

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

[Circular No. 1542]
May 13, 1935

REDEMPTION BEFORE MATURITY OF FOURTH LIBERTY LOAN BONDS
FOURTH AND FINAL CALL

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

As requested by the Treasury Department, we transmit to you herewith, printed on the following pages, a copy of Treasury Department circular No. 539, dated May 13, 1935, governing the redemption on October 15, 1935, of Fourth Liberty Loan 4¼ percent bonds of 1933-38 (Fourth 4¼'s) included in the fourth and final call.

It will be noted from Treasury Department circular No. 539 that in order to facilitate the redemption of *Fourth-called* Fourth 4¼'s on October 15, 1935, any such bonds should be presented and surrendered in the manner therein prescribed well in advance of that date *but not before September 15, 1935.*

GEORGE L. HARRISON,
Governor.

REDEMPTION BEFORE MATURITY OF FOURTH LIBERTY LOAN BONDS FOURTH AND FINAL CALL

1935
Department Circular No. 539
Public Debt Service

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, May 13, 1935.

To Holders of Fourth Liberty Loan $4\frac{1}{4}$ percent Bonds of 1933-38, and Others Concerned:

I. NOTICE OF FOURTH AND FINAL CALL FOR REDEMPTION BEFORE MATURITY OF FOURTH LIBERTY LOAN $4\frac{1}{4}$ PERCENT BONDS OF 1933-38 (FOURTH $4\frac{1}{4}$'s)

On April 13, 1935, the following public notice of call for redemption was given:

To Holders of Fourth Liberty Loan $4\frac{1}{4}$ percent Bonds of 1933-38, and Others Concerned:

Public notice is hereby given:

1. All outstanding Fourth Liberty Loan $4\frac{1}{4}$ percent bonds of 1933-38 (Fourth $4\frac{1}{4}$'s) bearing serial numbers the final digit of which is 3 or 4 (such serial numbers in the case of permanent coupon bonds being prefixed by the corresponding distinguishing letter C or D, respectively), are hereby called for redemption on October 15, 1935, on which date interest on such bonds called for redemption will cease.

2. Full information regarding the presentation and surrender of Fourth $4\frac{1}{4}$'s for redemption under this call will be given in a Treasury Department Circular to be issued later.

3. Holders of Fourth $4\frac{1}{4}$'s now called for redemption on October 15, 1935, may, in advance of that date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given.

HENRY MORGENTHAU, JR.,

Secretary of the Treasury.

TREASURY DEPARTMENT,
WASHINGTON, April 13, 1935.

II. TRANSACTIONS IN FOURTH-CALLED BONDS

1. The bonds included in the fourth and final call for redemption on October 15, 1935, are hereby designated *Fourth-called* Fourth $4\frac{1}{4}$'s.¹

2. Denominational exchanges of coupon bonds within the class *Fourth-called* Fourth $4\frac{1}{4}$'s will terminate at the close of business on October 14, 1935. Transfers and exchanges involving registered bonds within the same class will be permitted up to the close of business on September 30, 1935, but not after that date.

III. PAYMENT OR EXCHANGE

1. *Payment of fourth-called bonds on October 15, 1935.*—Holders of *Fourth-called* Fourth $4\frac{1}{4}$'s will be entitled to have such bonds redeemed and paid at par on October 15, 1935, with interest in full to that date. After October 15, 1935, interest will not accrue on any such bonds included in the fourth and final call for redemption.

2. *Optional exchange offering.*—Holders of *Fourth-called* Fourth $4\frac{1}{4}$'s may, in advance of October 15, 1935, be offered the privilege of exchanging all or any part of their *fourth-called* bonds for other interest-bearing obligations of the United States, in which event due public notice will be given. Holders who desire to avail themselves of any exchange privilege, if and when offered, should watch for an announcement thereof, and should request their bank or trust company to notify them when information regarding any exchange offering is received.

¹ Fourth $4\frac{1}{4}$'s (temporary coupon, permanent coupon, and registered) are numbered serially beginning with No. 1 for each denomination; in the case of permanent coupon bonds each serial number is prefixed by a distinguishing letter, the letters A to K (omitting I) being used, which letters, in order, rotate with and correspond to the final digits from 1 to 0, respectively.

