NATIONAL HELLENIC MUSEUM

OBJECT ID	F2014.99
OBJECT NAME	Bond
DATE CREATED	December 15, 1942
MEDIUM	Ink
MATERIAL	Paper
ACCESS POINTS	First National Bank and Trust Company of Evanston Hellenic Orthodox Community of Chicago & Suburbs St. Basil Church Hellenic Orthodox Community of Chicago and Suburbs St. Basil Church ink Number 3 Pamphlet paper Trustee White

OBJECT DESCRIPTION

Bond pamphlet is vertically orientated and is white with blue lettering and bordering. The bond (Number 113) has been granted by the Hellenic Orthodox Community of Chicago and Suburbs St. Basil Church for $100. The interest is payable on January 2 of each year and the principal is due on January 2, 1948. The back side of the bond is signed by the Assistant Trust officer of the First National Bank and Trust Company of Evanston. Underneath the amount, it says First Mortgage 3% Bond. Opening up the pamphlet, the entire inside is a horizontally orientated document detailing the conditions of the bond. The interior is signed by the president, secretary, and treasurer of the Hellenic Orthodox Community of Chicago and Suburbs.

ORIGIN

In finance, a bond is an instrument of indebtedness of the bond issuer to the holders. It is a debt security, under which the issuer owes the holders a debt and, depending on the terms of the bond, is obliged to pay them interest (the coupon) and/or to repay the principal at a later date, termed the maturity date. Interest is usually payable at fixed intervals (semiannual, annual, sometimes monthly). Very often the bond is negotiable, i.e. the ownership of the instrument can be transferred in the secondary market. This means that once the transfer agents at the bank medallion stamp the bond, it is highly liquid on the second market.

Thus a bond is a form of loan or IOU: the holder of the bond is the lender (creditor), the issuer of the bond is the borrower (debtor), and the coupon is the interest. Bonds provide the borrower with external funds to finance long-term investments, or, in the case of government bonds, to finance current expenditure. Certificates of deposit (CDs) or short term commercial paper are considered to be money market instruments and not bonds: the main difference is in the length of the term of the instrument.

Bonds and stocks are both securities, but the major difference between the two is that (capital) stockholders have an equity stake in the company (i.e. they are investors), whereas bondholders have a creditor stake in the company (i.e. they are lenders). Being a creditor, bondholders have absolute priority and will be repaid before stockholders (who are owners) in the event of bankruptcy.Another difference is that bonds usually have a defined term, or maturity, after which the bond is redeemed, whereas stocks are typically outstanding indefinitely. An exception is an irredeemable bond, such as Consols, which is a perpetuity, i.e. a bond with no maturity.

CITATION

Bond, December 15, 1942, *National Hellenic Museum*, https://collections.nationalhellenicmuseum.org/Detail/objects/. Accessed 05/06/24.