

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

[Circular No. 7595]
[March 26, 1975]

AUCTION OF \$1.5 BILLION OF TREASURY NOTES

Series N-1976

*To All Banking Institutions, and Others Concerned,
in the Second Federal Reserve District:*

The following statement was issued March 25 by the Treasury Department:

The Treasury will auction to the public under competitive and noncompetitive bidding up to \$1.5 billion of 20-month notes. The coupon rate for the notes will be determined after tenders are allotted. Additional amounts of the notes may be issued at the average price of accepted tenders to Government accounts and to Federal Reserve Banks for themselves and as agents of foreign and international monetary authorities. The notes will be dated April 8, 1975, rather than April 14, 1975, as had been tentatively projected by the Treasury late last month.

The notes will be Treasury Notes of Series N-1976, dated April 8, 1975, due November 30, 1976 (CUSIP No. 912827 EJ7) with interest payable on a semiannual basis on November 30, 1975, and May 31 and November 30, 1976. They will be issued in registered and bearer form in denominations of \$5,000, \$10,000, \$100,000 and \$1,000,000, and they will be available for issue in book-entry form. Delivery of bearer notes will be made on or about April 14, 1975. A purchaser of bearer notes may elect to receive an interim certificate on April 8, which shall be a bearer security exchangeable at face value for Treasury Notes of Series N-1976 when available. Payment for the notes may not be made through tax and loan accounts.

Tenders will be received up to 1:30 p.m., Eastern Daylight Saving time, Tuesday, April 1, at any Federal Reserve Bank or Branch and at the Bureau of the Public Debt, Washington, D. C. 20226; provided, however, that noncompetitive tenders will be considered timely received if they are mailed to any such agency under a postmark no later than Monday, March 31. Each tender must be in the amount of \$5,000 or a multiple thereof, and all tenders must state the yield desired, if a competitive tender, or the term "noncompetitive", if a noncompetitive tender. Fractions may not be used in tenders. The notation "TENDER FOR TREASURY NOTES" should be printed at the bottom of envelopes in which tenders are submitted.

Competitive tenders must be expressed in terms of annual yield in two decimal places, e.g., 6.45, and not in terms of a price. Tenders at the lowest yields, and noncompetitive tenders, will be accepted to the extent required to attain the amount offered. After a determination is made as to which tenders are accepted, a coupon yield will be determined to the nearest $\frac{1}{8}$ of 1 percent necessary to make the average accepted price 100.00 or less. That will be the rate of interest that will be paid on all of the notes. Based on such interest rate, the price on each competitive tender allotted will be determined and each successful competitive bidder will pay the price corresponding to the yield he bid. Price calculations will be carried to three decimal places on the basis of price per hundred, e.g., 99.923, and the determinations of the Secretary of the Treasury shall be final. Tenders at a yield that will produce a price less than 99.751 will not be accepted.

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. Subject to these reservations, noncompetitive tenders for \$500,000 or less will be accepted in full at the average price of accepted competitive tenders, which price will be 100.00 or less.

Commercial banks, which for this purpose are defined as banks accepting demand deposits, and 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, may submit tenders for the account of customers, provided the names of the customers are set forth in such tenders. Others will not be permitted to submit tenders except for their own account.

Tenders will be received without deposit from commercial and other banks 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, Federal Reserve Banks, and Government accounts. Tenders from others must be accompanied by payment of 5 percent of the face amount of securities applied for. However, bidders who submit checks in payment on tenders submitted directly to a Federal Reserve Bank or the Treasury may find it necessary to submit full payment for the securities with their tenders in order to meet the time limits pertaining to checks as hereinafter set forth. Allotment notices will not be sent to bidders who submit noncompetitive tenders.

Payment for accepted tenders must be completed on or before Tuesday, April 8, 1975, at the Federal Reserve Bank or Branch or at the Bureau of the Public Debt in cash, in other funds immediately available to the Treasury by April 8, or by check drawn to the order of the Federal Reserve Bank to which the tender is submitted, or the United States Treasury if the tender is submitted to it, which must be received at such Bank or at the Treasury no later than: (1) Thursday, April 3, 1975, if the check is drawn on a bank in the Federal Reserve District of the Bank to which the check is submitted, or the Fifth Federal Reserve District in case of the Treasury, or (2) Wednesday, April 2, 1975, if the check is drawn on a bank in another district. Checks received after the dates set forth in the preceding sentence will not be accepted unless they are payable at a Federal Reserve Bank. Where full payment is not completed on time, the allotment will be canceled and the deposit with the tender up to 5 percent of the amount of securities allotted will be subject to forfeiture to the United States.