First-called Fourth $4\frac{1}{4}$'s (called for redemption on Apr. 15, 1934—Department Circular No. 501, dated Oct. 12, 1933) bear serial numbers ending in 9, 0, or 1 (in the case of permanent coupon bonds preceded by the distinguishing letter J, K, or A, respectively); *Second-called* Fourth $4\frac{1}{4}$'s (called for redemption on Oct. 15, 1934—Department Circular No. 509, dated Apr. 13, 1934) bear serial numbers ending in 8 or 2 (in the case of permanent coupon bonds preceded by the distinguishing letter H or B, respectively); *Third-called* Fourth $4\frac{1}{4}$'s (called for redemption on Apr. 15, 1935—Department Circular No. 525, dated Oct. 12, 1934) bear serial numbers ending in 5, 6, or 7 (in the case of permanent coupon bonds preceded by the distinguishing letter E, F, or G, respectively); and *Fourth-called* Fourth $4\frac{1}{4}$'s (called for redemption on Oct. 15, 1935) bear serial numbers ending in 3 or 4 (in the case of permanent coupon bonds preceded by the distinguishing letter C or D, respectively).

3. IN CASE OF AN EXCHANGE OFFERING, INSTRUCTIONS THEN GIVEN IN THE PUBLIC ANNOUNCEMENT AND THE OFFICIAL CIRCULAR SHOULD BE FOLLOWED IN PRESENTING *FOURTH-CALLED* BONDS FOR EXCHANGE; OTHERWISE THE INSTRUCTIONS HEREINAFTER SET FORTH IN THIS CIRCULAR SHOULD BE FOLLOWED FOR THE PRESENTATION OF SUCH *FOURTH-CALLED* BONDS FOR REDEMPTION ON OCTOBER 15, 1935.

IV. REDEMPTION OF *FOURTH-CALLED* *FOURTH 4 1/4*'s

1. *Presentation and surrender of coupon bonds.*—*Fourth-called Fourth 4 1/4*'s in coupon form should be presented and surrendered to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington, D. C., for redemption on October 15, 1935. The bonds must be delivered at the expense and risk of holders (see par. 7 of this section) and should be accompanied by appropriate written advice (see form P. D. 1445 attached hereto). Checks in payment of principal will be mailed to the address given in the form of advice accompanying the bonds surrendered.

2. Coupons dated October 15, 1935, which become payable on that date, should be detached from any *Fourth-called Fourth 4 1/4*'s before such bonds are presented for redemption on October 15, 1935, and such coupons should be collected in regular course when due. All coupons pertaining to such bonds bearing dates subsequent to October 15, 1935, must be attached to such bonds when presented for redemption, *provided, however*, if any such coupons are missing from bonds so presented for redemption the bonds nevertheless will be redeemed, but the full face amount of any such missing coupons will be deducted from the payment to be made on account of such redemption, and any amounts so deducted will be held in the Treasury to provide for adjustments or refunds on account of such missing coupons as may subsequently be presented.²

3. *Presentation and surrender of registered bonds.*—*Fourth-called Fourth 4 1/4*'s in registered form must be assigned by the registered payees or assigns thereof, or by their duly constituted representatives, in accordance with the general regulations of the Treasury Department governing assignments, in the form indicated in the next paragraph hereof, and should thereafter be presented and surrendered to any Federal Reserve bank or branch, or to the Division of Loans and Currency, Treasury Department, Washington, D. C., for redemption on October 15, 1935. The bonds must be delivered at the expense and risk of holders (see par. 7 of this section) and should be accompanied by appropriate written advice (see form P. D. 1446 attached hereto). In all cases checks in payment of principal and final interest will be mailed to the address given in the form of advice accompanying the bonds surrendered.

4. If the registered payee, or an assignee holding under proper assignment from the registered payee, desires that payment of the principal and final installment of interest be made to him, the bonds should be assigned by such payee or assignee, or by a duly constituted representative, to "The Secretary of the Treasury for redemption". If it is desired, for any reason, that payment be made to some other person, without intermediate assignment, the bonds should be assigned to "The Secretary of the Treasury for redemption for the account of.....", inserting the name and address of the person to whom payment is to be made. A representative or fiduciary should not assign for payment to himself individually, unless expressly authorized to do so by court order or by the instrument under which he is acting; he may, however, assign for payment to himself *in his representative or fiduciary capacity*.

5. Assignment in blank, or other assignment having similar effect, will be recognized, but in that event payment will be made to the person surrendering the bond for redemption, since under such assignment the bond becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

6. Final interest due on October 15, 1935, on any *Fourth-called Fourth 4 1/4*'s in registered form, will be paid with the principal in accordance with the assignments on the bonds surrendered.

