

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, August 25, 1943

INSTRUCTIONS TO ISSUING AGENTS

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

There are enclosed the following captioned circulars for your guidance in connection with your designation as an issuing agent and the issuance of War Savings Bonds of Series E:

Instructions to Qualified Issuing Agents of United States War Savings Bonds, Series E, *pertaining to accounting procedure and other matters.*

Instructions Covering the Sale and Issuance of United States War Savings Bonds, Series E.

These instructions supersede those heretofore in effect and outlined in our circular dated August 25, 1942. For your convenience, three copies of the new circulars are being furnished you in order that the members of your organization engaged in the issuance of bonds may have the information readily accessible. Additional copies will be furnished upon request. Order blanks are also enclosed for your use when requesting additional application and other forms.

Yours very truly,

R. R. GILBERT

President



FEDERAL RESERVE BANK OF DALLAS
FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, August 25, 1943

**INSTRUCTIONS COVERING THE SALE AND ISSUANCE OF
UNITED STATES WAR SAVINGS BONDS, SERIES E**

SALE OF BONDS

Issuing agents are authorized to sell Savings Bonds of Series E only as provided in Treasury Department Circular No. 653, as amended, and in the forms of registration set forth in Treasury Department Circular No. 530, as revised and amended.

Bonds of Series E may be registered only in the names of individuals (natural persons, whether adult or minors) in their own right. Registration in the names of corporations, unincorporated associations, partnerships, fiduciaries, etc., is not authorized for this series. 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, co-owners 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 co-owner or designated beneficiary, and *Provided further,* That a nonresident alien, whether owner, co-owner or beneficiary, succeeding to title on death of the owner, or succeeding to title upon the death of the surviving co-owner or beneficiary will be entitled only to request and receive payment either at or before maturity.

It is important that each bond issued be inscribed in the correct legal names of the individuals concerned. An erroneous inscription may cause inconvenience. Consequently, the instructions herein contained should be carefully read and followed.

FORMS OF REGISTRATION

Subject to the restrictions set forth in Treasury Department Circular 530, as revised and amended, the following examples are the only forms of registration authorized:

(1) In the name of one individual:

John L. Jones
250 Blank St.
Blank, Texas

(3) In the names of one individual as owner and one individual (but not more than one) as beneficiary:

John L. Jones 250 Blank St. Blank, Texas	or	John L. Jones 250 Blank St. Blank, Texas
payable on death to Miss Helen R. Jones		payable on death to Mrs. Mary C. Jones 300 Blank St. Blank, Texas

(2) In the names of two individuals (but not more than two) as co-owners:

John L. Jones 250 Blank St. Blank, Texas	or	John L. Jones 250 Blank St. Blank, Texas
Mrs. Mary C. Jones		Mrs. Mary C. Jones 300 Blank St. Blank, Texas

(4) In the names of minors, or incompetents under legal guardianship (guardian appointed by a court and not a natural guardian):

Frank Jones, a minor (or incompetent)
under legal guardianship
of Henry Smith
250 Blank St.
Blank, Texas

NOTE: The words "payable on death to" may be abbreviated as "p.o.d." The first person named is referred to as the owner or registered owner, and the second person named as the beneficiary or designated beneficiary.

The full name of the owner and that of the co-owner or beneficiary, if any, should be used, and should be the name by which the person is ordinarily known and under which he does business. If there are two given names, the initial of one may be used, and if a person is habitually known and does business by initial only of his given names, registration may be in such form. The name may be preceded by any applicable title such as "Dr.," "Rev.," etc., and in the case of women should be preceded by "Mrs." or "Miss." A married woman's own given name should be used, not that of her husband, for example "Mrs. Mary A. Jones," not "Mrs. Frank B. Jones." A minor, whether or not under legal guardianship, may be named as owner or co-owner, if the bonds are purchased as a gift to him and a minor may name a co-owner or beneficiary on bonds purchased by him from his wages, earnings, or other money in his possession; but bonds purchased by a parent or guardian with funds already belonging to a minor must be registered in the minor's name alone without the addition of a co-owner or beneficiary. If a person named in the registration of the bond is under legal disability and a guardian or similar representative of his estate has been appointed by a court or is otherwise legally qualified, the registration should indicate such facts. Bonds should not be registered in the name of a person under disability for reasons other than minority unless a legal representative of his estate has been appointed.

