

**FEDERAL RESERVE BANK OF DALLAS**

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, May 31, 1945

**3% ADJUSTED SERVICE BONDS OF 1945**

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

There are enclosed, for your information and assistance, copies of Treasury Department Circular No. 560, Revised, and the First and Third Amendments thereto, covering the regulations governing Adjusted Service Bonds, the Third Amendment having particular reference to their payment at maturity on June 15, 1945.

The Second Amendment to Circular No. 560 is not included inasmuch as it pertains to certifying officers located in the Philippine Islands only.

Yours very truly,

**R. R. GILBERT**

**President**



# REGULATIONS GOVERNING ADJUSTED SERVICE BONDS OF 1945

1936  
Department Circular No. 560, Revised  
Public Debt Service

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, October 24, 1936.

## TO OWNERS OF ADJUSTED SERVICE BONDS, AND OTHERS CONCERNED:

Department Circular No. 560, dated June 6, 1936, as supplemented and amended, is hereby revised to read as follows:

Section 4 of the Adjusted Compensation Payment Act, 1936, as amended, reads as follows:

The amount certified pursuant to section 1 of this Act shall be paid to the veteran or his estate on or after June 15, 1936, by the Secretary of the Treasury by the issuance of bonds of the United States, registered in the name of the veteran only, in denominations of \$50 having a total face value up to the highest multiple of \$50 in the amount certified as due the veteran, and the difference between the amount certified as due the veteran and the face amount of the bonds so issued shall be paid to the veteran or his estate by the Secretary of the Treasury out of the fund created by section 505 of the World War Adjusted Compensation Act, as amended. The bonds shall be dated June 15, 1936, and shall mature on June 15, 1945, but shall be redeemable at the option of the veteran or his estate at any time, at such places, including post offices, as the Secretary of the Treasury may designate. Such bonds shall be issued under the authority and subject to the provisions of the Second Liberty Bond Act, as amended, and shall not be transferable, assignable, subject to attachment, levy, or seizure under any legal or equitable process and shall be payable only to the veteran or, in case of death or incompetence of the veteran, to the representative of his estate. Interest on each bond issued hereunder shall accrue at the rate of 3 per centum per annum from June 15, 1936, to date of maturity or payment of the principal of the bond, whichever is earlier, and will be paid with such principal: *Provided, however,* That no interest will be paid on any bond redeemed prior to June 15, 1937. In cases of deceased or incompetent veterans, the payments provided by this paragraph, whether of the amount certified, by issuance of bonds and by checks payable out of the fund created by section 505 of the World War Adjusted Compensation Act, as amended, or whether of such bonds on redemption thereof, shall be made to the person or persons determined by the Secretary of the Treasury to be lawfully entitled thereto, without the necessity of the appointment by judicial proceedings or otherwise of a legal representative of the estate of any veteran or of any other persons, or of compliance with State law in respect of the administration of estates. Such checks may be endorsed on behalf of the Secretary of the Treasury in the name of the veteran, if that is determined by the Secretary to be appropriate for the effectuation hereof. All determinations by the Secretary of the Treasury under this paragraph shall be final and conclusive and neither any other official of the United States nor, except in the case of prior judicial determination, any State or Federal court, shall have jurisdiction to review any such determination. The provisions of this paragraph shall be carried out subject to regulations of the Secretary of the Treasury to be issued from time to time to effectuate the purposes of this Act.

At the request of the Secretary of the Treasury, the Postmaster General, under such regulations as he may prescribe, shall designate postmasters and other employees of the Post Office Department and of the Postal Service to perform, without extra compensation, such fiscal-agency services as may be desirable and practicable in connection with the redemption and payment of the bonds issued under this section; and the Postmaster General may require each such employee to furnish such bond as he may determine for the faithful performance of such fiscal-agency duties.

