

Circular No. 7.
Series of 1929.

*Federal Reserve Bank
of Dallas*

**MONEY SHIPMENTS
AND RECEIPTS**

August 17, 1929

Dallas, Texas

To the Member Banks of District No. 11:

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

The following information and procedure apply to shipments of money forwarded to the Federal Reserve Bank of Dallas, and to shipments made by the Federal Reserve Bank of Dallas, at the request of member banks.

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

Section I. GENERAL PROVISIONS.

In accordance with the terms of this circular, the Federal Reserve Bank of Dallas will pay charges on **necessary telegrams** and will absorb all expense of transportation and insurance incident to the shipment of currency and coin to member banks. Transportation and insurance costs will also be absorbed on shipments of currency and coin from member banks when prepared and forwarded in accordance with the following provisions, **otherwise such costs will not be allowed.**

Section II. PREPARATION FOR SHIPMENT.

1. Paper Currency:

- (a) Assort all currency by denominations **and keep separate the old-size and the new small-size currency. Old-size and new-size currency must never be placed under same strap nor in any way mingled.**
- (b) Mend mutilated or torn notes with paste or adhesive paper, preserving, as far as possible the original size of notes. Pins, clips and other metallic substances should be removed, since they will damage the machinery used in punching and cutting currency and might cause injury to the handlers.
- (c) Enclose each 100 notes of the same **size and denomination**, face and top up, under a paper strap with the **amount and name of the remitting bank thereon.**
- (d) Send one copy of advice of shipment by regular mail and enclose one copy with shipment.
- (e) In the presence of a witness count packages, tie securely in bundles, place in canvas sacks, and seal bags with lead or wax seals. If wrapped in paper, use three thicknesses of good quality paper and seal securely with wax.
- (f) Because a registration fee of 15c is charged on each bag or package, put shipment in as few sacks as possible.

2. Coin:

- (a) Prepare coin for shipment by putting it loose in cloth bags—a separate bag for each denomination, each bag tagged plainly to indicate amount and denomination

enclosed. Do not include any coin in wrappers, envelopes, or rolled in paper.

- (b) Do not ship in any one sack more than \$5,000 in gold coin, \$1,000 in silver, \$250 in nickels, or \$100 in 1-cent pieces. Double sack all gold.
- (c) Do not include in shipment any foreign or mutilated coin, or coin to which paper or any other substance is attached, or upon which any name or advertisement is stamped or impressed.
- (d) Send one copy of advice of shipment by regular mail, and enclose one with shipment.
- (e) Seal bags with lead or wax seals, and ship by express collect.
- (f) Preserve express receipt for use in case of loss.

Section III. METHOD OF SHIPMENT.

1. Ship by registered mail:

- (a) All currency in denominations of \$5 and over.
- (b) \$1 and \$2 bills in amounts not to exceed \$1,000.

Shipments on which a registration fee of 15 cents per package is paid are handled in exactly the same manner as those on which a higher fee is paid, any amount over 15 cents being to cover insurance. As all shipments are insured under our policy, no additional insurance is necessary; therefore, all shipments, regardless of amount, should be registered under a 15-cent fee for each package.

Registry receipt should be preserved for use in case of loss.

2. Ship by express collect:

- (a) One and two-dollar bills in amounts over \$1,000.
- (b) Gold coin, silver dollars, subsidiary silver and minor coins.

Section IV. ADVICE OF SHIPMENT.

On date of shipment an advice must be sent by regular mail to the head office or branch to which shipment is consigned. Advice must state:

- (a) Total amount shipped.
- (b) Whether sent by registered mail or by express. (If by registered mail, request insurance under our policy.)
- (c) Instructions as to disposition. (If no instructions, shipment will be credited to reserve account.)
- (d) Amount of postage paid on shipment.
- (e) Number of packages composing shipment.

Advices of shipments by registered mail and express should be made separately.

A copy of advice should be placed in shipment, and if shipment consists of more than one package, a memorandum should be placed in each package showing amount of contents.

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

Section V. ADDRESSING SHIPMENTS.

All packages or bags of money sent by registered mail or by express should be addressed either to the Federal Reserve Bank of Dallas or to the branch to which the member bank is attached.

Mark each package with the name and address of the sending bank, and when shipped by express, see that amount contained in each sack or package is shown on tag or wrapper.

A branch of the Dallas 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."

Section VI. ENTRIES IN RESERVE ACCOUNT OF MEMBER BANK.

The reserve account of the member bank will be charged to cover all shipments of currency or coin. In case a draft is enclosed with the request for shipment, the draft will be entered for collection and the proceeds will be passed to the member bank's reserve account as soon as available for reserve and checking purposes.

Immediate credit, subject to count and verification, will be given upon receipt of shipments of currency or coin. Credits covering currency shipments will include an amount to cover necessary postage and registration fee. **Amount of postage prepaid on shipment should be indicated in advice of shipment.**

Foreign, mutilated, altered, or counterfeit currency or coin included in shipment through oversight will be charged to the account of the sending bank after examination and verification have been completed.

While it is necessary that a member bank's reserve account be charged with the total amount of a money shipment on date made, and credited with amount of shipment on date received, in instances where a member bank's reserve balance is deficient because of a charge covering a shipment made or credit covering a shipment received, the Federal Reserve Bank of Dallas will make analysis adjustments in the reserve balances of member banks covering the ordinary time in transit of both incoming and outgoing shipments.