The terms of the offering are set forth in Treasury Department Circular No. 11-75, Public Debt Series, dated March 26, 1975, a copy of which is printed on the following pages.

This Bank will receive tenders up to 1:30 p.m., Eastern Daylight Saving time, Tuesday, April 1, 1975, at the Securities Department of its Head Office and at its Buffalo Branch; provided, however, that *noncompetitive* tenders will be considered timely received if they are mailed to this Bank or its Branch under a postmark *no later than March 31, 1975*. Please use the enclosed tender form to submit a tender, and return it in the enclosed envelope marked "Tender for Treasury Notes." Tenders not requiring a deposit may be submitted by telegraph, subject to written confirmation; no tenders may be submitted by telephone. Settlement for accepted tenders may be made in cash or other immediately available funds, under the conditions and procedures set forth in Section IV of Treasury Department Circular No. 11-75; *settlement cannot be made by credit in Treasury Tax and Loan Accounts*. If payment is made by check, the check must be a certified personal check or an official bank check, payable on its face to the Federal Reserve Bank of New York; *checks endorsed to this Bank will not be accepted*.

The notes will be auctioned on a yield basis, rather than the conventional price basis, as set forth in Section III of the official offering circular. Tenders at a yield that will produce a price less than 99.751 *will not be accepted*. Noncompetitive bidders will be required to pay the average price of accepted competitive tenders.

Telephone inquiries regarding this offering may be made by calling Telephone No. 212-791-5823, 212-791-6616, or 212-791-5465.

ALFRED HAYES,
President.

UNITED STATES OF AMERICA
TREASURY NOTES OF SERIES N-1976

Dated and bearing interest from April 8, 1975

Due November 30, 1976

DEPARTMENT CIRCULAR
Public Debt Series — No. 11-75

DEPARTMENT OF THE TREASURY,
Office of the Secretary,
Washington, March 26, 1975.

I. INVITATION FOR TENDERS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites tenders on a yield basis for \$1,500,000,000, or thereabouts, of notes of the United States, designated Treasury Notes of Series N-1976. The interest rate for the notes will be determined as set forth in Section III, paragraph 3, hereof. Additional amounts of these notes may be issued at the average price of accepted tenders to Government accounts and to Federal Reserve Banks for themselves and as agents of foreign and international monetary authorities. Tenders will be received up to 1:30 p.m., Eastern Daylight Saving time, Tuesday, April 1, 1975, under competitive and noncompetitive bidding, as set forth in Section III hereof.

II. DESCRIPTION OF NOTES

1. The notes will be dated April 8, 1975, and will bear interest from that date, payable on a semi-annual basis on November 30, 1975, May 31, 1976, and November 30, 1976. They will mature November 30, 1976, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes 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.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached, and notes registered as to principal and interest, will be issued in denominations of \$5,000, \$10,000, \$100,000

and \$1,000,000. Book-entry notes will be available to eligible bidders in multiples of those amounts. Interchanges of notes of different denominations and of coupon and registered notes, and the transfer of registered notes will be permitted.

5. The notes will be subject to the general regulations of the Department of the Treasury, now or hereafter prescribed, governing United States notes.

III. TENDERS AND ALLOTMENTS

1. Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, D. C. 20226, up to the closing hour, 1:30 p.m., Eastern Daylight Saving time, Tuesday, April 1, 1975. Each tender must state the face amount of notes bid for, which must be \$5,000 or a multiple thereof, and the yield desired, except that in the case of noncompetitive tenders the term "noncompetitive" should be used in lieu of a yield. In the case of competitive tenders, the yield must be expressed in terms of an annual yield, with two decimals, e.g., 6.45. Fractions may not be used. Noncompetitive tenders from any one bidder may not exceed \$500,000.

2. Commercial banks, which for this purpose are defined as banks accepting demand deposits, and 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, may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others will not be permitted to submit tenders except for their own account. Tenders will be received without deposit 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 accounts. Tenders from others must be accompanied by payment of 5 percent of the face amount of notes applied for.