If it is desired that a bond revert to the United States upon the death of the owner as a dona-

tion, it may be registered in the name of the owner with the Treasurer of the United States named as beneficiary, but not as a co-owner.

LIMITATIONS ON HOLDINGS

Not more than \$5,000 (maturity value) Series E bonds may be issued to any one person during any one calendar year. In determining the prescribed limit there must be taken into account the aggregate amount of bonds issued to that person alone, and with another as co-owner, provided, however, that with respect to bonds held in co-ownership form the amount thereof may be applied to the holdings of either of the co-owners, but will not be applied to both; or the amount may be apportioned between them. For example, "A" or "B" \$5,000; "A" or "B" \$5,000; "A" or "C" \$5,000 may be considered as being within the authorized limit, provided A, B, and C have no other bonds of the same series to be charged against their holdings; in other words, if in any given combination of coownership the total amount of holdings does not exceed \$5,000 times the number of persons involved plus any amount chargeable to any of them in their individual capacities, no excess exists.

INSCRIPTION

Bonds and stubs should be inscribed in one operation, by typewriter, after inserting carbon paper between the bond, the original stub and the duplicate stub. Only in this way can the inscription on all three be absolutely the same.

The original stubs are prepunched for machine accounting, consequently they must not be folded, pinned, stapled, punctured on a spindle, or otherwise perforated or cut. They may be held in groups by rubber bands or tied. The left margin of the stub should be removed at the perforation and discarded.

The following steps are necessary in the issuance of the bonds:

- (a) Inscribe name(s) and post office address(es) of registered owner (or owners) (or beneficiary) in the space provided on the bond and stubs.
- (b) Type issue date (month and year) in the space indicated in the upper right portion of the bond.
- (c) Imprint name of issuing agent and actual date of inscription (current date) in the space indicated by a circle on the bond and on each stub, using the authentication and date stamp furnished for that purpose. The dating stamp will show the current date on which the bond is inscribed.
- (d) Notwithstanding the provision for signature on the original and duplicate registration stubs, no signature need be affixed. A legible imprint of the authentication and the date stamp on each stub as provided under (c) above will be accepted as sufficient validation.

ISSUE DATE

All savings bonds are issued as of the first day of a particular month; therefore, only the month and year, for example, January 1943, should be shown in the space provided for the issue date. The issue date is determined by the month in which the application accompanied by remittance is received by the issuing agent; or, in the case of bonds purchased under the payroll deduction plan of a qualified issuing agent, the month in which salary deductions accumulate to the full issue price of the bond to be issued would be the issue date. Where a qualified issuing agent actually receives before the last day of a given month a list of bonds to be issued accompanied by a check covering the issue price, and the bonds for any reason cannot be issued in that particular month they should be given the dating of the month that payment was received. The actual date of inscription will be indicated by dating stamp showing the current date in the space provided.

CORRECTION OF ERRORS

If an error is made in an inscription, the bond should be considered as spoiled in process of issue, and a new bond issued. A minor typographical error, especially in the address, may be corrected by erasure or strikeover, provided the correction is neatly made and is not of a material nature. *No correction should be made on a bond after the registration stub has been forwarded to the Federal Reserve Bank.*

The correction of an error on a bond, after the registration stub and payment for same have been forwarded to the Federal Reserve Bank, is not within the scope of the issuing agent's authority. In all such cases, the erroneously inscribed bond should be forwarded to the Federal Reserve Bank, accompanied by a complete statement of facts in regard to the error and the correction to be made.

