Public Notice of Offering of $1,100,000,000, or thereabouts, of 91-Day Treasury Bills
Dated December 30, 1948 Maturing March 31, 1949

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 under competitive and non-competitive bidding.

The Secretary of the Treasury, by this public notice, invites tenders for $1,100,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing December 30, 1948, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated December 30, 1948, and will mature March 31, 1949, when the face amount will be payable without interest. They will be sold at the average price, and in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, December 27, 1948. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills bid for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on December 30, 1948, in cash or other immediately available funds or in a like face amount of Treasury bills maturing December 30, 1948. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. The bills shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or on any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117(a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

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.

In accordance with the above announcement tenders will be received at the Securities Department of this bank (9th floor, 33 Liberty Street) New York 45, N. Y., or at the Buffalo Branch of this bank (270 Main Street) Buffalo 5, N. Y., up to two o'clock p.m., Eastern Standard time, on Monday, December 27, 1948. It is requested that tenders be submitted on special form printed on reverse side and returned in special envelope enclosed herewith. Payment for the Treasury bills cannot be made by credit through the War Loan Deposit Account. Settlement must be made in cash or other immediately available funds or in maturing Treasury bills.

(Extract from Treasury Department statement released for publication December 21, 1948, announcing results after tenders were opened for Treasury bills dated December 23, 1948 maturing March 24, 1949)

<table>
<thead>
<tr>
<th>Federal Reserve District</th>
<th>Total Applied for</th>
<th>Total Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boston</td>
<td>$14,302,000</td>
<td>$14,154,000</td>
</tr>
<tr>
<td>New York</td>
<td>1,192,550,000</td>
<td>805,381,000</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>21,010,000</td>
<td>8,610,000</td>
</tr>
<tr>
<td>Cleveland</td>
<td>37,088,000</td>
<td>37,088,000</td>
</tr>
<tr>
<td>Richmond</td>
<td>5,290,000</td>
<td>5,290,000</td>
</tr>
<tr>
<td>Atlanta</td>
<td>5,455,000</td>
<td>5,455,000</td>
</tr>
<tr>
<td>Chicago</td>
<td>79,603,000</td>
<td>53,503,000</td>
</tr>
<tr>
<td>St. Louis</td>
<td>4,295,000</td>
<td>4,295,000</td>
</tr>
<tr>
<td>Minneapolis</td>
<td>3,905,000</td>
<td>3,905,000</td>
</tr>
<tr>
<td>Kansas City</td>
<td>9,262,000</td>
<td>9,262,000</td>
</tr>
<tr>
<td>Dallas</td>
<td>6,065,000</td>
<td>6,065,000</td>
</tr>
<tr>
<td>San Francisco</td>
<td>48,000,000</td>
<td>48,000,000</td>
</tr>
</tbody>
</table>

Total                             $1,426,825,000  $1,001,008,000

(over)
IMPORTANT—If it is desired to bid on a competitive basis, fill in rate per 100 and maturity value in paragraph headed “Competitive Bid”. If it is desired to bid on a non-competitive basis, fill in only the maturity value in paragraph headed “Non-competitive Bid”. DO NOT fill in both paragraphs on one form. A separate tender must be used for each bid.

TENDER FOR 91-DAY TREASURY BILLS

Dated December 30, 1948.

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

COMPETITIVE BID

Pursuant to the provisions of Treasury Department Circular No. 418, as amended, and to the provisions of the public notice on December 24, 1948, as issued by the Secretary of the Treasury, the undersigned offers

$....................................................... (maturity value)

of the Treasury bills therein described, or for any less amount that may be awarded, settlement therefor to be made at your bank, on the date stated in the public notice, as follows:

By surrender of the maturing issue of Treasury bills

By cash or other immediately available funds

The Treasury bills for which tender is hereby made are to be dated December 30, 1948, and are to mature on March 31, 1949.

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

Name of Bidder

(Please print)

By......................................................

(Official signature required)

Street Address

(City, Town or Village, P. O. No., and State)

If this tender is submitted for the account of a customer, indicate the customer’s name on line below:

(Name of Customer)

(City, Town or Village, P.O. No., and State)

Use a separate tender for each customer’s bid.

IMPORTANT INSTRUCTIONS:

1. No tender for less than $1,000 will be considered, and each tender must be for an even multiple of $1,000 (maturity value). A separate tender must be executed for each bid.

2. If the person making the tender is a corporation, the tender should be signed by an officer of the corporation authorized to make the tender, and the signing of the tender 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 received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent 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 tender 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.

