

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, July 22, 1943

To All Banking Institutions, and Others Concerned,
in the Eleventh Federal Reserve District:

There is enclosed a Cumulative Amendment dated June 17, 1943, to Treasury Department Circular No. 530, Fifth Revision, for reference in connection with War Savings bonds, and should be substituted for the First Amendment now in your possession. The principal features of the new amendments may be brought to your attention briefly as follows:

Section 315.3, Restrictions: On original issues of War Savings bonds, but not on reissues, a nonresident alien (not a citizen of an enemy nation) may be named as coowner or designated as beneficiary; and provided further that a nonresident alien, whether owner, coowner or beneficiary succeeding to title on the death of the owner, or succeeding to title upon the death of a surviving coowner or beneficiary, will be entitled only to request and receive payment either at or before maturity.

Section 315.25, Payment to legal guardian: Where the form of registration does not indicate that the owner is a minor for whose estate a guardian has been appointed, a notice that such guardian has been appointed will not be accepted by the Treasury for the purpose of preventing payment to the minor or his parent as provided in Sections 315.26 and 315.27.

Section 315.52, Determination of interest as between owner and coowner or beneficiary: The Treasury can accept no notices of pending judicial proceedings and cannot undertake to protect the interests of litigants who do not have possession of the bonds.

As the above amendments affect Treasury Department Circulars Nos. 653 and 654, there are also enclosed appropriate amendments to those circulars.

Yours very truly,

R. R. GILBERT

President



REGULATIONS GOVERNING UNITED STATES SAVINGS BONDS

1943

Cumulative Amendment to
Department Circular No. 530,
Fifth Revision, Dated
June 1, 1942

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, June 17, 1943.

Fiscal Service
Bureau of the Public Debt

NOTE.—This is a cumulative amendment to Department Circular No. 530, Fifth Revision. It includes all amendments now heretofore made to that revision. Section 315.10, as amended by the First Amendment, which is now in force unchanged, is printed herein in order that this cumulative amendment may be complete.

TO OWNERS OF UNITED STATES SAVINGS BONDS, AND OTHERS CONCERNED:

Sections 315.2, 315.3, 315.20 (b), 315.25, 315.26, 315.27, 315.32, 315.36, 315.37, 315.52 and 315.65 of Department Circular No. 530, Fifth Revision, dated June 1, 1942 (7 F. R. 5158), are hereby revised to read as hereinafter set forth; Sections 315.29 and 315.35 of said circular, as amended by the First Amendment dated November 23, 1942 (7 F. R. 9772), are hereby further amended to read as hereinafter set forth:

"Sec. 315.2. *General.*—United States Savings Bonds will be issued only in registered form. The name and complete post office address of the owner, as well as the name of the coowner or designated beneficiary, if any, and the date as of which the bond is issued will be inscribed thereon at the time of issue by an authorized issuing agent.¹ The form of registration used must express the actual ownership of and interest in the bond and, except as otherwise specifically provided in these regulations, will be considered as conclusive of such ownership and interest. The Treasury Department can recognize no notices of adverse claims to savings bonds and will enter no stoppages or caveats against payment in accordance with the registration of the bonds. No designation of an attorney, agent or other representative to request or receive payment on behalf of the owner, nor any restriction on the right of such owner to receive payment of the bond, other than as provided in these regulations, may be made in the registration or otherwise."

"Sec. 315.3. *Restrictions.*—Only residents (whether individuals or others) of the United States (which for the purposes of this section shall include the territories, insular possessions and Canal Zone), citizens of the United States temporarily residing abroad, and nonresident aliens employed in the United States by the Federal Government or an agency thereof, may be named as owners, coowners or designated beneficiaries on bonds originally issued on or after April 1, 1940, or on authorized reissues thereof: *Provided, however,* That on original issues of bonds, but not on reissues, a nonresident alien (not a citizen of an enemy nation) may be named as coowner or designated beneficiary, and *Provided further,* That a nonresident alien, whether owner, coowner or beneficiary succeeding to title on the death of the owner, or succeeding to title upon the death of a surviving coowner or beneficiary, will be entitled only to request and receive payment either at or before maturity."²