ADDITIONAL INFORMATION

For additional information in regard to disposition of registration stubs, mailing of bonds, accounting for sales, etc., please refer to instructions set forth in Circular dated August 25, 1943, titled, "Instructions for Qualified Issuing Agents of United States War Savings Bonds, Series E." The Federal Reserve Bank will answer any inquiries arising in connection with Savings Bonds not covered by these instructions.

FEDERAL RESERVE BANK OF DALLAS
Fiscal Agent of the United States

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, August 25, 1943

INSTRUCTIONS TO QUALIFIED ISSUING AGENTS OF UNITED STATES WAR SAVINGS BONDS, SERIES E

The instructions contained herein are applicable, as indicated, to all qualified issuing agents of United States War Savings Bonds, Series E, including *consignment* agents, *prepayment* agents, and designated Army Finance Officers.

BOND STOCK

Shipments of War Savings Bonds, Series E, will be made to qualified issuing agents at the risk and expense of the Treasury Department upon the issuing agent's requisition on Form FA-72 or FA-101, on the following basis:

- A. Issuing agents qualified under Application-Agreement (Form 1785), and designated Army Finance Officers.

In amounts sufficient to meet their reasonable requirements.

- B. Issuing agents qualified under Application-Pledge Agreement, or Application-Trust Agreement (Form 384 or 384-A).

Within the limitation of the amount of the qualification and/or collateral pledged as provided in Treasury Department Circular No. 657, as amended.

- C. Issuing agents qualified on prepayment basis on Form 384-Corp.

In amount covered by funds deposited as prepayment.

Organizations other than member banks should furnish the Federal Reserve Bank or branch, on Form Misc. 12, with certified specimen signatures of persons authorized to requisition and receipt for bond stock. Ordinarily, requisitions received by the Federal Reserve Bank or branch will be shipped on the same day. Issuing agents are requested to minimize emergency requisitions by maintaining adequate stock to meet their normal demands.

Where an issuing agent is operating on a collateral and consignment basis or where its designation is limited by its parent company and receives applications for bonds which the agent cannot supply out of its Series E bond stock, it is permissible to forward to this bank a requisition, Form FA-72, for such bonds accompanied by its check covering the issue price of the bonds desired. The funds will be placed in a special account and the bonds shipped to the issuing agent. When the sale has been completed, the original stubs which are detached from the bonds should be forwarded on a separate FA-82 report with a request that the funds held be used in payment of the bonds.

Issuing agents are accountable for savings bond stock furnished to them, and should accord the same care and protection to blank bonds as they do to their own securities or documents. Whether they should insure or take other protective measures is within their discretion. In the event of loss, theft, or destruction of unissued War Savings Bonds, Series E, a full report of the circumstances in the case should be forwarded immediately to the Federal Reserve Bank of Dallas or branch. In the absence of negligence, and upon a reasonable showing of the facts, the Treasury Department has stated that it will grant relief covering lost, stolen or destroyed bonds.

ISSUING BONDS

Issuing agents are authorized to issue War Savings Bonds, Series E, only as provided in Treasury Circulars Nos. 653 and 530, as revised and supplemented.

Detailed information in regard to authorized forms of registration, instructions for inscribing bonds, and restrictions on registration, are set forth in Circular dated August 25, 1943, titled, "Instructions covering the Sale and Issuance of United States War Savings Bonds, Series E," which has been prepared for the convenience of those actually inscribing bonds.

CHECKS ACCEPTED IN PAYMENT OF BONDS

Bonds should be issued only upon receipt of payment in full. For the protection of issuing agents in cases where checks are tendered in payment, the Treasury suggests that agents establish a waiting period for clearance of the check before delivery of the bond. If the check is subsequently returned unpaid after delivery of the bond, the agent will be expected to obtain payment or have the bond returned immediately. If payment or return of the bond is not obtained after two requests therefor, the agent's file of correspondence, 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 for any loss which may result to the Treasury on account of bonds issued and delivered by the agent against uncollectible funds.

