

1 MR. CASE: This involves the unique feature  
2 of public finance, Jim. Generally speaking, when your  
3 company, for example, issues bonds, they are term bonds,  
4 and that is to say, they would be in fifteen or twenty-  
5 five years or if the Telephone Company issues bonds,  
6 some are due in twenty-five years. Municipal bonds are,  
7 generally speaking, not term bonds. They are what we  
8 call serial maturity bonds, and there are installments  
9 coming due every so often, usually on a yearly basis;  
10 and it is for that reason that the word, installment, is  
11 used, and of course, timely means that you have got to  
12 pay the installment when it is due.

13 MR. GENTRY: Doesn't there come a time at  
14 maturity when the whole of the principal then remaining  
15 unpaid is due?

16 MR. CASE: That is just another installment.  
17 That is the last installment.

18 THE CHAIRMAN: Mrs. Bothe?

19 MRS. BOTHE: Dr. Bard used an unfortunate example  
20 and I am not going to try to use one, but where you have  
21 a G.O. bond, I would like to know, for instance, what the