3. Immediately after the closing hour tenders will be opened, following which public announcement will be made by the Department of the Treasury of the amount and yield range of accepted bids. Those submitting competitive tenders will be advised of the acceptance or rejection thereof. In considering the acceptance of tenders, those with the lowest yields will be accepted to the extent required to attain the amount offered. Tenders at the highest accepted yield will be prorated if necessary. After the determination is made as to which tenders are accepted, an interest rate will be established at the nearest $\frac{1}{8}$ of one percent necessary to make the average accepted price 100.00 or less. That will be the rate of interest that will be paid on all of the notes. Based on such interest rate, the price on each competitive tender allotted will be determined and each successful competitive bidder will be required to pay the price corresponding to the yield bid. Price calculations will be carried to three decimal places on the basis of price per hundred, e.g., 99.923, and the determinations of the Secretary of the Treasury shall be final. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, including the right to accept tenders for more or less than the \$1,500,000,000 of notes offered to the public, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for \$500,000 or less without stated yield from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive tenders.

IV. PAYMENT FOR AND DELIVERY OF NOTES

1. Settlement for accepted tenders in accordance with the bids must be made or completed on or before April 8, 1975, at the Federal Reserve Bank or Branch or at the Bureau of the Public Debt, Washington, D. C. 20226. Payment must be in cash, in other funds immediately available to the Treasury by April 8, 1975, or by check drawn to the order of the Federal Reserve Bank to which the tender is submitted, or the United States Treasury if the tender is sub-

mitted to it, which must be received at such Bank or at the Treasury no later than: (1) Thursday, April 3, 1975, if the check is drawn on a bank in the Federal Reserve District of the Bank to which the check is submitted, or the Fifth Federal Reserve District in the case of the Treasury, or (2) Wednesday, April 2, 1975, if the check is drawn on a bank in another district. Checks received after the dates set forth in the preceding sentence will not be accepted unless they are payable at a Federal Reserve Bank. Payment will not be deemed to have been completed where registered notes are requested if the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security number or an employer identification number) is not furnished. In every case where full payment is not completed, the payment with the tender up to 5 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States.

2. Delivery of notes in bearer form will be made on or about April 14, 1975. Purchasers of bearer notes may elect to receive interim certificates on April 8, 1975, which will be exchangeable for the notes when available at any Federal Reserve Bank or Branch or at the Bureau of the Public Debt, Washington, D. C. 20226. The interim certificates must be returned at the risk and expense of the holder.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive tenders, to make such allotments as may be prescribed by the Secretary of the Treasury, to issue such notices as may be necessary, to receive payment for and make delivery of notes on full-paid tenders allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

WILLIAM E. SIMON,
Secretary of the Treasury.

IMPORTANT — Closing time for receipt of this tender is 1:30 p.m., Tuesday, April 1, 1975.

TENDER FOR TREASURY NOTES OF SERIES N-1976

Dated April 8, 1975

Due November 30, 1976

FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
New York, N. Y. 10045

Dated at
....., 19__

Pursuant to the provisions of Treasury Department Circular No. 11-75, Public Debt Series, dated March 26, 1975, the undersigned hereby offers to purchase United States of America Treasury Notes of Series N-1976 in the amount indicated below, and agrees to make payment therefor at your Bank on or before the issue date at the price awarded on this tender.

COMPETITIVE TENDER

Do not fill in both Competitive and Noncompetitive tenders on one form

NONCOMPETITIVE TENDER

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

\$ (maturity value)
(Not to exceed \$500,000 for one bidder through all sources)
at the average price of accepted competitive bids.

Yield:

(Yield must be expressed with not more than two decimal places, for example, 6.45)

Subject to allotment please issue, deliver, and accept payment for the securities as indicated below and on the reverse side (if registered securities are desired, please also complete schedule on reverse side):

Pieces	Denomination	Maturity value			<input type="checkbox"/> 1. Deliver over the counter to the undersigned <input type="checkbox"/> 2. Ship to the undersigned <input type="checkbox"/> 3. Hold in safekeeping (for member bank only) in — <input type="checkbox"/> Investment Account <input type="checkbox"/> General Account <input type="checkbox"/> Trust Account <input type="checkbox"/> 4. Hold as collateral for Treasury Tax and Loan Account* (No changes in delivery instructions will be accepted)	Payment will be made as follows: <input type="checkbox"/> By charge to our reserve account <input type="checkbox"/> By cash or check in immediately available funds on delivery <input type="checkbox"/> 5. Special instructions:
	\$ 5,000					
	10,000					
	100,000					
	1,000,000					
	Totals					

* The undersigned certifies that the allotted securities will be owned solely by the undersigned.