DELIVERY OF BONDS

The Postmaster General has authorized the dispatch of inscribed War Savings Bonds to owners or their agents, by official issuing agencies, as ordinary first-class mail without payment of postage if enclosed in special penalty envelopes with distinctive markings to indicate the character of the contents.

The special penalty envelopes are available in plain or window types, and may be obtained through the Federal Reserve Bank or branch upon request. Finance Officers obtain penalty envelopes in accordance with War Department Finance Bulletin, No. 129, Sec. III, (6). There are set forth below in brief form, the principal requirements of the Treasury Department in regard to use of these enclosures:

1. *The name and return address of the authorized issuing agent must be printed or stamped on the envelope in the space above "Authorized Issuing Agent."*
2. *Deliveries of War Savings Bonds by mail in the special envelopes must be restricted to those cases where personal delivery either is not practicable or is inadvisable. In no case should bonds be mailed outside of the United States except to territories and insular possessions of the United States and the Canal Zone. In instances where the delivery of savings bonds is suspended, the owners should be informed thereof and instructions requested for delivery within the United States.*
3. *The special envelopes must be used only for the purpose provided. They may not be used for the mailing of bonds for redemption, reissue, or other purposes. (Attention is directed to the penalty provided for the improper use of the franking privilege.)*
4. *Care must be used in enclosing bonds in envelopes and in effecting delivery of the bonds to the local post office. (They should not be deposited in an ordinary mail box.)*
5. *No reimbursement will be allowed for postage and registry fees in connection with the delivery of War Savings Bonds to owners.*
6. *The envelope should not be used other than for original delivery of bonds even though postage is paid, but there is no objection to enclosing as penalty matter a letter of transmittal describing the contents or containing information as to the condition of an employee's bond account under the payroll allotment plan. Firm advertising material, even though relating to savings bond campaigns, is not permissible for enclosure in penalty envelopes.*

In instances where it is necessary to effect deliveries of inscribed Savings Bonds to branch plants or offices, such deliveries may be made under the franking privilege by means of bulk shipments weighing not in excess of four pounds. To be entitled to shipment by this method, the package should have affixed thereto a penalty envelope or special sticker which may be obtained from this bank.

ACCOUNTS AND SETTLEMENT

Consignment and Collateral Basis:

Each qualified issuing agent shall open and maintain on its books for the account of the Federal Reserve Bank of Dallas as Fiscal Agent of the United States, a separate deposit account for the proceeds of all sales of Savings Bonds, Series E, to be known as "Series E Bond Account." Each issuing agent shall remit the balance of such account (or credit the balance thereof to a War Loan Deposit Account as hereinafter provided), and render reports of transactions on Form FA-82 to the Federal Reserve Bank or branch *at least once each week and as of the close of business on the last day of each month.* Weekly reports need not be submitted if there have been no trans-

actions except that if there have been no transactions during an entire month a report on Form FA-82 showing the bond stock on hand should nevertheless be submitted for reconciliation purposes as of the last day of the month.

All remittances should be made in immediately available funds.

Prepayment Basis:

Funds deposited with this bank in prepayment for bond stock will be used in settlement for bonds issued upon return of original registration stubs. If practicable, an accounting should be made on Form FA-102 once each week; however, agents who issue bonds at monthly or semi-monthly payroll periods may account for sales accordingly.

Army Finance Officers:

Designated Army Finance Officers may render accounting for sales on Form FA-82 in accordance with instructions furnished at the time of their certification and designation.

WAR LOAN DEPOSIT ACCOUNT

Any incorporated bank or trust company which is qualified as a special depository under the provisions of Treasury Department Circular No. 92, revised as of April 14, 1943, and which is also qualified as an issuing agent, may make settlement for the balance in its Series E Bond Account by credit in its "War Loan Deposit Account" up to any amount for which it shall be qualified in excess of existing deposits. Certificates of Advice, Form K, authorizing payment through the "War Loan Deposit Account" will be furnished for this purpose.

