

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

AT-10829
January 17, 1996

**Reopening of Treasury CUBES Program
For Conversion of Stripped Coupons to Book-Entry Form**

March 4 – August 30, 1996

*To All Depository Institutions in the
Second Federal Reserve District:*

The Department of the Treasury has announced the reopening of its Coupons Under Book-Entry Safekeeping ("CUBES") program, from March 4 – August 30, 1996 at the Federal Reserve Bank of New York, to permit the conversion to book-entry form of certain physical coupons detached from U.S. Treasury bonds. All non-callable coupons with payment dates after January 1, 1997 are eligible for conversion.

Institutions wishing to participate in the CUBES program should contact Meses. Grace Jaiman or JoAnna Grever of our Government Bond Department (Tel. No. 212-720-8183/4) as soon as possible to obtain an information package. Depository institutions that notify this Bank of their intention to participate will be able to convert the stripped coupons between March 4 and August 30 in accordance with a conversion schedule that will be published monthly, beginning in February. Coupons may be mailed to this Bank (Attn: Government Bond Division, CUBES Program) or delivered to our windows every Monday, Wednesday and Friday between 9 a.m. and 1 p.m. Adherence to presentation procedures is essential. No trading of CUBES balances will be permitted for the 12 business days following their deposit into the designated book-entry accounts; this will allow for the verification and approval of the submission by the Treasury.

Entities or individuals other than depository institutions that hold stripped Treasury coupons and wish to convert them to book-entry form under the CUBES program must arrange for such conversion through a depository institution. Participating institutions will be charged a fee of \$4.00 per coupon and will bear the full cost and risk associated with the delivery of the coupons to this Bank.

Questions regarding the CUBES program may be directed to Robert G. Kraus, Manager, Government Bond Department (Tel. No. 212-720-1498) or Grace Jaiman of that Department (Tel. No. 212-720-8183).

GEORGE W. RYAN,
Vice President.