#### FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

Circular No. 7961 September 27, 1976

### OFFERING OF TWO SERIES OF TREASURY BILLS

\$2,500,000,000 of 91-Day Bills, Additional Amount, Series Dated July 8, 1976, Due January 6, 1977
(To Be Issued October 7, 1976)

\$3,500,000,000 of 182-Day Bills, Dated October 7, 1976, Due April 7, 1977

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, released 4 p.m. on September 24:

The Treasury Department, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of \$6,000 million, or thereabouts, to be issued Thursday, October 7, 1976, as follows:

91-day bills (to maturity date) in the amount of \$2,500 million, or thereabouts, representing an additional amount of bills dated July 8, 1976, and to mature January 6, 1977 (CUSIP No. 912793 D86), originally issued in the amount of \$3,507 million, the additional and original bills to be freely interchangeable.

182-day bills for \$3,500 million, or thereabouts, to be dated Thursday, October 7, 1976, and to mature April 7, 1977 (CUSIP No. 912793 F50).

The bills will be issued for cash and in exchange for Treasury bills maturing Thursday, October 7, 1976, outstanding in the amount of \$6,007 million, of which Government accounts and Federal Reserve Banks, for themselves and as agents of foreign and international monetary authorities, presently hold \$2,508 million. These accounts may exchange bills they hold for the bills now being offered at the average prices of accepted tenders.

The bills of both series 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 in denominations of \$10,000, \$15,000, \$50,000, \$100,000, \$500,000 and \$1,000,000 (maturity value) and in book-entry form to designated bidders.

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, one-thirty p.m., Eastern Daylight Saving time, Friday, October 1, 1976. Tenders will not be received at the Treasury Department, Washington. Each tender must be for a minimum of \$10,000. Tenders over \$10,000 must be in multiples of \$5,000. 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. 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 or Branches on application therefor.

Banking institutions 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 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.

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. Only those submitting competitive 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. Subject to these reservations, noncompetitive tenders for each issue for \$500,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids for the respective issues. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on Thursday, October 7, 1976, in cash or other immediately available funds or in a like face amount of Treasury bills maturing Thursday, October 7, 1976. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 considered to accrue when the bills are sold, redeemed or otherwise disposed of, and the bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder must include in his income tax return, as ordinary gain or loss, the difference between the price paid for the 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.

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 for both series up to 1:30 p.m., Eastern Daylight Saving time, Friday, October 1, 1976, at the Securities Department of its Head Office and at its Buffalo Branch. Tender forms for the respective series are enclosed. Please use the appropriate forms to submit tenders and return them in the enclosed envelope marked "Tender for Treasury Bills." Tenders not requiring a deposit may be submitted by telegraph, subject to written confirmation; no tenders may be submitted by telephone. Payment for Treasury bills cannot be made by credit through the Treasury Tax and Loan Account. Settlement must be made in cash or other immediately available funds or in maturing Treasury bills.

The results of bidding for the previous offering of Treasury bills, to be issued September 30, 1976, were not available at the time of printing this circular; those results will be announced after release by the Treasury Department.

PAUL A. VOLCKER, President.