PAYMENT BY SURRENDER OF WAR SAVINGS STAMPS

War Savings Stamps accepted in payment for Series E Bonds should be cashed by issuing agents at the local post office and proceeds remitted in settlement at the time report Form FA-82 or FA-101 is submitted. Where it is not feasible for issuing agents to obtain payment for stamps at post offices, the stamps may be forwarded to the Federal Reserve Bank or branch as full or part payment for sales, at the risk of the United States, provided all stamps are cancelled thoroughly in a manner which will not make verification difficult and the agent's dating stamp is impressed on the back of each card or album. Shipments of stamps not conforming to the foregoing requirements will be at the risk of the sender.

DISPOSITION OF STUBS AND SPOILED BONDS

The original (white) registration stubs from bonds issued must be forwarded to the Federal Reserve Bank or branch in support of each remittance and report of sales, Form FA-82, or FA-102. All original stubs of bonds issued must be accounted for and the number of pieces of each denomination enclosed must agree with the figures shown on the report. *Stubs of different months of issue should not be listed on the same report.* Every care should be exercised to prevent the original stubs from being folded, creased, or mutilated in any way, since they are designed for use in mechanical accounting equipment.

The duplicate (orange) stub from bonds issued, or spoiled, should be retained by issuing agents for their records. The duplicate stubs may be used as a receipt from the purchaser if desired. Any other disposition of such stubs shall be made only in accordance with instructions issued by the Treasury Department.

Bonds spoiled in process of issue should be returned with the original registration stubs attached (but not stapled) to bonds, scheduled on Form FA-82 or FA-102, in the space provided. Spoiled bonds should not be punched or perforated in any manner, but the word "Void" or "Cancelled" should be written or stamped on the face of each bond and related stub.

FORWARDING ORIGINAL STUBS, BONDS AND REMITTANCES

Each report Form FA-82, or FA-102, together with the related original registration stubs, War Savings Stamps, spoiled bonds, or unissued stock, should be forwarded to the Federal Reserve Bank or branch in the manner outlined below:

- (a) Shipments weighing eight ounces or less should be dispatched by first class registered mail, uninsured, declared at a minimum valuation of \$5.00.
- (b) Shipments weighing more than eight ounces, but not in excess of seventy pounds, should be dispatched as insured mail to be treated as registered mail at the fourth class rate of parcel post, in addition to the insurance fee of 15c. The package must be securely wrapped and sealed by two responsible employees, must not weigh in excess of seventy pounds, and must bear the following notation:

"This article is put up and mailed by authority of the Post Office Department upon prepayment of postage at fourth class (parcel post) rate and insurance fee. It must be recorded and handled as a registered article by Postal employees.

RAMSEY S. BLACK
Third Asst. Postmaster General."

Under Postal regulations the remittance check, or draft, is first class matter, and must be handled accordingly. If stubs are forwarded at the fourth class rate of postage, the remittance check should be either separately mailed as first class matter, accompanied by one copy of Form FA-82, or enclosed in a separate addressed envelope, securely attached to the package of stubs, with first class postage affixed thereon.

INSURANCE

Insurance need not be placed on bonds forwarded to purchasers, or on shipments of stubs, spoiled bonds, or unissued stock forwarded to this bank (other than the insurance provided by the 15c fee required on fourth class mail), inasmuch as such shipments are covered by the Government Losses in Shipment Act.

In order to comply with that Act, issuing agents should retain a record of the contents of each shipment and the mailing thereof. In connection with the mailing of bonds to purchasers or their agents the Treasury Department has stated that the application or schedule for purchases of bonds showing the necessity for mailing, together with the related bond information on the application, bond schedule or bond stubs, or other record and evidence of a uniform method of handling, would appear to be sufficient record in the absence of unusual or suspicious circumstances. Uniformity of procedure and exercise of due care in handling the bonds at the time of enclosure, sealing, and dispatch thereof should be observed.

