

Reference Library

**FEDERAL RESERVE BANK
OF NEW YORK**

Securities Department

[Circular No. 715]
March 1, 1926]

\$100,000,000
(or thereabouts)

**Purchase of Third Liberty Loan 4¼ Per Cent Bonds for the
Cumulative Sinking Fund**

*To all Banks, Trust Companies, Savings Banks, Bankers, Investment Dealers,
Principal Corporations and Others Concerned in the Second Federal Reserve District:*

According to an announcement made public today the Treasury will purchase \$100,000,000, or thereabouts, of Third Liberty Loan 4¼ per cent Bonds of 1928, **at the lowest prices offered**, plus accrued interest from March 15, 1926, provided such prices are acceptable to the Secretary of the Treasury. In announcing this purchase Secretary Mellon made the following statement:

Following the plan adopted last November of making purchases for the Cumulative Sinking Fund, in part, directly from holders of bonds, the Treasury again gives to all holders of Third Liberty Loan Bonds the opportunity to sell their bonds to the Government with the understanding that the lowest offers may be accepted, if satisfactory to the Secretary of the Treasury.

This procedure will save commission charges to the sellers and to the Treasury.

The Treasury now solicits from all holders of Third Liberty Loan Bonds proposals to sell these bonds. From the lowest proposals received the Treasury expects to purchase Third Liberty Loan Bonds to an aggregate amount of \$100,000,000, or thereabouts. All proposals should be handled through a bank, trust company, or recognized dealer, who will deal with the Federal Reserve Banks, which are the official agencies for the Treasury in these transactions. Proposals must be received by a Federal Reserve Bank not later than March 10, 1926. Payment, in the case of coupon bonds, will be made on March 23, 1926, and in the case of registered bonds, on March 23, 1926, or as soon thereafter as registration may be cleared.

The Treasury reserves the right to reject any or all proposals.

As all proposals for this sale of Third Liberty Loan Bonds must be in writing sellers are requested to use form P. D. 956 appearing on the reverse side of Department Circular 366 containing the provisions governing the purchase. A supply is enclosed herewith, and additional copies, if necessary, will be furnished upon request.

Very truly yours,

BENJ. STRONG,
Governor.