

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 1506]
[February 6, 1935]

Public Notice of Offering of \$75,000,000, or thereabouts, of Treasury Bills
Dated February 13, 1935 Maturing August 14, 1935

*To all Incorporated Banks and Trust Companies in the
Second Federal Reserve District and Others Concerned:*

Following is the text of a notice today made public by the Treasury Department with respect to a new offering of Treasury bills payable at maturity without interest to be sold on a discount basis to the highest bidders.

STATEMENT BY SECRETARY MORGENTHAU

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$75,000,000, or thereabouts. They will be 182-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p.m., Eastern Standard time, on Friday, February 8, 1935. Tenders will not be received at the Treasury Department, Washington.

The Treasury bills will be dated February 13, 1935, and will mature on August 14, 1935, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e. g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on February 8, 1935, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on February 13, 1935.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, and this notice prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or branch thereof.

In accordance with the above announcement tenders will be received at the Securities Department of this bank (2nd floor, 33 Liberty Street, New York City) or at the Buffalo Branch of this bank (272 Main Street, Buffalo, New York) until two o'clock p.m., Eastern Standard time, on Friday, February 8, 1935.

It is requested that tenders be submitted on special form and in special envelope enclosed herewith.

Attention is invited to the fact that payment for the Treasury bills cannot be made by credit through the War Loan Deposit Account. Payment must be made in cash or other immediately available funds.

GEORGE L. HARRISON,
Governor.

TENDER FOR 182-DAY TREASURY BILLS
 Dated February 13, 1935 Maturing August 14, 1935

Dated at.....

TO THE FEDERAL RESERVE BANK OF NEW YORK,
 Fiscal Agent of the United States,
 New York City, N. Y.

.....1935

Pursuant to the provisions of Treasury Department Circular No. 418, as amended, and to the provisions of the public announcement on February 6, 1935, as issued by the Secretary of the Treasury, the undersigned offers to pay.....* for a total amount of \$..... (maturity value) ^(Rate per 100) of the Treasury bills therein described, or for any less amount that may be allotted, payment therefor to be made at your bank in cash or other immediately available funds on the date stated in the public announcement.


The Treasury bills for which tender is hereby made are to be dated February 13, 1935, and are to mature on August 14, 1935.

This tender will be inserted in special envelope entitled "Tender for Treasury bills."

IMPORTANT INSTRUCTIONS:

1. No tender for less than \$1,000 will be considered, and each tender must be for an amount in multiples of \$1,000 (maturity value). Also, if more than one price is offered, a separate form must be executed at each price.
2. If the person making the tender is a corporation, the form should be signed by an officer of the corporation authorized to make the tender, and the signing of the form by an officer of the corporation will be construed as a representation by him that he has been so authorized. If the tender is made by a partnership, it should be signed by a member of the firm, who should sign in the form "....., a copartnership, by....., a member of the firm."
3. Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.
4. If the language of this form is changed in any respect, which, in the opinion of the Secretary of the Treasury, is material, the tender may be disregarded.

Payment by credit through War Loan Deposit Account will not be permitted.

 Before signing fill in all required spaces.

Bank or Trust Company.....

Post Office Address.....

State.....

.....
 Official signature required.

SPACES BELOW ARE FOR THE USE OF THE FEDERAL RESERVE BANK

Examined	Carded	Classified	Ledger	Acknowledged	Disposition			
Allotment		Figured	Checked	Advised	Method of Payment	Amount	Date Released	By
Received	Checked	Recorded	Window	Custody	Mail	Other Departments		

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* Price should be expressed on the basis of 100, with not more than three decimal places, e. g., 99.125. Fractions must not be used

FEDERAL RESERVE BANK
OF NEW YORK

(a4)

February 8, 1935.

NEW COUNTERFEIT

To Member Banks in the Second Federal
Reserve District and others concerned:

At the request of the Secret Service Division of the Treasury Department, New York District, we are hereby notifying all member banks in the Second Federal Reserve District and others concerned of the appearance of a new counterfeit \$10 note described by the Secret Service Division as follows:

NEW COUNTERFEIT \$10 FEDERAL RESERVE NOTE:

On the FEDERAL RESERVE BANK OF NEW YORK, N. Y.; Series of 1928 C; Check Letter 'J'; Face Plate No. 16; Back Plate No. 215; Serial No. B67306865A; bearing facsimile signatures of W. O. WOODS, Treasurer of the United States; OGDEN L. MILLS, Secretary of the Treasury; portrait of HAMILTON.