REIMBURSEMENT OF TRANSPORTATION COSTS

The Treasury Department will reimburse issuing agents, except Army Finance Officers, through this bank for postage and registration costs incurred in shipping stubs, spoiled bonds, or unissued stock to this bank, provided all shipments are forwarded in accordance with the instructions outlined herein.

Reimbursement should be requested periodically, preferably not more than once a month, on Form FA-103, Rev.

CORRECTION OF ERRORS

Where errors are made in issuing bonds through incorrect inscription, unauthorized forms of registration, wrong denominations, errors in issue dates, duplications, improper authentications or otherwise, the following procedure should be observed:

- (1) Where errors are found, either at the time of inscription or subsequently, while both bond and original (white) registration stub therefrom are in the possession of the issuing agent, the incorrect bond and stubs should be cancelled and considered as "Spoiled in Issue" and a new bond may be issued by the issuing agent.
- (2) Where errors are found and the original (white) registration stub is not in the possession of the issuing agent, the incorrect bonds in all cases should be forwarded to this bank or appropriate branch, as all such bonds requiring reissue must be reissued by the Federal Reserve Bank or, in some instances, by the Treasury Department. *Issuing agents should not, under any circumstances, reissue such bonds where the original (white) registration stub is not in their possession, nor consider such bonds as "Spoiled in Process of Issue."* When forwarding bonds to this bank or branch for reissue they should be accompanied by Form PD-1491 executed by the registered owner, or, if the error was made by the issuing agent, a letter over an authorized signature setting forth complete information in each case; and appropriate notations should be made on the records of the issuing agent. If refunds due to duplications are necessary, a statement should accompany the bonds surrendered.

LOST BONDS

Should an issuing agent receive information to the effect that a bond has been lost, stolen, or destroyed, such information should be immediately transmitted to this bank or branch together with as complete a description of the bond as is possible. Under no circumstances should issuing agents issue substitute bonds to replace bonds which have been lost, stolen, or destroyed.

FORMS FOR QUALIFIED ISSUING AGENTS

The following forms will be furnished to designated issuing agents on request:

Form FA 72 or FA 101	Requisition for United States War Savings Bonds, Series E
Form FA 82 or FA 102	Report of Accounting for Sales and Stock
Form FA 103	Request for Reimbursement of Postage Expense
Form Misc. 12	Authorized Signature Card
Form FA 78	Certificate of Advice authorizing charge to War Loan Account
Form PD 1491	Request for Reissue of United States Savings Bonds to Correct Error in Registration Made by Issuing Agent

Form PDE-1686	Application for Series E Bonds
Form PDF-1687	Application for Series F Bonds
Form PDG-1688	Application for Series G Bonds

FEDERAL RESERVE BANK OF DALLAS
Fiscal Agent of the United States

ORDER FOR SAVINGS BOND SUPPLIES FOR USE OF ISSUING AGENTS

- The Federal Reserve Bank of Dallas
Station "K"
Dallas, Texas
- OR
- The Federal Reserve Bank Branch
- El Paso, Texas
- Houston, Texas
- San Antonio, Texas

Please send us the following supplies to be used in issuing War Savings Bonds:

- _____ Pads Form PDE 1686 — Application for Series E bonds
- _____ Pads Form PDF 1687 — Application for Series F bonds
- _____ Pads Form PDG 1688 — Application for Series G bonds
- _____ Pads Form FA 82-A-4 — Consignment Agent's Sales Report
- _____ Pads Form FA 102-A-4 — Prepayment Agent's Sales Report
- _____ Singles Form FA 72 — Consignment Agent's Requisition for Bond Stock
- _____ Singles Form FA 101 — Prepayment Agent's Requisition for Bond Stock
- _____ Singles Form FA 78 (Form K) — For use of War Loan depositaries only

_____ Date

_____ (Name of Issuing Agent)

_____ (Address)

Important:

This form should be mailed to the Federal Reserve Bank of Dallas or to its Branch at El Paso, Houston, or San Antonio, serving your territory.