

FEDERAL RESERVE BANK OF NEW YORK
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AREA CODE 201-531-3000

February 28, 2001
Clearing Memo #222

To: Memorandum to Institutions Maintaining Direct Wire
Facilities with the National Book-Entry System ("NBES")

From: Gail Armendinger, Electronic Payments Officer *Gail Armendinger*

Subject: Treasury Changes the Minimum and Multiple Par Amounts
Required for Stripping Treasury Fixed-Principal Bonds
and Notes

Effective March 1, 2001, the Treasury is changing the minimum and multiple par amounts required for stripping fixed-principal bonds and notes into their separate principal and interest components under the Separate Trading of Registered Interest and Principal of Securities ("STRIPS") program. This change standardizes the amount required for STRIPS for all Treasury marketable securities.

The minimum par amount to be required for stripping Treasury fixed-principal securities will be set at \$1,000, with multiples of \$1,000. In addition, the interest components' ("TINTs") minimum denomination, minimum amount to hold and the minimum amount to transfer in the commercial book-entry system will change from \$1,000 to a penny (\$.01).

These changes affect the existing Treasury STRIPS outstanding in the NBES book-entry system as well as new issues. Please review the attached list which provides the interest rate per \$1,000 and the resulting interest payment and update your systems accordingly.

If you have any questions, please call Belinda Williams, Information/Technical Support Specialist at (201)-531-3155.

Attachment