Section VII. GOLD COIN—ABRASION AND LIGHT WEIGHT.

Gold coin shipped to the Federal Reserve Bank of Dallas will be credited at face value on date received subject to weight and verification. Any loss due to abrasion will be charged back to the sending bank at the Government rate of 2 cents for each half grain under standard weight.

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

Section VIII. MUTILATED CURRENCY AND COIN.

Do not include part bills or mutilated coin in shipments; send under separate cover.

1. Currency:

Any portion of a note will be redeemed at face value by Treasury Department when accompanied by acceptable affidavit showing that missing portions have been destroyed. Affidavit should show cause and manner of destruction of missing portions, and must be subscribed and sworn to before a notary public, who must impress his seal and show date of expiration of his commission. In addition to affidavit, there should be furnished a certificate, to be executed if possible by an officer of an incorporated bank or trust company, setting forth the fact that said officer has read the affidavit and that the affiant is a reputable person in the community and, in the judgment of the officer worthy of belief.

Redemption value of mutilated currency where no affidavit is furnished is as follows:

- (a) More than $\frac{3}{5}$ of a note.....Face Value
- (b) Less than $\frac{3}{5}$, but clearly more than $\frac{2}{5}$Half Value
- (c) $\frac{2}{5}$ or less.....No Value

2. Silver Coin:

No mutilated coin is redeemable at face value. It may, however, be forwarded to the Federal Reserve Bank to be sold to the United States Mint at bullion value.

Coin is mutilated when punched, clipped, chipped, or otherwise appreciably reduced in weight by any means except natural abrasion.

Coin to which paper or any other substance is attached or upon which any name or other mark is impressed is considered mutilated and not redeemable at face value.

Uncurrent coin, that is, coin reduced in weight by natural abrasion, when it can be clearly identified as to denomination and genuineness, will be accepted at face value.

Section IX. NATIONAL BANK NOTES.

National Bank Notes will be received on a parity with other forms of currency when sent to us in the regular natural 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.

Section X. FOREIGN CURRENCY AND COIN.

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

Section XI. COUNTERFEIT OR ALTERED MONEY.

In accordance with the regulations of the Treasury Department a receipt will be issued to the depositing bank for currency or coin that is found to be counterfeit or altered, and the notes or coin will be delivered to the operative in charge of the United States Secret Service

Department. If inspection of such specimens is desired for reclamation purposes, request should be made direct to that office.

Section XII. INSURANCE ON MONEY SHIPMENTS WHILE IN TRANSIT.

Upon receipt of advice forwarded by regular mail covering shipments made by registered mail, such shipments will be insured under our policy without cost to member banks.

Our policy covers money shipments from the time of leaving the office of sender until delivered to the office of addressee, except it does not cover loss through dishonesty on the part of the employes of any bank by whom or to whom the package was shipped.

In order to effect insurance, shipments must be prepared and dispatched as provided in this circular, and in advice of shipment insurance under our policy must be requested.

In the event of loss, the Federal Reserve Bank will make claim on behalf of the member bank for the amount of the insurance involved.

Section XIII. SHIPMENTS OF CURRENCY AND COIN MADE AT THE REQUEST OF MEMBER BANKS.

Requests for money shipments may be made by letter over properly authorized signature, or by telegram followed by officially signed confirmation. Telegrams in A. B. A. code, with proper test word, may be sent collect, but member banks are asked to make their requests by mail unless immediate shipment is important. No telegrams pertaining to money shipments should be sent except in code. In order to safeguard the interests of our member banks and ourselves, it is our policy not to accept telephone orders for money.

Currency, silver and minor coin can be furnished in all denominations, and gold coin in denominations of \$5, \$10, and \$20.

For your information, coin is put up in standard sized sacks as follows:

Dollars	\$1,000	Dimes	\$1,000
Halves	1,000	Nickels	250
Quarters	1,000	Cents	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 cents in \$20 sacks. It will greatly facilitate handling if shipments are requested accordingly.

At the request of member banks, shipments of currency or coin will be made to their correspondents. Transportation charges on such shipments made to non-member banks will not be absorbed by the Federal Reserve Bank of Dallas, but will be charged to the account of the requesting bank.

Payment of new currency by Federal reserve banks is governed entirely by the amount of used currency, fit for circulation, on hand. The payment of new currency may be suspended temporarily at any time without notice, depending upon the amount of fit currency on hand.

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 on behalf of the member bank for the amount of insurance involved.

Mail advice is sent member banks covering each shipment. Where shipments are not received promptly, please give notice by telephone or telegraph to our office making the shipment.

There is enclosed with each shipment an invoice describing contents, a receipt to be signed and returned, and an addressed envelope. Immediately upon receipt, shipment should be verified, receipt officially signed and returned in envelope provided for that purpose.

Requests for shipments of currency and for coin (when ordered in standard sacks) which are received prior to 3:00 p. m., (Saturday 1:00 p. m.), will be acted upon the day received. Requests received after 3:00 p. m., (Saturday 1:00 p. m.), will be acted upon the following business day.

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,

A handwritten signature in black ink, appearing to read "Symonds", written in a cursive style.

Governor.