The Secretary of the Treasury is authorized to advance, from time to time, to the Postmaster General, from the appropriation contained in the Supplemental Appropriation Act, fiscal year 1936, approved February 11, 1936, for 'Administrative expenses, Adjusted Compensation Payment Act, 1936, Treasury Department, 1936 and 1937', such sums as are certified by the Postmaster General to be required for the expenses of the Post Office Department in connection with the handling of the bonds

issued hereunder. Such bonds, when received by postmasters for purposes of redemption and payment, shall be handled by the postmasters under such special regulations as may be promulgated by the Postmaster General. They shall be transmitted between post offices or from any post office to the Treasury Department, or fiscal agent thereof, without advance payment of any required postage. The Secretary of the Treasury shall reimburse the Postmaster General, from the aforesaid appropriation contained in said Supplemental Appropriation Act, for such postage and registry fees as may be required in connection with such transmittal. Whenever it is proved to the Secretary of the Treasury, by clear and satisfactory evidence, that any such bond is lost, stolen, or destroyed while being so transmitted, the Secretary of the Treasury may, in accordance with such rules and regulations as he may prescribe, issue a duplicate thereof without requiring the furnishing of an indemnity bond.

The following regulations are hereby prescribed to effectuate the provisions of the foregoing statute, and to govern bonds of the United States designated "Adjusted Service Bonds of 1945", issued to veterans in payment of amounts due on Adjusted Service Certificates:

#### PAYMENT TO A REGISTERED OWNER

1. In order for a registered owner to obtain payment of a bond, the bond must be presented at a United States post office, or transmitted to the Treasurer of the United States, Washington, D. C., in either case with the request for payment on the back of the bond properly executed.

2. Postmasters at a number of post offices (hereinafter referred to as paying offices) throughout the country have been authorized to receive bonds presented for payment and to issue checks in payment therefor. All other postmasters are authorized to receive bonds presented for payment, and forward them, at the risk and expense of the United States, to a paying office. The Treasurer of the United States is authorized to issue checks in payment of bonds transmitted to him. In the Philippine Islands bonds may be presented and checks will be issued at the Treasury of the Philippine Islands.

3. *If a bond is to be presented at a paying office, or at any other post office for transmittal to a paying office, the request for payment must be signed by the registered owner in the presence of and certified by the postmaster or other authorized post office official at such office, who will receive the bond and issue a receipt therefor.*

4. If a bond is to be transmitted to the Treasurer of the United States, or to the Treasury of the Philippine Islands, for payment, the request for payment must be signed by the registered owner in the presence of and certified by one of the officers authorized in paragraph 12. In a foreign country, the request for payment should be executed as provided in paragraph 12 (f) and the bond forwarded to the Treasurer of the United States.

5. Payment in all cases will be made by check drawn to the order of the registered owner, and mailed to him at the address stated in his request for payment.

#### DISPOSITION AND PAYMENT IN CASE OF DEATH OR INCOMPETENCE, OR DURING THE MINORITY, OF OWNER

6. In case of death or incompetence, or during the minority, of a bond owner, delivery, or payment if desired, of a bond will be made as hereinafter provided. The provisions of Department Circular 300, as amended, will, so far as applicable, apply to all such cases, all of which should be presented directly to the Treasury Department, Division of Loans and Currency, Washington, D. C.

7. *With administration.*—When a legal representative of the estate of a deceased bond owner has been duly appointed, delivery or payment of a bond will be made only to him. Unless satisfactory evidence of qualification of the representative is already on file with the Treasury Department, an application for delivery or a request for payment must be accompanied by a certificate (which may be a certified copy of the representative's

letter of appointment) under seal of the court appointing such representative, dated not more than six months before the application for delivery or the request for payment is submitted, showing the appointment and qualification of such representative and stating that the appointment is still in force. When payment is desired, the request for payment on the back of the bond should be signed "Estate of A, deceased, by B, executor (administrator)", must state the address of the representative, and must be signed in the presence of and certified by one of the officers authorized in paragraph 12. The bond must then be transmitted to the Treasury Department, Division of Loans and Currency, Washington, D. C.

8. *Legal guardianship.*—When the Treasury Department has notice that a legal representative of the estate of an incompetent or minor bond owner has been duly appointed, delivery or payment of a bond will be made only to such representative. Unless satisfactory evidence of qualification of the representative is already on file with the Treasury Department, an application for delivery or a request for payment must be accompanied by a certificate (which may be a certified copy of the court order appointing such representative) under seal of the court dated not more than one year before the application for delivery or the request for payment is submitted, showing the appointment and qualification of such representative and stating that the appointment is still in force. When payment is desired the request for payment on the back of the bond should be signed "A, incompetent (minor), by B, guardian (conservator or committee)", must state the address of the representative, and must be signed in the presence of and certified by one of the officers authorized in paragraph 12. The bond must then be transmitted to the Treasury Department, Division of Loans and Currency, Washington, D. C.