* Price must be expressed on the basis of 100, with not more than three decimal places. Fractions may not be used.
To Incorporated Banks and Trust Companies and Other Financial Institutions in the Second Federal Reserve District Qualified to Make Payments in Connection with the Redemption of United States Savings Bonds and Armed Forces Leave Bonds:

Enclosed is a supply of a revised form of transmittal letter (Form Sav. B. 178) in sets of original and duplicate copies for use by qualified paying agents in forwarding to us for redemption United States Savings Bonds and Armed Forces Leave Bonds paid by such agents. The original form (colored) should be sent to us, and the duplicate (white) retained for your files.

This form, which is to be used commencing January 3, 1949, will enable paying agents to transmit both United States Savings Bonds and Armed Forces Leave Bonds in a single letter. We will make a single payment covering all bonds enclosed with one letter.

Additional supplies of the revised form of transmittal letter will be furnished upon request.

ALLAN SPROUL,
President.
TRANSMITTAL LETTER

PAID UNITED STATES SAVINGS BONDS OF SERIES A, B, C, D AND E, AND PAID ARMED FORCES LEAVE BONDS

INSTRUCTIONS TO PAYING AGENTS

Do not schedule on this form bonds paid in different months. Use a separate form for each month. Do not send more than 200 bonds with one transmittal letter.

Paying agents must maintain in their files a record of the serial numbers of bonds included in each shipment.

Armed Forces Leave Bonds should not be spindled, clipped, pinned, perforated, bent, folded or otherwise mutilated.

Forward the bonds together with the original copy of this transmittal letter to the Federal Reserve Bank of New York, Savings Bond Department, Federal Reserve P.O. Station, New York 45, N.Y.

FEDERAL RESERVE BANK OF NEW YORK,
Savings Bond Department,
Federal Reserve P.O. Station,
New York 45, N.Y.

Date

________________________

Pieces of United States Savings Bonds in the amount of $____________________

Pieces of Armed Forces Leave Bonds in the amount of $____________________

TOTALS

________________________

Pieces of United States Savings Bonds paid by us during the month of _______________________

(Spaces below are for the use of the Federal Reserve Bank of New York)

Payment Month ______________________
Agent's Number ______________________
Batch Number ______________________
Transaction Code ______________________

Agent's A/C Credited With:
Check Issued

PAYMENT INSTRUCTIONS

Issue check to our order in the amount of $____________________

Credit our account with you in the amount of $____________________

(Do not fill in the following line unless you desire payment by credit to your account with a correspondent bank)

Credit ______________________ for our account in the amount of $____________________

(Spaces below are for the use of the Federal Reserve Bank of New York)

Charge Unclassified Symbol 17-655 $____________________ (USSB)

Charge Unclassified Symbol 17-643 $____________________ (AFLB)

TOTAL $____________________
TRANSMITTAL LETTER
PAID UNITED STATES SAVINGS BONDS OF SERIES A, B, C, D AND E, AND
PAID ARMED FORCES LEAVE BONDS

INSTRUCTIONS TO PAYING AGENTS

Do not schedule on this form bonds paid in different months. Use a separate form for each month. Do not send more than 200 bonds with one transmittal letter.

Paying agents must maintain in their files a record of the serial numbers of bonds included in each shipment.

Armed Forces Leave Bonds should not be spindled, clipped, pinned, perforated, bent, folded or otherwise mutilated.

Forward the bonds together with the original copy of this transmittal letter to the Federal Reserve Bank of New York, Savings Bond Department, Federal Reserve P.O. Station, New York 45, N.Y.

Federal Reserve Bank of New York,
Savings Bond Department,
Federal Reserve P.O. Station,
New York 45, N.Y.

We enclose for settlement

Pieces of United States Savings Bonds in the amount of $__________________

Pieces of Armed Forces Leave Bonds in the amount of ______________________

Totals $__________________

paid by us during the month of ____________________

(Spaces below are for the use of the Federal Reserve Bank of New York)

Payment Month ________________ Total Pieces ________________

Agent’s Number ________________ Amount Paid ________________

Batch Number ________________ Date of Letter ________________

Transaction Code ________________ U/C Date ________________

Agent’s A/C Credited With: ________________ Check Issued ________________

PAYMENT INSTRUCTIONS

Issue check to our order in the amount of ______________________ $__________________

Credit our account with you in the amount of ______________________ $__________________

(Do not fill in the following line unless you desire payment by credit to your account with a correspondent bank)

Credit ______________________ for our account in the amount of ______________________ $__________________

(Name of Correspondent Bank.)

(Spaces below are for the use of the Federal Reserve Bank of New York)

Charge Unclassified Symbol 17-655 $______________ (USSB)

Charge Unclassified Symbol 17-643 $______________ (AFLB)

Total $______________