

FEDERAL RESERVE BANK  
OF NEW YORK

Fiscal Agent of the United States

Circular No. 8706  
December 13, 1979

TREASURY TO AUCTION 2-YEAR AND 4-YEAR NOTES  
TOTALING \$6,000 MILLION

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

The following statement was issued yesterday by the Treasury Department:

The Department of the Treasury will auction \$3,500 million of 2-year notes and \$2,500 million of 4-year notes to refund \$5,199 million of notes maturing December 31, 1979, and to raise \$801 million new cash. The \$5,199 million of maturing notes are those held by the public, including \$806 million of maturing 2-year notes and \$235 million of maturing 4-year notes currently held by Federal Reserve Banks as agents for foreign and international monetary authorities.

In addition to the public holdings, Government accounts and Federal Reserve Banks, for their own accounts, hold \$727 million of the maturing notes that may be refunded by issuing additional amounts of the new notes at the average prices of accepted competitive tenders. Additional amounts of the new securities may also be issued at the average prices to Federal Reserve Banks, as agents for foreign and international monetary authorities, to the extent that their aggregate tenders for each of the new notes exceed their aggregate holdings of each of the maturing notes.

Printed on the reverse side is a table summarizing the highlights of the offerings. Copies of the official offering circulars will be furnished upon request directed to our Treasury and Agency Issues Division (Tel. No. 212-791-6619). In addition, enclosed are copies of the forms to be used in submitting tenders.

This Bank will receive tenders at the Securities Department of its Head Office and at its Buffalo Branch up to 1:30 p.m., Eastern Standard time, on the dates specified on the reverse side of this circular as the deadlines for receipt of tenders. *All competitive tenders*, whether transmitted by mail or by other means, must reach this Bank or its Branch by that time on the specified dates. However, for investors who wish to submit noncompetitive tenders and who find it more convenient to mail their tenders than to present them in person, the official offering circular for each offering provides that *noncompetitive* tenders will be considered timely received if they are mailed to this Bank or its Branch under a postmark no later than the date preceding the date specified for receipt of tenders.

Bidders submitting noncompetitive tenders should realize that it is possible that the average price may be above par, in which case they would have to pay more than the face value for the securities.

Payment may be made by 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*. A personal check submitted with the tender, either as a deposit or for the face amount of the securities, does not have to be certified. However, in cases where only a deposit is submitted with the tender, a personal check submitted for the final payment must be certified.

As provided in the official offering circular, "in every case where full payment is not completed on time, the deposit submitted with the tender, up to 5 percent of the face amount of securities allotted, shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States."

Recorded messages provide information about this and other Treasury offerings and about auction results: at the Head Office — Tel. No. 212-791-7773 (offerings) and Tel. No. 212-791-5823 (results); at the Buffalo Branch — Tel. No. 716-849-5046). Additional inquiries regarding this offering may be made by calling, at the Head Office, Tel. No. 212-791-6619, or, at the Buffalo Branch, Tel. No. 716-849-5016.

THOMAS M. TIMLEN,  
First Vice President.

**HIGHLIGHTS OF TREASURY  
OFFERINGS TO THE PUBLIC  
OF 2-YEAR AND 4-YEAR NOTES  
TO BE ISSUED DECEMBER 31, 1979**

*(Delivery date for coupon securities is January 7, 1980)*

	<u>2-Year Notes</u>	<u>4-Year Notes</u>
<b>Amount Offered:</b>		
To the public .....	\$3,500 million	\$2,500 million
<b>Description of Security:</b>		
Term and type of security .....	2-year notes	4-year notes
Series and CUSIP designation .....	Series AB-1981 (CUSIP No. 912827 KF8)	Series H-1983 (CUSIP No. 912827 KG6)
Maturity date .....	December 31, 1981	December 31, 1983
Call date .....	No provision	No provision
Interest coupon rate .....	To be determined, based on the average of accepted bids	To be determined, based on the average of accepted bids
Investment yield .....	To be determined at auction	To be determined at auction
Premium or discount .....	To be determined after auction	To be determined after auction
Interest payment dates .....	June 30 and December 31	June 30 and December 31
Minimum denomination available .....	\$5,000	\$1,000
<b>Terms of Sale:</b>		
Method of sale .....	Yield auction	Yield auction
Accrued interest payable by investor .....	None	None
Preferred allotment .....	Noncompetitive bid for \$1,000,000 or less	Noncompetitive bid for \$1,000,000 or less
Deposit requirement .....	5% of face amount	5% of face amount
Deposit guarantee by designated institutions .....	Acceptable	Acceptable
<b>Key Dates:</b>		
Deadline for receipt of tenders .....	<b>Wednesday, December 19, 1979, by 1:30 p.m., EST</b>	<b>Thursday, December 20, 1979, by 1:30 p.m., EST</b>
Settlement date (final payment due)		
a) cash or Federal funds .....	Monday, December 31, 1979	Monday, December 31, 1979
b) check drawn on bank within FRB district where submitted .....	Thursday, December 27, 1979	Thursday, December 27, 1979
c) check drawn on bank outside FRB district where submitted .....	Thursday, December 27, 1979	Thursday, December 27, 1979
Delivery date for coupon securities .....	<b>Monday, January 7, 1980</b>	<b>Monday, January 7, 1980</b>

**IMPORTANT—**This is a standard form. Its terms are subject to change at any time by the Treasury. This tender will be construed as a bid to purchase the 2-year notes for which the Treasury has outstanding an invitation for tenders on the date received by the Federal Reserve Bank of New York or its Buffalo Branch.