9. *Without administration or legal guardianship.*—When no legal representative of the estate of a deceased, incompetent, or minor bond owner has been or is to be appointed and it is established to the satisfaction of the Secretary of the Treasury: (1) In the case of a deceased owner either that the value of the gross personal estate, including Adjusted Service Bonds, does not exceed \$2,000 or that administration of the estate is not required in the State of the decedent's domicile; or (2) in the case of an incompetent or minor bond owner that the value of the gross personal estate, including Adjusted Service Bonds, does not exceed \$2,000; delivery or payment of a bond owned by such decedent, or incompetent, or minor will be made to the person determined by the Secretary of the Treasury to be lawfully entitled thereto, except that if such person is an incompetent or a minor, payment of a bond will be made only upon a showing that such payment is necessary for the support of the incompetent or the minor or their respective dependents. All such deliveries and payments will be made in accordance with the provisions of Department Circular 300, as amended, in so far as applicable, such provisions to be construed in a manner consistent with the provisions of the Adjusted Compensation Payment Act, 1936, as amended, and the provisions of these regulations. Special forms for use in such cases, Forms P. D. 1049 and 1050 in the case of a decedent, Form P. D. 1051 in the case of a minor, and Form P. D. 1052 in the case of an incompetent, have been prepared and must be completed and executed in compliance with the accompanying instructions. These forms may be obtained from the Treasury Department, Division of Loans and Currency, Washington, D. C. *In all such cases instructions should be requested of that Division before an application for delivery is made or a request for payment is executed or a bond submitted.*

10. *Request for payment.*—Where directed by the Treasury Department a request for payment may be executed on Form P. D. 1054.

11. Payment in all cases will be made by check drawn to the order of the legal representative or to the person determined by the Secretary of the Treasury to be lawfully entitled thereto and mailed to him at the address stated in his request for payment.

## OFFICERS AUTHORIZED TO CERTIFY REQUESTS FOR PAYMENT

12. The following officers are authorized to witness requests for payment and certify thereto:

(a) Any United States postmaster, acting postmaster, inspector in charge of a post office, or other post-office employee designated by the postmaster under authority of the Postmaster General, under a legible imprint of a dating stamp of his post office;

(b) The officer in charge of any home, hospital, or other facility of the Veterans' Administration, but only for patients and members of such facilities;

(c) Any executive officer of a bank or trust company (or manager of a branch thereof) incorporated in the United States, its organized Territories or insular possessions, under the corporate seal of the bank or trust company;

(d) Judges and clerks of United States courts, under the seal of the court; United States Collectors of Customs and Internal Revenue; commanding officers of the Army, Navy, Marine Corps, and Coast Guard of the United States for members of their respective establishments; officials of the Treasury Department who may be designated from time to time by the Secretary of the Treasury;

(e) In cases where identification of a registered owner is made through fingerprints only, officials at Washington, D. C., of the War and Navy Departments who may be designated from time to time by the Secretary of War or the Secretary of the Navy;

(f) In a foreign country: United States diplomatic and consular representatives and attachés, under their respective seals; managers and executive officers of foreign branches of banks or trust companies incorporated in the United States; if such an officer is not available, requests for payment may be signed in the presence of and certified by a notary public or other officer authorized to administer oaths, but his official character and jurisdiction must be certified by a United States diplomatic or consular officer or attaché, under the seal of his office;

(g) In the Philippine Islands: In addition to the officers designated elsewhere in this paragraph, Provincial and Municipal Treasurers, and City Treasurers in Manila and Baguio, under their respective seals; Philippine postmasters under the stamp of their office; and, in Manila, Post Office inspectors assigned in Manila, under the seal of the Bureau of Posts: *Provided, however,* That the requests for payment witnessed and certified to by these officials shall be supported by the fingerprints of the veterans in the place provided therefor on the back of the bonds, and that the bonds be then forwarded to the Treasury of the Philippine Islands or to the Treasurer of the United States for payment.

