

**FEDERAL RESERVE BANK
OF DALLAS**

Circular No. 3
Series of 1925

February 16, 1925.

CURRENCY AND COIN SHIPMENTS

To the Member Bank Addressed:

This circular supersedes all previous circulars governing the shipment of currency and coin.

Unless otherwise stated, the term "Federal Reserve Bank of Dallas" includes the El Paso and Houston Branches.

A branch of the Dallas City Post Office, known as "Station K", is located in the Federal Reserve Bank Building, and to insure prompt handling, all registered mail forwarded to the Head Office at Dallas should be addressed, "Federal Reserve Bank of Dallas, Station K, Dallas, Texas".

The Federal Reserve Bank of Dallas will pay charges on necessary telegrams, and will absorb all expense of postage, expressage and insurance incident to shipments of currency and coin to member banks; such costs will also be absorbed on shipments of currency and coin from member banks except on standard silver dollars, if the following provisions are observed; otherwise, **transportation costs will not be allowed.**

SHIPMENTS TO FEDERAL RESERVE BANK

CURRENCY

Assorting

Currency must be assorted by denomination and each fifty notes or less enclosed in a paper strap marked with the amount and name of remitting bank; no strap to contain different denominations and all notes to be face and top up.

Do not, under any circumstances, substitute rubber bands or clips for paper currency straps.

Mutilated or torn notes must be carefully mended with paste or adhesive paper and all pins, clips and other metallic substances must be removed as they cause serious injury to the machinery used in punching and cutting currency.

Packing of Currency for Shipment

Currency should first be tied securely with cord to make a solid bundle. Canvas sacks, sealed with lead seals, are recommended, especially for heavy shipments. If, however, paper wrapper is used, select a good quality and cover entire package with at least three thicknesses and seal securely with wax. The sealing of package should be witnessed by two persons, one of

whom should be an adult; one of the witnesses to have charge of package until it is deposited and registered in the post office or delivered to the express company.

Method of Shipment

Shipments of one and two dollar bills in amounts over \$500 must be made by express, charges collect; all other currency shipments by registered mail, insured under our policy.

Advice of Shipment and Insurance

On the same date on which shipment is made, an advice must be mailed under separate cover to the office to which shipment is addressed, which must state:

- (a) The total amount shipped (currency and coin shown separately).
- (b) Whether sent by registered mail or express (if by registered mail incorporate the clause, "Shipment to be insured by you").
- (c) Instructions as to disposition.
- (d) Amount of postage paid on the shipment.
- (e) The number of packages composing shipment.

A copy of this advice should be enclosed with the shipment, and if shipment consists of more than one package, a memorandum should be placed in each showing the amount it contains.

A supply of special forms for your convenience in making shipments will be forwarded you upon request.

Shipments by registered mail will, upon receipt of advice by this bank or its branches, be insured under this bank's registered mail policies, covering the shipment from the time it leaves the office of the sending bank until it is received at the office of this bank or its branches, with the exception that our policies do not cover loss through dishonesty on the part of the employes or agents of the sending bank. Registry receipt must be carefully preserved as evidence of shipment in case of loss. In the event of known loss, the Federal Reserve Bank of Dallas, on behalf of the shipping bank, will make claim for the amount of insurance involved.

National Bank Notes

National Bank Notes will be received on a parity with other forms of currency when sent to us in the regular orderly course of business, but new uncirculated National Bank Notes will not be received when sent to us by the issuing bank in order to place the notes in general circulation, or when sent to us in bulk by any member bank to which the issuing bank may have sent them.

Foreign Currency

Foreign currency will not be accepted and when tendered will be returned to the shipping bank.

Counterfeit or Altered Money

In accordance with the regulations of the Treasury Department currency or coin that is counterfeit or altered will be delivered to the local operative in charge of the United States Secret Service Office. Requests for inspection of such specimens must be made direct to that office.

Redemption Value of Mutilated Currency

Where no affidavit is furnished:

- (a) More than 3/5 of a note..... Face Value
- (b) Less than 3/5, but clearly more than 2/5..... Half Value
- (c) Less than 2/5..... No Value

Only notes in Class A should be included in regular currency shipments. Class B notes may be redeemed at half value, subject to final redemption by the Treasury Department; if forwarded to us in separate package.

Any portion of a note may be redeemed at face value if forwarded direct to the Treasurer of the United States accompanied by acceptable affidavit showing destruction of missing portion. Such affidavit must state cause and manner of destruction and the Notary must certify that the character of the affiant is good.

