

## Fiscal Service, Treasury

## § 375.3

other money in the general fund of the Treasury to buy, redeem, or refund, at or before maturity, outstanding bonds, notes, certificates of indebtedness, Treasury bills, or savings certificates of the United States Government. For the purposes of this part, we will refer to these outstanding obligations as “securities”.

### § 375.1 Where are the rules for the redemption operation located?

The provisions in this part and the redemption operation announcement govern the redemption of marketable Treasury securities under 31 U.S.C. 3111. (See § 375.10.)

### § 375.2 What special definitions apply to this rule?

The definitions in 31 CFR part 356 govern this part except as follows:

*Accrued interest* means an amount payable by the Treasury as part of the settlement amount for the interest income earned between the last interest payment date up to and including the settlement date.

*Bank* means the Federal Reserve Bank of New York.

*Customer* means a person or entity on whose behalf a submitter has been directed to submit an offer of a specified amount of securities in a specific redemption operation.

*Minimum offer amount* means the smallest par amount of a security that may be offered to the Treasury. We will state the minimum offer amount in the redemption operation announcement.

*Multiple* means the smallest additional par amount of a security that may be offered to the Treasury. We will state the multiple in the redemption operation announcement.

*Offer* means an offer to deliver for redemption a stated par amount of a specific security to the Treasury at a stated price.

*Price* means the dollar amount to be paid for a security expressed as a percent of its current par amount.

*Privately held amount* means the total amount outstanding of a security less holdings of the Federal Reserve System and Federal Government accounts.

*Redemption amount* means the maximum par amount of securities that we are planning to redeem through a re-

demption operation. We will state the redemption amount in the redemption operation announcement.

*Redemption operation* means a competitive process by which the Treasury accepts offers of marketable Treasury securities that by their terms are not immediately payable.

*Security* means an outstanding unmatured obligation of the United States Government that the Secretary is authorized to buy, redeem or refund under section 3111 of Title 31 of the United States Code.

*Settlement* means full and complete delivery of and payment for securities redeemed.

*Settlement amount* means the par amount of each security that we redeem, multiplied by the price we accept in a redemption operation, plus any accrued interest.

*Settlement date* means the date specified in the redemption operation announcement on which you must deliver a security to the Treasury for payment.

*Submitter* means an entity submitting offers directly to the Treasury for its own account, for the account of others, or both. (See § 375.11(a)).

*Tender* means a computer transmission or document submitted in a redemption operation that contains one or more offers.

*We* (“us”) means the Secretary of the Treasury and his or her delegates, including the Treasury Department, the Bureau of the Public Debt, and their representatives. The term also includes the Federal Reserve Bank of New York, acting as fiscal agent of the United States.

*You* means a prospective submitter in a redemption operation.

### § 375.3 What is the role of the Federal Reserve Bank of New York in this process?

As fiscal agent of the United States, the Federal Reserve Bank of New York performs various activities necessary to conduct a redemption operation under this part. These activities may include but are not limited to:

- (a) Accepting and reviewing tenders;
- (b) Calculating redemption operation results;
- (c) Issuing notices of redemptions;