13. No person authorized to certify requests for payment may certify a request signed by himself, either in his own right or in any representative capacity.

14. Certifying officers will be held responsible for positive identification of the person requesting payment as the person whose name appears on the face of the bond, or the person recognized by the Secretary of the Treasury as entitled to payment under these regulations, and, if necessary, shall require witnesses to identify that person. Provision for signatures and addresses of witnesses, and for fingerprints in exceptional cases, is made on the back of the bond.

15. Special arrangements for execution of a request for payment may be provided for inmates of an institution, information concerning which may be obtained from the Treasury Department by the head of the institution.

## GENERAL PROVISIONS

16. All signatures must be in ink or indelible pencil. Signatures to a request for payment made by mark (X) must be witnessed by at least one person in addition to the certifying officer.

17. No request for payment signed by an agent or person acting under a power of attorney, in behalf of the registered owner, the representative of his estate, or such person or persons as the Secretary of the Treasury may determine to be lawfully entitled thereto, will be recognized by the Treasury Department. In no case will any payment be made other than to the registered owner, or the representative of his estate, or to such person as the Secretary of the Treasury may determine to be lawfully entitled thereto.

18. In cases where documents are required to support a request for payment and two or more bonds are presented at the same time, only one set of documents will be required.

19. These regulations shall also apply to the delivery and payment of (1) checks issued in payment of Adjusted Service Bonds and (2) checks issued for the difference between the amount certified by the Administrator of Veterans' Affairs as due a veteran and the face amount of the bonds issued to him.

## TRANSMISSION OF BONDS

20. Any transmission of a bond to the Treasury Department will be at the risk and expense of the owner. The use of registered mail is suggested.

## LOST, STOLEN, OR DESTROYED BONDS

21. In case of the loss, theft, or destruction of a bond, the Treasury Department, Division of Loans and Currency, Washington, D. C., should be notified immediately of the serial number of the bond and the name, address, and "A" number of the registered owner. Upon receipt of such notice full information as to the requirements for issuance of a duplicate will be furnished. The Treasury Department should likewise be notified of the recovery of any bond previously reported to be lost, stolen, or destroyed. In the Philippine Islands notice of the loss, theft, or destruction of a bond, or the recovery of a bond previously reported to be lost, stolen, or destroyed, should be given to the Treasury of the Philippine Islands.

22. Except in cases of loss, theft, or destruction of a bond while being transmitted between post offices or between a post office and the Treasury Department, or fiscal agent thereof, relief will be granted only in accordance with the provisions of sections 3704 and 3705 of the Revised Statutes (U. S. C. title 31, secs. 737, 738); applications should be made on Form P. D. 1053 and will be governed in general by the regulations contained in Department Circular 300, as amended.

23. In the case of a bond lost, stolen, or destroyed while being transmitted between post offices or between a post office and the Treasury Department, or fiscal agent thereof, a duplicate may be issued without requiring a bond of indemnity, as provided in section 4 of the Adjusted Compensation Payment Act, 1936, as amended. Applications should be made on Form P. D. 1064, but no duplicate will be issued until evidence has been received from the Post Office Department establishing the fact of loss, theft, or destruction. The Secretary of the Treasury reserves the right to require a bond of indemnity in any such case, if he deems it necessary for the protection of the Government.

## TAXATION

24. In accordance with applicable law, the bonds are exempt, both as to principal and interest, from all taxation, except estate, inheritance, or gift taxes, now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

## AMENDMENTS

25. The Secretary of the Treasury reserves the right at any time, or from time to time, to revoke or amend these regulations, or to prescribe and issue supplemental or amendatory rules and regulations governing Adjusted Service Bonds.

WAYNE C. TAYLOR,  
*Acting Secretary of the Treasury.*

# REGULATIONS GOVERNING ADJUSTED SERVICE BONDS OF 1945

1936

Department Circular No. 560, Revised  
First Amendment

PUBLIC DEBT SERVICE

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,

Washington, December 30, 1936.