² The final coupon attached to temporary coupon bonds became due on October 15, 1920. The holders of any such temporary bonds which are included in the fourth call for redemption on October 15, 1935, will receive all past due interest from October 15, 1920, when the bonds are redeemed pursuant to such call. All coupons now attached to any such temporary bonds should be detached and collected in regular course.

7. *Transportation of bonds.*—Bonds presented for redemption under this circular must be delivered to a Federal Reserve bank or branch, or to the Treasury Department, Washington, D. C., at the expense and risk of the holder. Coupon bonds should be forwarded by registered mail insured, or by express prepaid. Registered bonds bearing restricted assignments may be forwarded by registered mail, but registered bonds bearing unrestricted assignments should be forwarded by registered mail insured or by express. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the United States under this circular.

V. TIME OF PRESENTATION OF FOURTH-CALLED FOURTH 4 $\frac{1}{4}$'s FOR REDEMPTION

1. In order to facilitate the redemption of *Fourth-called* Fourth 4 $\frac{1}{4}$'s on October 15, 1935, any such bonds should be presented and surrendered in the manner herein prescribed in advance of that date but not before September 15, 1935. Such early presentation by holders will assure prompt payment of principal when due. This is particularly important with respect to registered bonds, for payment cannot be made until registration shall have been discharged at the Treasury Department.

2. It will expedite redemption if the bonds included in the fourth call for redemption are presented to Federal Reserve banks or branches, and not direct to the Treasury Department.

VI. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of *Fourth-called* Fourth 4 $\frac{1}{4}$'s under this circular may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington, D. C., where copies of the Treasury Department's regulations governing assignments may also be obtained.

2. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to Federal Reserve banks.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

FOR COUPON BONDS

(For registered bonds use Form PD 1446)

TREASURY DEPARTMENT
Public Debt Service
Form PD 1445

FORM OF ADVICE TO ACCOMPANY FOURTH-CALLED FOURTH LIBERTY LOAN 4 1/4 PERCENT BONDS (FOURTH 4 1/4'S) IN COUPON FORM PRESENTED FOR REDEMPTION ON OCTOBER 15, 1935

To the FEDERAL RESERVE BANK OF.....,
or
TREASURER OF THE UNITED STATES, *Washington, D. C.*:

Pursuant to the provisions of Treasury Department Circular No. 539, dated May 13, 1935, the undersigned presents and surrenders herewith for redemption on October 15, 1935, \$....., face amount of Fourth-called Fourth Liberty Loan bonds in coupon form, with coupon dated April 15, 1936, and all subsequent coupons attached, as follows:

Number of bonds	Denomination	Serial numbers of bonds	Face amount
.....	\$50	.....	\$.....
.....	100	.....	.....
.....	500	.....	.....
.....	1,000	.....	.....
.....	5,000	.....	.....
.....	10,000	.....	.....
.....	100,000	.....	.....
Total			\$.....

and requests that remittance covering payment therefor be forwarded to the undersigned at the address indicated below.

Signature.....

Name (please print).....

Address in full.....

Date.....

FOR REGISTERED BONDS

(For coupon bonds use Form PD 1445)

TREASURY DEPARTMENT
Public Debt Service
Form PD 1446

FORM OF ADVICE TO ACCOMPANY FOURTH-CALLED FOURTH LIBERTY LOAN 4¼ PERCENT BONDS (FOURTH 4¼'s) IN REGISTERED FORM PRESENTED FOR REDEMPTION ON OCTOBER 15, 1935

To the FEDERAL RESERVE BANK OF.....,
OR
TREASURY DEPARTMENT, DIVISION OF LOANS AND CURRENCY, *Washington, D. C.*:

Pursuant to the provisions of Treasury Department Circular No. 539, dated May 13, 1935, the undersigned presents and surrenders herewith for redemption on October 15, 1935, \$....., face amount of Fourth-called Fourth Liberty Loan bonds in registered form, inscribed in the name of..... and duly assigned to "The Secretary of the Treasury for redemption", as follows:

Number of bonds	Denomination	Serial numbers of bonds	Face amount
.....	\$50	.....	\$.....
.....	100	.....	.....
.....	500	.....	.....
.....	1,000	.....	.....
.....	5,000	.....	.....
.....	10,000	.....	.....
.....	50,000	.....	.....
.....	100,000	.....	.....
Total		.....	\$.....

and requests that remittance covering payment of principal and final interest be forwarded to the undersigned at the address indicated below.

Signature.....

Name (please print).....

Address in full.....

Date.....