

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 7363]
[March 22, 1974]

Auction of \$1.5 Billion of 2-Year Treasury Notes of Series H-1976

To All Banking Institutions, and Others Concerned,
in the Second Federal Reserve District:

As announced in our Circular No. 7362, dated March 21, 1974, the Treasury will sell at auction, on Thursday, March 28, under competitive and noncompetitive bidding, \$1.5 billion of 2-year Treasury Notes of Series H-1976, dated April 9, 1974, due March 31, 1976. The terms of the offering are set forth in Treasury Department Circular No. 4-74, Public Debt Series, dated March 21, 1974, a copy of which is printed below.

This Bank will receive tenders up to 1:30 p.m., Eastern Daylight Saving time, Thursday, March 28, 1974, at the Securities Department of its Head Office and at its Buffalo Branch, except that noncompetitive tenders mailed to this Bank or its Branch postmarked no later than Wednesday, March 27, will be considered timely. Please use the enclosed tender forms to submit tenders, and return them in the enclosed envelope marked "Tender for Treasury Notes." Tenders not requiring a deposit may be submitted by telegraph, subject to written confirmation; no tenders may be submitted by telephone. Settlement for accepted tenders may be made in cash or other immediately available funds; *settlement cannot be made by credit in Treasury Tax and Loan Accounts.*

The coupon rate for the notes will be announced on Wednesday, March 27. You may call this Bank (Telephone No. 212-791-5360, 212-791-5368, or 212-791-5465) on that date to ascertain the rate.

ALFRED HAYES,
President.

UNITED STATES OF AMERICA
TREASURY NOTES OF SERIES H-1976

Dated and bearing interest from April 9, 1974

Due March 31, 1976

DEPARTMENT CIRCULAR
Public Debt Series — No. 4-74

DEPARTMENT OF THE TREASURY,
Office of the Secretary,
Washington, March 21, 1974.

I. INVITATION FOR TENDERS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites tenders at a price not less than 99.76 percent of their face value for \$1,500,000,000, or thereabouts, of notes of the United States, designated Treasury Notes of Series H-1976. The interest rate for the notes will be publicly announced by the Secretary of the Treasury on March 27, 1974. Tenders will be received up to 1:30 p.m., Eastern Daylight Saving time, Thursday, March 28, 1974, under competitive and noncompetitive bidding, as set forth in Section III hereof.

II. DESCRIPTION OF NOTES

1. The notes will be dated April 9, 1974, and will bear interest from that date, payable on a semiannual basis on September 30, 1974, March 31 and September 30, 1975, and March 31, 1976. They will mature March 31, 1976, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter im-

posed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached, and notes registered as to principal and interest, will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. Provision will be made for the interchange of notes of different denominations and of coupon and registered notes, and for the transfer of registered notes, under rules and regulations prescribed by the Secretary of the Treasury.

5. The notes will be subject to the general regulations of the Department of the Treasury, now or hereafter prescribed, governing United States notes.

III. TENDERS AND ALLOTMENTS

1. Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, D. C. 20226, up to the closing hour, 1:30 p.m., Eastern Daylight Saving time, Thursday, March 28, 1974. Each tender must state the face amount of notes bid for, which must be \$1,000 or a multiple thereof, and the price offered, except that in the case of noncompetitive tenders the term "noncompetitive" should be used in lieu of a price. In the case of competitive tenders, the price must be expressed on the basis of 100, with two decimals, e.g., 100.00. Tenders at a price less than 99.76 will not be accepted. Fractions may not be used. Noncompetitive tenders from any one bidder may not exceed \$500,000.

2. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others than commercial banks will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from banking institutions for their own account, Federally-insured savings and loan associations, States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon and Government accounts. Tenders from others must be accompanied by payment of 5 percent of the face amount of notes applied for.

3. Immediately after the closing hour tenders will be opened, following which public announcement will be made by the Department of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. In considering the acceptance of

tenders, those at the highest prices will be accepted to the extent required to attain the amount offered. Tenders at the lowest accepted price will be prorated if necessary. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, including the right to accept less than \$1,500,000,000 of tenders, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for \$500,000 or less without stated price from any one bidder will be accepted in full at the average price* (in two decimals) of accepted competitive tenders.

4. All bidders are required to agree not to purchase or sell, or to make any agreements with respect to the purchase or sale or other disposition of any notes of this issue at a specific rate or price, until after 1:30 p.m., Eastern Daylight Saving time, Thursday, March 28, 1974.

5. Commercial banks in submitting tenders will be required to certify that they have no beneficial interest in any of the tenders they enter for the account of their customers, and that their customers have no beneficial interest in the banks' tenders for their own account.

IV. PAYMENT

1. Settlement for accepted tenders in accordance with the bids must be made or completed on or before April 9, 1974, at the Federal Reserve Bank or Branch or at the Bureau of the Public Debt, Washington, D. C. 20226, in cash or other funds immediately available by that date. Payment will not be deemed to have been completed where registered notes are requested if the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security number or an employer identification number) is not furnished. In every case where full payment is not completed, the payment with the tender up to 5 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive tenders, to make such allotments as may be prescribed by the Secretary of the Treasury, to issue such notices as may be necessary, to receive payment for and make delivery of notes on full-paid tenders allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

GEORGE P. SHULTZ,
Secretary of the Treasury.

* Average price may be at, or more or less than 100.00.

IMPORTANT — Closing time for receipt of this tender is 1:30 p.m., Thursday, March 28, 1974.

TENDER FOR TREASURY NOTES OF SERIES H-1976

Dated April 9, 1974

Due March 31, 1976

FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
New York, N. Y. 10045

Dated at
....., 1974

Pursuant to the provisions of Treasury Department Circular No. 4-74, Public Debt Series, dated March 21, 1974, the undersigned hereby offers to purchase United States of America Treasury Notes of Series H-1976 in the amount indicated below, and agrees to make payment therefor at your Bank on or before the issue date at the price indicated below.