"Sec. 315.10. *Calculation of amount.*—In computing the amount of savings bonds of any one series issued during any one calendar year held by any one person at any one time for the purpose of determining whether the amount is in excess of the authorized limit as set forth in the next preceding section, the following rules shall govern:

- (a) The holdings of each person, as defined in the next preceding section, individually and in a fiduciary capacity, shall be computed separately.
- (b) In the case of bonds of Series A, B, C, D and E, the computation shall be based upon maturity values. In the case of bonds of Series F and G, the computation shall be based upon issue prices.
- (c) There must be taken into account: (1) all bonds originally issued to and registered in the name of that person alone; (2) all bonds originally issued to and registered in the name of that person as a coowner or reissued to add his name as coowner under the provisions of Section 315.29 (a), or to designate him as coowner instead of as a beneficiary under the provisions of Section 315.35 hereof: *Provided, however,* That with respect to bonds of Series E held in coownership form, the amount thereof may be applied to the holdings of either of the coowners, but will not be applied to both, or the amount may be apportioned between them; and (3) all bonds acquired by him before March 1, 1941, upon the death of another or the happening of any other event.
- (d) There need not be taken into account: (1) bonds of which that person is merely the designated beneficiary; (2) those in which his interest is only that of a beneficiary under a trust; or (3) those to which he is entitled as an heir or legatee of the deceased registered owner, or by virtue of the termination of a trust or the happening of any other event unless he became entitled to any such bonds in his own right before March 1, 1941.
- (e) Nothing herein contained shall be construed to invalidate any holdings within or, except as provided in subsection (c) above, to validate any holdings in excess of, the authorized limits, as computed under the regulations in force at the time such holdings were acquired."

¹ The date of maturity is also inscribed on Savings Bonds of Series A, Series B, and Series D.

² Under the terms of Executive Order No. 8389, as amended, and the regulations issued thereunder, bonds may not be issued or paid to nationals (as defined in said Order) of blocked countries or to nationals of enemy countries, whether or not residing in the United States, unless such nationals are generally or fully licensed under the terms of the Order.

"Sec. 315.20 (b). *Banks, trust companies and branches.*—Any officer of any incorporated bank or trust company or branch thereof, domestic or foreign, including banks or trust companies incorporated in the United States or its organized territories those doing business in the organized territories or insular possessions of the United States and the Commonwealth of the Philippines under Federal charter or organized under Federal law, Federal Reserve Banks, Federal Land Banks, and Federal Home Loan Banks; any employee of any such bank or trust company expressly authorized by the corporation to sign on behalf of, or for, any officer thereof, and who should sign over the title 'Designated Employee'; and Federal Reserve Agents and Assistant Federal Reserve Agents, located at the several Federal Reserve Banks. Certifications by any of these officers or designated employees should be authenticated by either a legible impression of the corporate seal of the bank or trust company or, in the case of banks or trust companies and their branches which are authorized and duly qualified issuing agents for bonds of Series E, by a legible imprint of the issuing agent's dating stamp."

"Sec. 315.25. *Payment to legal guardians.*—If the form of registration of a savings bond indicates that the owner is a minor or has been judicially declared to be incompetent to manage his estate and that a guardian or similar representative has been appointed for the estate of such minor or incompetent by a court having jurisdiction or is otherwise legally qualified, payment will be made only to such guardian or similar legal representative. In such case the request for payment appearing on the back of the bond should be signed by the guardian or other legal representative as such, for example, 'John A. Jones, guardian (committee) of the estate of Henry W. Smith, a minor (an incompetent).' Unless the form of registration gives the name of the representative, there must be submitted in support of the request a certificate or a certified copy of the letters of appointment from the court making the appointment under the seal of the court, establishing that the appointment is in full force. Such certificate or certification (except in the case of corporate fiduciaries) should be dated not more than 6 months prior to the date of presentation of the bond for payment. See Subpart M hereof for payment provisions applicable to bonds registered in the names of guardians and similar fiduciaries. Where the form of registration does not indicate that the owner is a minor for whose estate a guardian has been appointed, a notice that such guardian has been appointed will not be accepted by the Treasury for the purpose of preventing payment to the minor or his parent as provided in the two following sections."