COIN

Method of Shipment

Coin must be shipped loose in cloth sacks securely sealed with lead or wax seals and must not be enclosed in wrappers of any kind. Each denomination must be put in a separate sack which in no case should contain more than \$5,000 in gold coin, \$1,000 in silver coin, \$250 in nickels or \$100 in pennies. Gold coin should be double sacked.

How to Ship Coin

All coin shipments should be sent by express, charges collect, except standard silver dollars which should be sent charges paid.

Mutilated or Foreign Coin

No mutilated coin, or coin to which paper or any other substance is attached, or upon which any name, advertisement, or other mark is stamped or impressed will be accepted. Coin is mutilated when punched, clipped, chipped or otherwise appreciably reduced in weight by any means except natural abrasion. Coin not mutilated but defaced otherwise than as above described when it can be clearly identified as to denomination and genuineness will be accepted. The United States Mints are authorized to make purchases of mutilated coin at prices fixed from time to time by the Director of the Mint. No foreign coin will be accepted.

Gold Coin

Gold coin at or above the "least current weight" will be received at face value. Any coins which are below the "least current weight" or limit of tolerance, will be finally accepted at actual bullion value only, and deduction from the settlement for such coins will be made at the rate of 2c for each half grain below the "standard weight" in conformity with established Treasury practice.

The "standard weight" and "least current weight" of gold coin are given in the following table:

	\$20	\$10	\$5
Standard weight	516 grains	258 grains	129 grains
Least current weight.....	513.42 grains	256.71 grains	128.36 grains

SHIPMENTS TO MEMBER BANKS

The Federal Reserve Bank of Dallas is prepared to furnish currency, silver and minor coin in all denominations. The payment of new currency and new coin is governed entirely by the volume of fit currency and circulated coin on hand.

Method of Shipment and Insurance

Money shipments will be forwarded by registered mail, insured under this bank's registered mail policies, and in the event of known loss this bank will make claim for the amount of insurance involved. Advice of shipment is mailed separately to member banks covering each shipment and a copy of this advice, together with form receipt, will be enclosed with shipment. Contents of shipment must be promptly checked against the enclosed advice

and form receipt officially signed and returned to this bank. In case shipment is not promptly received the Federal Reserve Bank of Dallas must be immediately notified by telephone or telegraph in order to properly trace the shipment.

Request for Shipments

Requests for shipments of currency or coin should be made, whenever possible, by letter over properly authorized signature. When the need is urgent the request may be made by telegram in American Bankers' Association code properly tested and followed by officially signed confirmation; however, the Federal Reserve Bank of Dallas will assume no liability for delays or errors in the transmission of telegrams. In order to safeguard the interests of our member banks and ourselves, it is our policy not to accept telephone orders for money.

For your information our silver and minor coin is put up in sealed sacks, as follows:

Dollars	\$1,000	Dimes	\$1,000
Halves	1,000	Nickels	250
Quarters	1,000	Pennies	100

In addition to the standard sized sacks we also carry, for the convenience of banks unable to use larger quantities, a small supply of dollars, halves and quarters in \$500 and \$200 sacks; dimes in \$500 and \$100 sacks; nickels in \$50 sacks and pennies in \$20 sacks. It will greatly facilitate handling if shipments are requested accordingly.

The reserve account of the member bank will be charged to cover all shipments of currency or coin on the day shipment is made. In case a draft (other than the member bank's own draft on its reserve account) is enclosed with the request for shipment, it will be entered for collection and the proceeds passed to the member bank's credit when available for reserve and checking purposes.

GENERAL

Credit will be given on incoming shipments only upon actual receipt of the money by the Federal Reserve Bank of Dallas and any credit given is subject to final verification of the shipment.

In order to insure prompt shipment, orders for currency and coin must reach the Federal Reserve Bank of Dallas or its Houston Branch before 1:00 p. m. on Saturday and before 3:00 p. m. on other business days, and must reach the El Paso Branch before 12:00 m. on Saturday and before 2:00 p. m. on other business days.

Shipments of currency and coin will be made to non-member banks at the request of a member bank. The Federal Reserve Bank of Dallas will not absorb the expense of transportation and insurance, but will charge all expense incident to the shipment to the account of the member bank requesting shipment.

The facilities provided by this circular are subject to modification or withdrawal at any time.

Member banks availing themselves of the currency and coin service will be understood to have agreed to the foregoing terms and conditions.

Yours very truly,



Governor.