This is a photo-mechanical reproduction fairly well executed on one piece of bond paper. The back plate is approximately one-sixteenth of an inch shorter than the genuine, and is printed in a dark green in which the fine white lathework lines are not clear and distinct, as in the genuine. On the face of the note the portrait of HAMILTON is poorly executed, and there appears to be a fine white line extending down the side of HAMILTON'S face, apparently to separate it from the background, with which it would otherwise merge.

Any of these notes or other counterfeits which come to your attention should be taken up and forwarded to the office of the U. S. Secret Service having jurisdiction in your territory. Such offices are located in New York City, Syracuse, Buffalo, N. Y., and in Newark, N. J.

George L. Harrison,
Governor.

FEDERAL RESERVE BANK

OF NEW YORK

February 13, 1935.

Maximum Rates of Interest on Time and Savings Deposits

Payable Only at Offices of Member Banks Located Outside of the United States

To Member Banks in the Second Federal Reserve District
with Offices Located Outside of the United States:

In our circular No. 1491, dated December 15, 1934, on the subject of Reduction of Maximum Rate of Interest on Time and Savings Deposits and Amendments to Regulation Q of the Federal Reserve Board, it was stated that the Federal Reserve Board had requested me to advise member banks in this district which have branches located outside of the States of the United States and the District of Columbia that, in accordance with subsection (c) (5) of section III and subsection (c) (5) of section V of Regulation Q as amended, the Board would be glad to give consideration to requests for the prescribing of a higher maximum rate of interest which may be paid on time and savings deposits at such branches. For your information, there is transmitted herewith a copy of an advice received from the Federal Reserve Board in which it is stated that in accordance with the provisions of Regulation Q, the Board has prescribed a maximum interest rate of 4 percent per annum on savings deposits and of 6 percent per annum on other time deposits payable only at offices of member banks located outside of the States of the United States and of the District of Columbia.

A copy of Regulation Q, Series of 1935, relating to the payment of deposits and interest thereon by member banks of the Federal Reserve System was transmitted to member banks in the Second Federal Reserve District with our circular No. 1493, dated December 18, 1934.

J. H. CASE,
Federal Reserve Agent.

(To accompany letter dated February 13, 1935, from J. H. Case, Federal Reserve Agent, to member banks in the Second Federal Reserve District with offices located outside of the United States.)

MAXIMUM RATES OF INTEREST PAYABLE ON TIME AND SAVINGS
DEPOSITS OUTSIDE OF THE UNITED STATES.

Under the provisions of Regulation Q (paragraph (5) of subsection (c) of Section III and paragraph (5) of subsection (c) of Section V), a member bank may pay interest on a time or savings deposit which is payable only at an office of such bank located outside of the States of the United States and of the District of Columbia at a rate not exceeding the maximum rate set forth in Regulation Q "or such higher maximum rate as may be prescribed by the Federal Reserve Board from time to time for payment in the locality in which such office is located".

In accordance with these provisions of Regulation Q, the Federal Reserve Board hereby prescribes the following maximum rates of interest which may be paid by member banks on time and savings deposits payable only at offices of such banks located outside of the States of the United States and of the District of Columbia:

On time deposits as defined in Regulation Q, a rate not in excess of 6 percent per annum, compounded quarterly, regardless of the basis upon which such interest may be computed;

On savings deposits as defined in Regulation Q, a rate not in excess of 4 percent per annum, compounded quarterly, regardless of the basis upon which such interest may be computed.

Such maximum rates of interest shall be effective February 1, 1935, and until such time as different rates may hereafter be prescribed by the Federal Reserve Board.

The above are the maximum rates of interest which may be paid by member banks on such deposits in any place outside of the States of the United States and of the District of Columbia. However, the Federal Reserve Board will expect that no member bank will pay interest on any such deposit at a rate in excess of that paid on deposits of a like class by competing institutions situated in the locality in which such payment of interest is made.