

September 27th, 1999

Government Securities Regulations Staff
Bureau of the Public Debt
999 E St. N.W. — Room 315
Washington, D.C. 20239-0001

Dear Government Securities Regulations Staff:

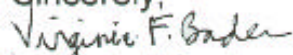
Re: Proposed rule on the Marketable Securities Redemption Operations.

I am assured verbally by your Staff that entities qualified to bid on a buy-back could not include in that bid bonds owned by an unwilling customer even if they are held in the entity's street name. However: 1) there seems to be some difference of opinion on this among brokers; and 2) neither the proposed rule, nor the authorizing 31 U.S.C. §3111 actually says that the possessor of the bond has to be willing.

I am extremely concerned...

If we should not put our money back under the mattress from whence FDR bid us remove it, will you please specify that bonds owned by individual people cannot without their express consent be bid by "qualified entities". Since it would be unwieldy to ask permission each time of each bond-holder, a one-time written request not to sell bonds on file at the brokerage should be sufficient, I would think. Interest rates come and go. I hold them for their coupons.

Thank you.

Sincerely,

Virginia F. Bader

P.S. Someone in your office suggested the alternative of moving the bonds to the Federal Reserve Bank. Their limit is too low, but I was puzzled by their brochure, which describes the public debt as Uncle Sam's, "not your's". In a government "of the people, by the people", who is this spendthrift chap? I thought as a citizen it was mine. VB