**TENDER FOR 2-YEAR TREASURY NOTES**

To 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 the public notice issued by the Treasury Department inviting tenders for the current offering of 2-year Treasury notes, the undersigned hereby offers to purchase such currently offered Treasury notes 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 \$1,000,000 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, 7.11)

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	Denominations	Maturity value		
	\$ 5,000		<input type="checkbox"/> Deliver over the counter to the undersigned (1)	Payment will be made as follows: <input type="checkbox"/> By charge to our reserve account (D) <input type="checkbox"/> By cash or check in immediately available funds (F) <input type="checkbox"/> By surrender of maturing securities (E) <input type="checkbox"/> By charge to my correspondent bank ..... (D) (Name of bank) <input type="checkbox"/> Special instructions (3)
	\$ 10,000		<input type="checkbox"/> Ship to the undersigned (2)	
	\$ 100,000		<input type="checkbox"/> Hold in safekeeping (for member bank only) in—	
	\$1,000,000		<input type="checkbox"/> Investment Account (4)	
	Totals		<input type="checkbox"/> General Account (5)	
			<input type="checkbox"/> Trust Account (6)	
			<input type="checkbox"/> Hold as collateral for Treasury Tax and Loan Account* (7)	
			<input type="checkbox"/> Wire to..... (8)	(Exact Receiving Bank Wire Address/Account)

\* 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 not made and will not make any agreements for the sale or purchase of any securities of this issue prior to the closing time for receipt of this tender.

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

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

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

Name of Subscriber (Please Print or Type)		
Address		
City	State	Zip
Phone (Include Area Code)	Signature of Subscriber or Authorized Signature	
Title of Authorized Signer		

(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 \$5,000 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 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.
3. 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 at least 5 percent of the face amount of the securities applied for.
4. A personal check, cash, or Treasury securities maturing on or before the issue date of the new securities may be submitted with the tender. Personal checks submitted with the tender, either as a deposit or for the face amount of the securities, do not have to be certified. However, in cases where only a deposit is submitted with the tender, a personal check submitted for the final payment must be certified and received at this Bank on the payment date (which is generally three business days before the issue date) shown on the "Notice of Balance Due" that will be mailed to you. All checks must be payable on its face to the Federal Reserve Bank of New York; checks endorsed to this Bank will not be accepted. Settlement on the issue date must be in cash or in other immediately available funds.
5. A recorded message (at the Head Office—Tel. No. 212-791-5823; at the Buffalo Branch—Tel. No. 716-849-5046) provides information about Treasury offerings; additional inquiries regarding Treasury offerings may be made by calling, at the Head Office, Tel. No. 212-791-6619, or, at the Buffalo Branch, Tel. No. 716-849-5016. (If the inquiry relates to competitive tenders, however, the Head Office number to call is 212-791-5465.)
6. If the language of this tender is changed in any respect that, in the opinion of the Secretary of the Treasury, is material, the tender may be disregarded.

(OVER)

PRIVACY ACT STATEMENT — The individually identifiable information required on this form is necessary to permit the subscription to be processed and the securities to be issued. If registered securities are requested, the regulations governing United States securities (Department Circular No. 300) and the offering circular require submission of social security numbers; the numbers and other information are used in inscribing the securities and establishing and servicing the ownership and interest records. The transaction will not be completed unless all required data is furnished.

**SCHEDULE FOR ISSUE OF REGISTERED 2-YEAR TREASURY NOTES**

SUBSCRIBER'S NAME \_\_\_\_\_  
 ADDRESS \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_  
 SIGNATURE \_\_\_\_\_

**DELIVERY INSTRUCTIONS**

- DELIVER OVER THE COUNTER
- SHIP TO SUBSCRIBER
- OTHER INSTRUCTIONS:  
 \_\_\_\_\_  
 \_\_\_\_\_

**PAYMENT INSTRUCTIONS**

- BY CHARGE TO OUR RESERVE ACCOUNT
- BY CASH OR CHECK IN IMMEDIATELY AVAILABLE FUNDS
- BY SURRENDER OF MATURING SECURITIES
- BY CHARGE TO MY CORRESPONDENT BANK

**SUBSCRIPTION NO.**

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

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

**IMPORTANT — Closing time for receipt of this tender is 1:30 p.m., Thursday, December 20, 1979**

**TENDER FOR 4-YEAR TREASURY NOTES OF SERIES H-1983**

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

Dated at \_\_\_\_\_  
\_\_\_\_\_, 19\_\_\_\_

The undersigned hereby offers to purchase the above-described securities 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 \$1,000,000 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, 7.11)*