COMPETITIVE TENDER

Do not fill in both Competitive and Noncompetitive tenders on one form

NONCOMPETITIVE TENDER

\$ (maturity value),
or any lesser amount that may be awarded.

Price: per 100 (minimum of 99.76)
(Price must be expressed with not more than two decimal places, for example, 100.00.)

\$ (maturity value)
(Not to exceed \$500,000 for one bidder through all sources)

at the average price of accepted competitive bids.

Subject to allotment, please issue, deliver, and accept payment for the notes as indicated below and on the reverse side (if registered notes are desired, please also complete schedule on reverse side):

Pieces	Denomination	Maturity value		Payment will be made as follows:
	\$ 1,000		<input type="checkbox"/> 1. Deliver over the counter to the undersigned	<input type="checkbox"/> By charge to our account on your books
	5,000		<input type="checkbox"/> 2. Ship to the undersigned	<input type="checkbox"/> By cash or check in immediately available funds on delivery
	10,000		<input type="checkbox"/> 3. Hold in safekeeping (for account of member bank only)*	
	100,000		<input type="checkbox"/> 4. Hold as collateral for Treasury Tax and Loan Account*	
	1,000,000		<input type="checkbox"/> 5. Special instructions:	
	Totals		(No changes in delivery instructions will be accepted)	

* The undersigned certifies that the allotted notes will be owned solely by the undersigned.

We hereby agree not to buy or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any notes of this issue at a specific rate or price, until after one-thirty p.m., Eastern Daylight Saving time, Thursday, March 28, 1974.

(If a commercial bank is subscribing for its own account or for account of customers, the following certifications are made a part of this tender.)

WE HEREBY CERTIFY that we have received tenders from our customers in the amounts set opposite the customers' names on the list which is made a part of this tender; that there has been paid to us by each such customer as required by the official offering circular, not subject to withdrawal until after allotment, not less than 5 percent of the amount bid for; that we have not made unsecured loans, or loans collateralized in whole or in part by the notes bid for, to supply the amounts of such payments to any of such customers; that we have no beneficial interest in the tenders of such customers; and that none of our customers has any beneficial interest in the amount bid for our own account.

WE FURTHER CERTIFY that tenders received by us, if any, from other commercial banks for their own account and for the account of their customers have been entered with us under the same conditions, agreements, and certifications as set forth in this form.

Insert this tender in special envelope marked "Tender for Treasury Notes"

(Name of subscriber — please print or type)
(Address — please print or type) (Tel. No.)
(Signature of subscriber or authorized signature)
(Title of authorized signer)

IMPORTANT — Banks submitting tenders for customer account must indicate names and amounts desired by each on a separate list attached hereto.

INSTRUCTIONS:

- No tender for less than \$1,000 will be considered and each tender must be for an even multiple of \$1,000 (maturity value).
- Others than commercial banks will not be permitted to submit tenders except for their own account. Banks submitting tenders for customer account may consolidate competitive tenders at the same price and may consolidate noncompetitive tenders, provided a list is attached showing the name of each bidder, the amount bid for his account, and method of payment.
- 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."
- Tenders will be received without deposit from commercial and other banks for their own account, Federally-insured savings and loan associations, States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, and Government accounts. Tenders from others must be accompanied by payment of 5 percent of the face amount of securities applied for. All checks must be drawn to the order of the Federal Reserve Bank of New York; checks endorsed to this Bank will not be accepted.
- 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.

SCHEDULE FOR ISSUE OF REGISTERED TREASURY NOTES OF SERIES H-1976

SUBSCRIPTION NO.

SUBSCRIBER _____

SIGNATURE _____

ADDRESS _____

ZIP _____

DELIVERY INSTRUCTIONS

DELIVER OVER THE COUNTER

SHIP TO SUBSCRIBER

OTHER INSTRUCTIONS: _____

FOR FRB USE ONLY

TRANS. ACCOUNTING DATE

ISSUE AGENT 12

LOAN CODE

INTEREST COMP. DATE

\$ 110-01

- 46 Type of security requested
1. Definitive bearer
 2. Registered
 3. Book-entry (clearance)

- 47 Delivery instructions
1. Deliver to customer
 2. Deliver to subscriber
 3. Deliver to third party
 7. Hold for safekeeping (clearance)
 8. Hold as collateral for TT&L A/C
 9. Hold as collateral for other A/C

(Number references below are to facilitate computer processing of the information.)

IMPORTANT — Please fill in information requested below.

REGISTRATION INSTRUCTIONS	NO. OF PIECES	DENOM.	AMOUNT	SERIAL NOS. (LEAVE BLANK)	FOR FRB USE ONLY
NAME(S)	30	1,000			
	32	5,000			
ID OR S.S. NO.	34	10,000			
ADDRESS	38	100,000			
	42	1,000,000			
ZIP	99	TOTAL			TR CASE NO.
NAME(S)	30	1,000			
	32	5,000			
ID OR S.S. NO.	34	10,000			
ADDRESS	38	100,000			
	42	1,000,000			
ZIP	99	TOTAL			TR CASE NO.
NAME(S)	30	1,000			
	32	5,000			
ID OR S.S. NO.	34	10,000			
ADDRESS	38	100,000			
	42	1,000,000			
ZIP	99	TOTAL			TR CASE NO.
NAME(S)	30	1,000			
	32	5,000			
ID OR S.S. NO.	34	10,000			
ADDRESS	38	100,000			
	42	1,000,000			
ZIP	99	TOTAL			TR CASE NO.