

# FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, September 9, 1942

## IMPORTANT INFORMATION RELATING TO PAYMENT BY CHECK FOR WAR SAVINGS BONDS, SERIES E

### To Qualified Agents for the Issuance of War Savings Bonds, Series E:

Section 1 of Part III (Purchase of Bonds) of Treasury Circular No. 653, Revised, provides, in effect, that War Savings Bonds of Series E may be purchased over the counter for cash at agencies designated and duly qualified as sales agents, pursuant to Treasury Circular No. 657, as amended and supplemented. No provision is made for the sale of bonds by such agents other than on a cash basis. Unless issuing agents are willing to accept full responsibility in connection with checks tendered in payment of bonds, it is important that the following suggestions in regard to the acceptance of such checks be observed.

With respect to the delivery of War Savings Bonds for which payment is being made by check, it is suggested that each issuing agent establish a waiting period to allow a reasonable time after deposit for the check to be returned, if it should prove to be uncollectible, before delivery of the bond is effected. Issuing agents should consult their local bank for guidance in establishing an adequate waiting period.

In the event a bond is delivered by an agent and the check in payment therefor is subsequently returned unpaid to the agent, a description of the bond and statement of the facts in the case should be furnished to the Federal Reserve bank or branch, at once. Under Treasury regulations, the agent will be expected to obtain payment or have the bond returned immediately.

If the agent obtains either payment for or the return of the bond, appropriate advice should be forwarded to the Federal Reserve bank or branch promptly. If the agent does not obtain payment for or the return of the bond after two requests therefor, the agent's file or photostatic copy thereof should be forwarded promptly to the Federal Reserve bank or branch for further action.

Although full cooperation will be given issuing agents, it is not legally possible for the Treasury to waive any rights it may have to demand reimbursement from issuing agents for any loss which may result to the Treasury on account of bonds issued and delivered by the agent against a check which subsequently proves to be uncollectible.

Yours very truly,

R. R. GILBERT

President