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	Denominations	Maturity value	
	\$ 1,000		<input type="checkbox"/> Deliver over the counter to the undersigned (1) <input type="checkbox"/> Ship to the undersigned (2) <input type="checkbox"/> Hold in safekeeping (for member bank only) in— <input type="checkbox"/> Investment Account (4) <input type="checkbox"/> General Account (5) <input type="checkbox"/> Trust Account (6) <input type="checkbox"/> Hold as collateral for Treasury Tax and Loan Account* (7)  <input type="checkbox"/> Wire to ..... (8) (Exact Receiving Bank Wire Address/Account)
	\$ 5,000		
	\$ 10,000		
	\$ 100,000		
	\$1,000,000		
	Totals		

Payment will be made as follows:  
 By charge to our reserve account (D)  
 By cash or check in immediately available funds (F)  
 By surrender of maturing securities (E)  
 By charge to my correspondent bank ..... (D)  
 (Name of bank)  
 Special instructions (3)

\* 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 not made and will not make any agreements for the sale or purchase of any securities of this issue prior to the closing time for receipt of this tender.

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

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

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

Name of Subscriber (Please Print or Type)		
Address		
City	State	Zip Code
Phone (Include Area Code)	Signature of Subscriber or Authorized Signature	
Title of Authorized Signer		

(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 \$1,000 will be considered; and each tender must be for a multiple of \$1,000 (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 the bidder's account. Others will not be permitted to submit tenders except for their own accounts.
- 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 at least 5 percent of the face amount of the securities applied for.
- A personal check, cash, or Treasury securities maturing on or before the issue date of the new securities may be submitted with the tender. Personal checks submitted with the tender, either as a deposit or for the face amount of the securities, do not have to be certified. However, in cases where only a deposit is submitted with the tender, a personal check submitted for the final payment must be certified and received at this Bank on the payment date (which is generally three business days before the issue date) shown in the circular summarizing the highlights of this offering. All checks must be drawn payable to the Federal Reserve Bank of New York; checks endorsed to this Bank will not be accepted. Settlement on the issue date must be in cash or in other immediately available funds.
- A recorded message (at the Head Office—Tel. No. 212-791-5823; at the Buffalo Branch—Tel. No. 716-849-5046) provides information about Treasury offerings; additional inquiries regarding Treasury offerings may be made by calling, at the Head Office, Tel. No. 212-791-6619, or, at the Buffalo Branch, Tel. No. 716-849-5016.
- If the language of this tender is changed in any respect that, in the opinion of the Secretary of the Treasury, is material, the tender may be disregarded.

(OVER)

PRIVACY ACT STATEMENT — The individually identifiable information required on this form is necessary to permit the subscription to be processed and the securities to be issued. If registered securities are requested, the regulations governing United States securities (Department Circular No. 300) and the offering circular require submission of social security numbers; the numbers and other information are used in inscribing the securities and establishing and servicing the ownership and interest records. The transaction will not be completed unless all required data is furnished.

**SCHEDULE FOR ISSUE OF REGISTERED TREASURY SECURITIES**

**SUBSCRIPTION NO.**

SUBSCRIBER'S NAME \_\_\_\_\_  
 ADDRESS \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_  
 SIGNATURE \_\_\_\_\_

**DELIVERY INSTRUCTIONS**

- DELIVER OVER THE COUNTER
- SHIP TO SUBSCRIBER
- OTHER INSTRUCTIONS: \_\_\_\_\_

**PAYMENT INSTRUCTIONS**

- BY CHARGE TO OUR RESERVE ACCOUNT
- BY CASH OR CHECK IN IMMEDIATELY AVAILABLE FUNDS
- BY SURRENDER OF MATURING SECURITIES
- BY CHARGE TO MY CORRESPONDENT BANK

**FOR FRB USE ONLY**

**TRANS. ACCOUNTING DATE**

**ISSUE AGENT 12**

**LOAN CODE**

**110-01**

REGISTRATION INSTRUCTIONS		NO. OF PIECES	DENOM.	AMOUNT	SERIAL NOS. (LEAVE BLANK)	FOR FRB USE ONLY
NAME(S)		30	1,000			
		32	5,000			
		34	10,000			
		38	100,000			
		42	1,000,000			
ID OR S.S. NO.						
ADDRESS		99	TOTAL			
CITY	STATE	ZIP				TR. CASE NO.
NAME(S)		30	1,000			
		32	5,000			
		34	10,000			
		38	100,000			
		42	1,000,000			
ID OR S.S. NO.						
ADDRESS		99	TOTAL			
CITY	STATE	ZIP				TR. CASE NO.
NAME(S)		30	1,000			
		32	5,000			
		34	10,000			
		38	100,000			
		42	1,000,000			
ID OR S.S. NO.						
ADDRESS		99	TOTAL			
CITY	STATE	ZIP				TR. CASE NO.