- (i) United States Treasury Certificates of Indebtedness,
 - (ii) United States Treasury Notes, and (iii) United States Treasury Bonds.
- (2) Demand deposit securities— United States Treasury Certificates of Indebtedness.
 - (3) Special zero interest securities:
- (i) United States Treasury Certificates of Indebtedness.
 - (ii) United States Treasury Notes.
- (b) As appropriate, the definitions of terms used in Part 344 are those found in the relevant portions of the Internal Revenue Code and regulations. The term 'government body'' refers to issuers of State or local government bonds described in section 103 of the Internal Revenue Code, as well as to any other entity subject to the yield restrictions in sections 141–150 of the Internal Revenue Code, or the arbitrage rebate requirements in sections 143(g)(3) or 148 of the Internal Revenue Code. The term "postmark date" refers to the date affixed by the U.S. Postal Service, not to a postage meter date. The "date telecopied" for material sent by facsimile equipment is the date transmitted, as it appears on the document received. The term "datestamp" refers to the date affixed by the carrier service upon the carrier's taking receipt of the material.
- (c) This offering will continue until terminated by the Secretary of the Treasury.

§ 344.1 General provisions.

- (a) Regulations. United States
 Treasury securities —State and Local
 Government Series shall be subject to
 the general regulations with respect to
 United States securities, which are set
 forth in the Department of the Treasury
 Circular No. 300 (31 CFR part 306), to
 the extent applicable. Copies of the
 circular may be obtained from the
 Bureau of the Public Debt, Forms
 Management—Room 301, 200 Third
 Street, PO Box 396, Parkersburg, WV
 26102–0396, or a Federal Reserve Bank
 or Branch.
- (b) *Issuance*. The securities will be issued in book-entry form on the books of the Department of the Treasury, Bureau of the Public Debt, Parkersburg, WV 26102–0396. Transfer of securities by sale, exchange, assignment or pledge, or otherwise will not be permitted.
- (c) *Transfers.* Securities held in an account of any one type, i.e., time deposit, demand deposit, or special zero interest, may not be transferred within that account or to an account of any other type.
- (d) Fiscal agents. Selected Federal Reserve Banks and Branches, as fiscal agents of the United States, may be

- designated to perform such services as may be requested of them by the Secretary of the Treasury in connection with the purchase of, transactions involving, and redemption of, the securities.
- (e) Authority of subscriber. Where a commercial bank submits an initial or final subscription on behalf of a government body, it must certify that it is acting under the latter's specific authorization; ordinarily, evidence of such authority will not be required. Subscriptions submitted by an agent other than a commercial bank must be accompanied by evidence of the agent's authority to act. Such evidence must describe the nature and scope of the agent's authorization, must specify the legal authority under which the agent was designated, and must relate by its terms to the investment action being undertaken. Subscriptions unsupported by such evidence will not be accepted.
- (f) Reservations. Transaction requests, including requests for subscription and redemption, will not be accepted if unsigned, inappropriately completed, or not timely submitted. The Secretary of the Treasury reserves the right:
- (1) To reject any application for the purchase of securities under this offering;
- (2) To refuse to issue any such securities in any case or any class(es) of cases; and
- (3) To revoke the issuance of any security, and to declare the subscriber ineligible thereafter to subscribe for securities under this offering, if any security is issued on the basis of an improper certification or other misrepresentation by the subscriber, other than as the result of an inadvertent error, if the Secretary deems such action to be in the public interest.
- (4) Any of these actions shall be final. The authority of the Secretary to waive regulations under 31 CFR 306.126 applies to Part 344.
- g) Debt limit contingency. The Department of the Treasury reserves the right to change or suspend the terms and conditions of this offering, including provisions relating to subscriptions for, and issuance of, securities, interest payments, redemptions, and rollovers, as well as notices relating hereto, at any time the Secretary determines that issuance of obligations sufficient to conduct the orderly financing operations of the United States cannot be made without exceeding the statutory debt limit. Announcement of such changes shall be provided by such means as the Department deems appropriate.

(Approved by the Office of Management and Budget under control number 1535–0091)

Subpart B—Time Deposit Securities

§ 344.2 Description of securities.

(a) Terms.

(1) Certificates of Indebtedness. The certificates will be issued in a minimum amount of \$1,000, or in any larger amount, in multiples of \$100, with maturity periods fixed by the government body, from 30 calendar days up to and including one year, or for any intervening period.

(2) *Notes.* The notes will be issued in a minimum amount of \$1,000, or in any larger amount, in multiples of \$100, with maturity periods fixed by the government body, from one year and one day up to and including 10 years, or for any intervening period.

(3) Bonds. The bonds will be issued in a minimum amount of \$1,000, or in any larger amount, in multiples of \$100, with maturity periods fixed by the government body, from 10 years and one day up to and including 30 years, or for any intervening period.

(b) Interest rate. Each security shall bear such rate of interest as the government body shall designate, but the rate shall not exceed the maximum interest rate. The applicable maximum interest rates for each day shall equal rates shown in a table (Form PD 4262), which will be released to the public by 10:00 a.m., Eastern time, each business day. If the Treasury finds that due to circumstances beyond its control the rates will not be available to the public by 10:00 a.m., Eastern time, on any given business day, it will provide an immediate announcement of that fact and advise that the applicable interest for the last preceding business day shall apply. The applicable rate table for any subscription is the one in effect on the date the initial subscription is telecopied, if transmitted by facsimile equipment, postmarked, if mailed, or carrier date-stamped, if the initial subscription is delivered by other carrier. Subscriptions telecopied, postmarked, or date-stamped on a nonbusiness day will be subject to those interest rates which are in effect for the next business day. The rates specified in the tables are one-eighth of one percent below the then current estimated Treasury borrowing rate for a security of comparable maturity.

(c) Payment.

(1) Interest computation and payment dates. Interest on a certificate will be computed on an annual basis and will be paid at maturity with the principal. Interest on a note or bond will be paid semiannually. The subscriber will specify the first interest payment date, which must occur any time between 30 days and one year of the date of issue,