

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

Circular No. 9864  
May 22, 1985

**TREASURY ANNOUNCES OFFERINGS OF 5-YEAR 2-MONTH DOMESTIC NOTES  
AND 5-YEAR 2-MONTH FOREIGN-TARGETED NOTES**

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

The following statement was issued by the Treasury Department:

The Department of the Treasury will auction \$7,000 million of 5-year 2-month domestic notes and up to \$1,000 million of 5-year 2-month foreign-targeted notes to raise new cash.

The \$7,000 million of domestic notes is being offered to the public, and amounts tendered by Federal Reserve Banks as agents for foreign and international monetary authorities will be added to that amount at the average price of accepted competitive tenders.

The foreign-targeted notes will be sold only under competitive bidding, and only to foreign institutions, to foreign branches of United States financial institutions, to central banks or monetary authorities of foreign governments, or to certain public international organizations of which the United States is a member. A maximum of \$1,000 million of bids will be accepted, and if less than \$500 million of acceptable bids is received, none will be accepted. A bidder must certify that, as of the date of issuance, the notes are not being acquired for, or for offer to resell to, a United States person. In any event, the issue may not be sold to United States persons for 45 days (until July 14, 1985). United States persons who purchase the notes from July 14, 1985, onwards must meet U.S. tax requirements. In addition, such notes may be exchanged for the companion domestic notes in accordance with the terms of the circular.

Details about both security offerings are given in the highlights of the offerings and in the official Offering Circulars. Potential bidders for the foreign-targeted notes should obtain copies of the Offering Circular, which are available at the Federal Reserve Bank of New York, Securities Department, Room 835, or at the Treasury Department, Public Affairs, Room 2315, Washington, D.C.

Printed on the reverse side is a table summarizing the highlights of the offerings. Copies of the official offering circulars for the domestic notes will be furnished upon request directed to our Government Bond Division (Tel. No. 212-791-6619). In addition, enclosed is a copy of the form to be used in submitting tenders for the domestic notes.

Recorded messages provide information about 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. 716-849-5158 (offerings) and Tel. No. 716-849-5046 (results). Additional inquiries regarding the offering of domestic notes may be made by calling, at the Head Office, Tel. No. 212-791-6619, or, at the Buffalo Branch, Tel. No. 716-849-5016.

For information regarding the foreign-targeted notes, please contact our Securities Department, Tel. No. 212-791-5465.

E. GERALD CORRIGAN,  
*President.*

(Over)



**HIGHLIGHTS OF TREASURY OFFERING  
OF 5-YEAR 2-MONTH DOMESTIC NOTES  
AND OF 5-YEAR 2-MONTH FOREIGN-TARGETED NOTES  
TO BE ISSUED JUNE 4, 1985**

	<u>Domestic Notes</u>	<u>Foreign-Targeted Notes</u>
Amount offered.....	\$7,000 million	Up to \$1,000 million
Eligible bidders .....	The public	See Sections 2.1 and 2.19 of Offering Circular
<b>Description of Security:</b>		
Term and type of security.....	5-year 2-month domestic notes	5-year 2-month foreign-targeted notes
Series.....	Series K-1990	Series L-1990
CUSIP designation .....	CUSIP No. 912827 SG8	CUSIP No. 912827 SH6
Maturity date.....	August 15, 1990	August 15, 1990
Interest rate .....	To be determined, based on the average of accepted bids	Same as the rate established in the companion domestic auction
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 .....	February 15 and August 15 (first interest payment February 15, 1986)	August 15 (first interest payment August 15, 1986)
Minimum denomination available .....	\$1,000	\$1,000
<b>Terms of Sale:</b>		
Method of sale.....	Yield auction	Yield auction
Competitive bids .....	Must be expressed as an annual yield, with two decimals, e.g., 7.10%, based on a semi-annual interest payment	Must be submitted to the Federal Reserve Bank of New York and expressed as an annual yield, with two decimals, e.g., 7.10%, based on an annual interest payment
Noncompetitive bids .....	Accepted in full at the average price up to \$1,000,000	Not permitted
Minimum bid.....	\$1,000	Aggregate amount at lowest yield bid for must be <i>at least</i> \$50,000,000. See Section 6 of Offering Circular
<b>Payment Instructions:</b>		
Designation of paying institution .....	No provision	See Section 6 of Offering Circular
Payment by non-institutional investors .....	Full payment to be submitted with tender	Not applicable
Guarantee by designated institution (when required) .....	Acceptable	See Section 6 of Offering Circular
Payment through Treasury Tax and Loan (TT&L) Note Accounts.....	Acceptable for TT&L Note Option Depositories	No provision
<b>Key Dates:</b>		
Receipt of tenders .....	Wednesday, May 29, 1985, prior to 1:00 p.m., EDST	Wednesday, May 29, 1985, prior to 1:00 p.m., EDST, at FRB New York
<b>Settlement</b>		
a) Funds immediately available to the Treasury .....	Tuesday, June 4, 1985	Tuesday, June 4, 1985, no later than 9:00 a.m., EDST, at FRB New York
b) Readily collectible check .....	Friday, May 31, 1985	Not applicable