

**FEDERAL RESERVE BANK  
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 9664  
April 4, 1984

**Treasury Tax and Loan Note Option Depositories  
Will Be Permitted to Pay for Treasury Security Offerings  
Through Tax and Loan Note Accounts**

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

The following statement has been issued by the Department of the Treasury:

The Department of the Treasury announced that, effective with the offering of 52-week Treasury bills to be announced on Friday, April 6, 1984, auctioned on Thursday, April 12, 1984, and settled on Thursday, April 19, 1984, Treasury Tax and Loan Note Option Depositories may elect to pay for allotments on tenders and subscriptions for all Treasury securities (i.e., bills, notes, and bonds) through their Treasury Tax and Loan Note Accounts. This will be a continuing payment option.

Depositories may pledge the securities just purchased as TT&L collateral, and increase the maximum balance of the TT&L note account by the amount of securities purchased. During periods of seasonally high Treasury cash balances, this method of payment will enable depositories to retain possession of funds tendered in payment of Treasury securities until needed for disbursement by the Treasury.

Interest is paid to Treasury on the funds retained in accordance with normal TT&L operating procedures. Those depositories wishing to pursue this opportunity should contact their local Federal Reserve Banks for details.

Those depository institutions needing information regarding the submission of tender forms under these new procedures should contact Stuart C. Zorfias, Chief, Securities Accounting Division (Tel. No. 212-791-5465). Those institutions wishing to increase the maximum balance of their Treasury Tax and Loan Note Account should contact James P. Wallace, Chief, Accounting Operations Division (Tel. No. 212-791-6569) or Donald R. Anderson, Manager, Accounting Department (Tel. No. 212-791-5228).

ANTHONY M. SOLOMON,  
*President.*