## IMPORTANT-Closing date for receipt of this tender is Friday, October 1, 1976

### TENDER FOR 91-DAY TREASURY BILLS

Additional Amount, Series Dated July 8, 1976, Maturing January 6, 1977

(To Be Issued October 7, 1976) To Federal Reserve Bank of New York. Dated at Fiscal Agent of the United States Pursuant to the provisions of Treasury Department Circular No. 418 (current revision) and to the provisions of the public notice issued by the Treasury Department inviting tenders for the above-described Treasury bills, the undersigned hereby offers to purchase such Treasury bills in the amount indicated below, and agrees to make payment therefor at your Bank on or before the issue date at the price indicated below: Do not fill in both Competitive and COMPETITIVE TENDER NONCOMPETITIVE TENDER Noncompetitive tenders on one form \$..... (maturity value) \$..... (maturity value) or any lesser amount that may be awarded. (Not to exceed \$500,000 for one bidder through all sources) at the average price of accepted competitive bids. (Price must be expressed with not more than three decimal places, for example, 99.925) Subject to allotment, please issue, deliver, and accept payment for the bills as indicated below: Pieces Denomination Maturity value Deliver over the counter to the Payment will be made as follows: undersigned ☐ By charge to our reserve account 10,000 ☐ 2. Ship to the undersigned By cash or check in immediately available funds on delivery 15,000 3. Hold in safekeeping (for mem-(Payment cannot be made through ber bank only) in-50,000 Treasury Tax and Loan Account) ☐ Investment Account 100,000 ☐ 5. Special instructions: ☐ General Account 500,000 ☐ Trust Account 1,000,000 4. Allotment transfer (see list attached) (No changes in delivery instructions will be accepted) Totals The undersigned (member bank) hereby certifies that the Treasury bills which you are hereby instructed to dispose of in the manner indicated in item 3 above are owned solely by the undersigned. (Name of subscriber-please print or type) Insert this tender in special envelope (Address-incl. City and State) marked "Tender for (Tel. No.) (Signature of subscriber or authorized signature) Treasury Bills" (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: 1. No tender for less than \$10,000 will be considered, and each tender must be for a multiple of \$5,000 (maturity value). 2. 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 price 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.

- 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. 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.
- 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.

[41]

# TENDER FOR 182-DAY TREASURY BILLS

Dated October 7, 1976

Maturing April 7, 1977

[41]

W. Francis December 19			
To FEDERAL RESERVE BANK OF NEW YORK, Fiscal Agent of the United States		Dated at, 19	
Pursuant to the provisions of Treasury Department Circular No. 418 (current revision) and to the provisions of the public notice issued by the Treasury Department inviting tenders for the above-described Treasury bills, the undersigned hereby offers to purchase such Treasury bills in the amount indicated below and agrees to make payment therefor at your Bank on or before the issue date at the price indicated below			
COMPETITIVE TENDER	Do not fill in both Noncompetitive ter	Competitive and	NONCOMPETITIVE TENDER
or any lesser amount that may lesser amount t	maturity value) be awarded. per 100. with not more than three 99.925)	\$(Not to exceed \$50 at the average p	(maturity value) 00,000 for one bidder through all sources) rice of accepted competitive bids.
Pieces   Denomination   Maturity	undersigned  2. Ship to the  3. Hold in safe ber bank on  Investme  General  Trust Action  4. Allotment tr  (No changes in de will be action  bank) hereby certifies t	undersigned lekeeping (for memily) in— ent Account Account ccount ansfer (see list attach livery instructions ccepted) hat the Treasury h	pills which you are hereby instructed
Insert this tender		(Name of subscriber—please print or type)	
in special envelope		(Address—incl. City and State)	
marked "Tender for Treasury Bills"	(Tel. No.)		
(Title of authorized signer)			
(Name of customer)  INSTRUCTIONS:  1. No tender for less than \$10,0 2. Only banking institutions, and their positions with respect to Gover loing so, they may consolidate competist is attached showing the name of enders except for their own account.	00 will be considered, and of dealers who make primary rement securities and borrottitive tenders at the same peach bidder and the amount	each tender must be f markets in Governmer owings thereon, may price and may consol t bid for his account.	(Name of customer)  or a multiple of \$5,000 (maturity value).  It securities and report daily to this Bank submit tenders for customer account; in idate noncompetitive tenders, provided a Others will not be permitted to submit signed by an officer of the corporation
dunorized to make the tender, and representation by him that he has be nember of the firm, who should sign  4. Tenders will be received wand recognized dealers in investment he face amount of Treasury bills a	the signing of the tender een so authorized. If the in the form ", a member of without deposit from incort securities. Tenders from applied for, unless the tender many. All checks must be	the firm."  roorated banks and others must be accompanied	signed by an officer of the corporation he corporation will be construed as a partnership, it should be signed by a copartnership, by trust companies and from responsible companied by payment of 2 percent of by an express guaranty of payment of the Federal Reserve Bank of New

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.

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Federal Reserve Bank of St. Louis

Department Circular No. 418). The transaction will not be completed unless all required data is furnished.