1957, through November 1, 1965*. Owners of Series H bonds with issue dates of February 1, 1957, through November 1, 1965, may retain their bonds for an extended maturity period of 10 years.

**§ 332.10 Redemption or payment.**

A Series H bond may be redeemed at par at any time after 6 months from the issue date. The bond must be presented and surrendered, with a duly executed request for payment, to (a) a Federal Reserve Bank or Branch, (b) the Office of the Treasurer of the United States, Securities Division, Washington, D.C. 20220, or (c) the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago, IL 60605. A bond received by an agent during the calendar month preceding an interest payment date may not be redeemed until that date.

JOHN K. CARLOCK

*Fiscal Assistant Secretary of the Treasury.*

# OFFERING OF UNITED STATES SAVINGS NOTES

1971  
First Amendment to  
Department Circular  
Public Debt Series No. 3-67,  
Revised, dated  
June 19, 1968

Fiscal Service  
Bureau of the Public Debt

TREASURY DEPARTMENT

Washington, May 20, 1971

Department Circular, Public Debt Series No. 3-67, Revised, dated June 19, 1968 (31 CFR Part 342), has been amended by insertion of § 342.2a and amendment and revision of paragraph (b), subparagraph (1), of section 342.5, as follows:

## § 342.2a Extension.

Owners who wish to continue their investment beyond maturity may retain their savings notes for a 10-year period after the maturity date and earn interest upon the maturity value of their notes. The investment yield (interest) will be the rate prevailing for Series E bonds being issued at the time the extension begins. Tables showing the yield and the redemption values will be published prior to or as the notes enter their extension. Interest under these provisions will accrue beginning six months after maturity and at the beginning of each successive half-year period thereafter.

## § 342.5 Taxation.

(b) *Federal income tax on notes.* \* \* \*

(1) Defer reporting of the increase to the year of final maturity, actual redemption, or other disposition, whichever is earlier; or

JOHN K. CARLOCK

*Fiscal Assistant Secretary of the Treasury.*

## TERMINATION OF SALE

The sale of United States Savings Notes was terminated at the close of business June 30, 1970.