"Sec. 315.26. *Payment to minors.*—Unless the form of registration of a savings bond indicates that the owner is a minor for whose estate a guardian or similar legal representative has been appointed or is otherwise duly qualified, payment will be made direct to such minor, provided he is, at the time payment is requested, of sufficient competency and understanding to sign his name to the request and to comprehend the nature of such act. In general the fact that the request for payment has been signed by a minor and duly certified in accordance with Subpart H hereof will be accepted as sufficient proof of such competency and understanding."

"Sec. 315.27. *Payment to parents of minors.*—If the owner of a savings bond is a minor and the form of registration does not indicate that a guardian or similar legal representative of the estate of such minor owner has been appointed or is otherwise legally qualified, and if such minor owner is not of sufficient competency and understanding to execute the request for payment, payment will be made to either parent of the minor with whom he resides, or if the minor does not reside with either parent, then to the person who furnishes his chief support. The parent or such other person should sign the request for payment in his own name, on behalf of the minor, in the form 'Mrs. Mary Jones, on behalf of John C. Jones,' and should sign a certificate, in substantially the following form, which may be typed on the back of the bond:

'I certify that I am the _____ (relationship) of John C. Jones and the person with whom he resides. He is _____ years of age and is not of sufficient competency and understanding to sign this request.'

If a person other than a parent signs the request on behalf of the minor he should also certify that the minor does not reside with either parent and that he furnishes his chief support. The Treasury Department may in any particular case require further proof that the minor is not of sufficient competency and understanding to execute the request for payment and of the right of the person executing the request to act on behalf of the minor."

"Sec. 315.29. *Reissue for certain purposes.*—A savings bond of any series registered in the name of one person in his own right, or to which one person is shown to be entitled in his own right under these regulations, may be reissued upon appropriate request for the following purposes:

- (a) *Addition of coowner.*—Reissue in the name of the owner with that of another natural person as coowner, provided that bonds reissued in accordance with this subsection will be considered for the purposes of computation of holdings under Subpart D of these regulations as originally issued in both names and no reissue will be effective which results in any one person holding bonds in excess of the established limitation for the series to which the bonds belong. Requests for reissue under this subsection should be made on Form PD 1762.
- (b) *Addition of a beneficiary.*—Reissue in the name of the owner with the name of another natural person as designated beneficiary. Applications for reissue under the provisions of this subsection should be made on Form PD 1077.
- (c) *Reissue in living trust.*—Reissue in the name of a trustee of a living trust created by the registered owner for his benefit in whole or in part, during his lifetime whether or not containing an absolute power of revocation in the grantor; but such reissue will be allowed only in the case of bonds of those series which may be originally issued in the name of a trustee."

"Sec. 315.32. *Payment or reissue.*—A savings bond registered in the names of two persons as coowners in the form 'John A. Jones OR Mrs. Mary C. Jones,' will be paid or reissued as follows:

- (a) *During the lives of both coowners.*—During the lives of both coowners the bond will be paid to either coowner upon his separate request without requiring the signature of the other coowner; and upon payment to either coowner the other person shall cease to have any interest in the bond. The bond will also be paid to both coowners upon their joint request, in which case payment will be made by check drawn to the order of both coowners in the form, for example, 'John A. Jones and Mrs. Mary C. Jones,' and the check must be endorsed by both payees. The bond will not be reissued in any form during the lives of both coowners except as specifically provided in these regulations.
- (b) *After the death of one coowner.*—If either coowner dies without having presented and surrendered the bond for payment to a Federal Reserve Bank or the Treasury Department, the surviving coowner will be recognized as the sole and absolute owner of the bond, and payment will be made only to him: *Provided, however,* That if a coowner dies after he has properly executed the request for payment and after the bond has actually been received by a Federal Reserve Bank or the Treasury Department, payment of the bond, or check if one has been issued, will be made to his estate (see Subpart P hereof). Upon proof of the death of one coowner and appropriate request by the surviving coowner (unless a nonresident alien, in which case see Section 315.3) the bond will be reissued in the name of such survivor alone, or in his name with another individual as coowner, or in his name payable on death to a designated beneficiary.
- (c) *On death of both coowners in common disaster.*—If both coowners die in a common disaster under such conditions that it cannot be established, either by presumption of law or otherwise, which coowner died first, the bond will be considered as belonging to the estates of both coowners.
- (d) *After the death of a surviving coowner.*—If a surviving coowner who became solely entitled to the bond under the provisions of subsection (b) of this section dies without having submitted the bond for payment or reissue, the bond will be paid or reissued as though it were registered in the name of such last deceased coowner alone. In this case proof of the death of both coowners and of the order in which they died will be required."

"Sec. 315.35. *Reissue during the lifetime of a registered owner.*—A bond registered in the name of one person payable on death to another may be reissued, on the duly certified request of the registered owner, to name a beneficiary designated on the bond as coowner subject to the same restrictions and conditions contained in Section 315.29 (a). A bond may also be reissued upon the duly certified request of the registered owner, together with the duly certified consent of the designated beneficiary, to eliminate such beneficiary or to substitute another person as beneficiary, or to name another person as coowner. If the beneficiary should predecease the registered owner, upon proof of such death and upon request of the registered owner the bond may be reissued in his name alone or in his name with another individual as coowner, or in his name payable on death to a designated beneficiary. Requests should preferably be made upon the forms provided for such purpose."

"Sec. 315.36. *Payment or reissue to beneficiary.*—If the registered owner dies without having presented and surrendered the bond for payment or authorized reissue to a Federal Reserve Bank or the Treasury Department, and is survived by the beneficiary, upon proof of such death and survivorship, the beneficiary will be recognized as the sole and absolute owner of the bond, and it will be paid only to him at or before maturity, or (unless such beneficiary be a nonresident alien, in which case see Section 315.3) may be reissued in his name alone, or otherwise reissued in accordance with Subpart J as though it were registered in his name alone: *Provided, however,* That if the bond with a properly executed request by the registered owner for payment or authorized reissue has actually been received by a Federal Reserve Bank or the Treasury Department, payment of the bond, or check, if one has been issued, will be made to the estate of the deceased owner in accordance with Section 315.49."

"Sec. 315.37. *Payment or reissue after death of the surviving beneficiary.*—After the death of a surviving beneficiary who became entitled under the provisions of this Subpart, the bond will be paid or (except in the case of a nonresident alien) reissued in accordance with Subpart J as though it were registered in the name of the surviving beneficiary alone. In this case proof of the death of both the registered owner and the beneficiary and of the order in which they died will be required."

"Sec. 315.52. *Determination of interest as between owner and coowner or beneficiary.*—Conflicting claims as to ownership of or interest in a savings bond, as between the registered owner and the coowner or the registered owner and a designated beneficiary may be determined by valid judicial proceedings, in which case the bond upon surrender by the party requesting reissue may be reissued in the names of the respective parties to the extent of their respective interests as determined by such proceedings, but only in authorized denominations. The Treasury can accept no notices of pending judicial proceedings and cannot undertake to protect the interests of litigants who do not have possession of the bonds."

"Sec. 315.65. *Correspondence, certificates, notices and forms.*—Correspondence in regard to any transactions in United States Savings Bonds under the provisions of these regulations, certificates of court and other certificates, as well as notices of intention to redeem, and the like (which must be in writing), should be addressed to a Federal Reserve Bank or to the Treasury Department, Bureau of the Public Debt, Merchandise Mart, Chicago, Illinois. Notices or documents on file with other bureaus of the Department will not be recognized. Appropriate forms for use in connection with transactions may be procured from any Federal Reserve Bank or from the Division of Loans and Currency."

