

How Savings Bonds are allotted

TOTAL AVAILABLE: **\$10,000**

TOTAL APPLIED: **\$18,000**

CUT-OFF: **\$2,500**

Amount applied	Random													Amount allotted	
	Round 1	Round 2	Round 3	Round 4	Round 5	Round 6									
A \$2,000	\$500	\$500	\$500	\$500											\$2,000
B \$4,000	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500							\$2,500
C \$5,500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500			\$3,000
D \$6,500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$2,500

- Let's assume the government plans to issue up to \$10,000 of Savings Bonds. Four individuals A (\$2,000), B (\$4,000) C (\$5,500) and D (\$6,500) applied for a total of \$18,000 of Savings Bonds.
- The available bonds will be spread out among as many investors as possible in the following manner:
 - Applications are filled in denominations of \$500 upwards.
 - After Round 4, \$8,000 of Savings Bonds have been allotted, and A's application has been fully met. \$2,000 of Savings Bonds are left.
 - In Round 5, \$1,500 of Savings Bonds are allotted.
 - The remaining \$500 is insufficient to fill all applications in Round 6. One person among B, C and D is randomly allotted the remaining \$500. In this case, C gets the \$500.
- A is allotted \$2,000, B and D receive \$2,500 each, and C gets \$3,000.