(If a commercial bank or dealer is subscribing for its own account or for account of customers, the following certifications are made a part of this tender.)

WE HEREBY CERTIFY that we have received tenders from our customers in the amounts set forth opposite the customers' names on the list which is made a part of this tender, and that we have either received and are holding for the Treasury or we guarantee payment to the Treasury of deposits stipulated in the official offering circular.

WE FURTHER CERTIFY that tenders received by us, if any, from other commercial banks for their own account and for the account of their customers have been entered with us under the same conditions, agreements, and certifications as set forth in this form.

Insert this tender in special envelope marked "Tender for Treasury Notes"

..... (Name of subscriber — please print or type)

..... (Address — incl. City and State) (Tel. No.)

..... (Signature of subscriber or authorized signer)

..... (Title of authorized signer)

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

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

INSTRUCTIONS:

- No tender for less than \$5,000 will be considered; and each tender must be for a multiple of \$5,000 (maturity value).
- Only banking institutions, and dealers who make primary markets in Government securities and report daily to this Bank their positions with respect to Government securities and borrowings thereon, may submit tenders for customer account; in doing so, they may consolidate competitive tenders at the same yield and may consolidate noncompetitive tenders, provided a list is attached showing the name of each bidder and the amount bid for his account. Others will not be permitted to submit tenders except for their own account.
- 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."
- Tenders will be received without deposit from commercial and other banks 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 accounts. Tenders from others must be accompanied by payment of 5 percent of the face amount of the securities applied for. All checks must be drawn to the order of the Federal Reserve Bank of New York; checks endorsed to this Bank will not be accepted.
- 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.

SCHEDULE FOR ISSUE OF REGISTERED TREASURY NOTES OF SERIES N-1976

SUBSCRIPTION NO.

SUBSCRIBER _____
 SIGNATURE _____
 ADDRESS _____
 ZIP _____

DELIVERY INSTRUCTIONS

- DELIVER OVER THE COUNTER
 SHIP TO SUBSCRIBER
 OTHER INSTRUCTIONS: _____

FOR FRB USE ONLY	
TRANS. ACCOUNTING DATE	
ISSUE AGENT 12	LOAN CODE
APR. 8, 1975	110-01
INTEREST COMP. DATE	

REGISTRATION INSTRUCTIONS	NO. OF PIECES	DENOM.	AMOUNT	SERIAL NOS. (LEAVE BLANK)	FOR FRB USE ONLY
NAME(S)					
	32	5,000			
ID OR S.S. NO.	34	10,000			
ADDRESS	38	100,000			
ZIP	42	1,000,000			
	99	TOTAL			TR CASE NO.
NAME(S)					
	32	5,000			
ID OR S.S. NO.	34	10,000			
ADDRESS	38	100,000			
ZIP	42	1,000,000			
	99	TOTAL			TR CASE NO.
NAME(S)					
	32	5,000			
ID OR S.S. NO.	34	10,000			
ADDRESS	38	100,000			
ZIP	42	1,000,000			
	99	TOTAL			TR CASE NO.
NAME(S)					
	32	5,000			
ID OR S.S. NO.	34	10,000			
ADDRESS	38	100,000			
ZIP	42	1,000,000			
	99	TOTAL			TR CASE NO.
NAME(S)					
	32	5,000			
ID OR S.S. NO.	34	10,000			
ADDRESS	38	100,000			
ZIP	42	1,000,000			
	99	TOTAL			TR CASE NO.

- 46 Type of security requested
- Definitive bearer
 - Registered
 - Book-entry (clearance)

- 47 Delivery instructions
- Deliver to customer
 - Deliver to subscriber
 - Deliver to third party
 - Hold for safekeeping (clearance)
 - Hold as collateral for TT&L A/C
 - Hold as collateral for other A/C

(Number references below are to facilitate computer processing of the information.)

IMPORTANT - Please fill in information requested below.

**Federal Reserve Bank of New York
Securities Department (8th Floor)
33 Liberty Street
New York, N. Y. 10045**

Tender for Treasury Notes