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

(Filed with the Division of the Federal Register, June 25, 1943)

UNITED STATES WAR SAVINGS BONDS

SERIES E

1943
Department Circular No. 653, Revised
First Amendment
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, June 17, 1943.

Sections IV and V of Department Circular No. 653, Revised, dated June 1, 1942, are hereby amended to read as follows:

IV. LIMITATION ON HOLDINGS

1. The amount of War Savings Bonds of Series E originally issued during any one calendar year to any one person that may be held by that person at any one time shall not exceed \$5,000, maturity value, computed in accordance with the provisions of the regulations governing United States Savings Bonds currently in force. Any bonds acquired on original issue which create an excess should immediately be surrendered for refund of the issue price as provided in such regulations.

V. REGISTRATION

1. Bonds of Series E may be registered only in the names of natural persons (that is, individuals), whether adults or minors, in their own right, as follows: (a) In the name of one person; (b) in the names of two (but not more than two) persons as coowners; and (c) in the name of one person payable on death to one (but not more than one) other designated person. Registration on original issue and authorized reissue is restricted to residents of the United States (which for the purposes of this section shall include the territories, insular possessions and the Canal Zone), citizens of the United States temporarily residing abroad, and to nonresident aliens employed in the United States by the Federal Government or an agency thereof, whether as owners, coowners or designated beneficiaries: *Provided, however*, That on original issues of bonds, but not on reissues, a nonresident alien (not a citizen of an enemy nation) may be named as coowner or designated beneficiary, and *Provided further*, That a nonresident alien, whether owner, coowner or beneficiary, succeeding to title on death of the owner, or succeeding to title upon the death of the surviving coowner or beneficiary will be entitled only to request and receive payment either at or before maturity.

2. Full information regarding authorized forms of registration will be found in the regulations currently in force governing United States Savings Bonds.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

(Filed with the Division of the Federal Register, June 24, 1943)

UNITED STATES SAVINGS BONDS

SERIES F AND SERIES G

1943
Department Circular No. 654, Revised
Second Amendment
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, June 17, 1943.

Section V of Department Circular No. 654, Revised, dated June 1, 1942, is hereby amended to read as follows:

V. AUTHORIZED FORMS OF REGISTRATION

1. United States Savings Bonds of Series F and Series G may be registered as follows:

(1) In the names of natural persons (that is, individuals) whether adults or minors, in their own right, as follows:

(a) In the name of one person,

(b) In the names of two (but not more than two) persons as coowners, and

(c) In the name of one person payable on death to one (but not more than one) other designated person;

(2) In the name of an incorporated or unincorporated body, in its own right (except a commercial bank, which, for this purpose, is defined as a bank that accepts demand deposits);

(3) In the name of a fiduciary; and

(4) In the name of the owner or custodian of public funds.

2. *Restrictions.*—Registration on original issue and authorized reissue is restricted to residents (whether individuals or others) of the United States (which for the purposes of this paragraph shall include the territories, insular possessions and the Canal Zone), citizens of the United States temporarily residing abroad, and to nonresident aliens employed in the United States by the Federal Government or an agency thereof, whether as owners, coowners or designated beneficiaries: *Provided, however,* That on original issues of bonds, but not on reissues, a nonresident alien (not a citizen of an enemy nation) may be named as coowner or designated beneficiary, and *Provided further,* That a nonresident alien, whether owner, coowner or beneficiary, succeeding to title on death of the owner, or succeeding to title upon the death of the surviving coowner or beneficiary will be entitled only to request and receive payment either at or before maturity and will not be entitled to reissue.

3. Full information regarding authorized forms of registration will be found in the regulations currently in force governing United States Savings Bonds.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

(Filed with the Division of the Federal Register, June 24, 1943)