## TO OWNERS OF ADJUSTED SERVICE BONDS, AND OTHERS CONCERNED:

Department Circular No. 560, Revised, dated October 24, 1936, is hereby amended, effective January 16, 1937, by striking out paragraphs 1, 2, 3, 4, 19 and 20, of the regulations prescribed therein, and inserting in lieu thereof the following:

1. In order for a registered owner to obtain payment of a bond, the bond must be presented at a United States post office, or transmitted to a Federal Reserve bank, or to the Treasurer of the United States, Washington, D. C., in any case with the request for payment on the back of the bond properly executed as hereinafter provided.

2. Postmasters throughout the country have been authorized to receive bonds presented for payment, and to forward them, at the risk and expense of the United States, to a Federal Reserve bank. If a bond is to be presented at a post office, the request for payment must be signed by the registered owner in the presence of and certified by the postmaster or other authorized post office official or employee at such office, who will receive the bond, issue a receipt therefor, and forward the bond for payment.

3. Federal Reserve banks are designated as places for the redemption on and after January 16, 1937, of bonds, and are authorized to issue checks in payment for bonds transmitted to them in accordance with this and the next preceding paragraph. If a bond is to be transmitted for payment to a Federal Reserve bank directly by the registered owner, or through a banking institution acting as his agent, the request for payment must be executed in the presence of and be certified by one of the officers authorized in paragraph 12 (c).

4. (a) The Treasurer of the United States is authorized to issue checks in payment of bonds transmitted to him. If a bond is to be transmitted to the Treasurer of the United States for payment, the request for payment must be signed by the registered owner in the presence of and certified by one of the officers authorized in paragraph 12.

(b) In the Philippine Islands bonds may be presented and checks will be issued at the Treasury of the Philippine Islands. If a bond is to be presented to the Treasury of the Philippine Islands for payment, the request for payment must be executed and certified in accordance with the provisions of paragraph 12 (g).

19. These regulations shall also apply to the delivery and payment of (1) checks issued in payment of Adjusted Service Bonds, and (2) checks issued for the difference between the amount certified by the Administrator of Veterans' Affairs as due the veteran and the face amount of the bonds issued to him, *Provided, however*, that when necessary in order to effect an equitable division of the amount due, checks for such difference may be divided in the necessary proportions between adults and minors, or between minors, as persons lawfully entitled thereto.

20. Any transmission of a bond by the owner to the Treasury of the Philippine Islands, or any transmission of a bond by the owner, either directly or through a banking institution acting as agent for the owner, to a Federal Reserve bank or to the Treasury Department will be at the risk and expense of the owner. The use of registered mail is suggested.

Stephen B. Gibbons,

*Acting Secretary of the Treasury.*

(Filed with the Division of the Federal Register, January 4, 1937)



# REGULATIONS GOVERNING ADJUSTED SERVICE BONDS OF 1945

1945  
Third Amendment to  
Department Circular No. 560, Revised,  
dated October 24, 1936,  
as amended

Fiscal Service  
Bureau of the Public Debt

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, May 11, 1945.

## TO OWNERS OF ADJUSTED SERVICE BONDS, AND OTHERS CONCERNED:

Department Circular No. 560, Revised, dated October 24, 1936 (31 C. F. R. 313), as amended, is hereby further amended by striking out paragraphs 3 and 9 of the regulations prescribed therein and inserting in lieu thereof the paragraphs 3, 9, and 9½ set forth below, and by adding a new paragraph, numbered 11½, also set forth below.

3. Federal Reserve banks are designated as places for the redemption on and after January 16, 1937, of bonds, and are authorized to issue checks in payment for bonds transmitted to them in accordance with this and the next preceding paragraph. If a bond is to be transmitted for payment to a Federal Reserve bank directly by the registered owner, or through a banking institution acting as his agent, the request for payment must be executed in the presence of and be certified by one of the officers authorized in paragraph 12, except postmasters and other post office officials or employees.

9. *Without administration.*—When no legal representative of the estate of a deceased bond owner has been or is to be appointed and it is established to the satisfaction of the Secretary of the Treasury either that the value of the gross personal estate of the deceased owner, including Adjusted Service Bonds, does not exceed \$2,000 or that administration of the estate is not required in the State of the decedent's domicile, delivery or payment of a bond owned by such decedent will be made to the person determined by the Secretary of the Treasury to be lawfully entitled thereto. Such delivery or payment will be made in accordance with the provisions of Department Circular No. 300, as amended, in so far as applicable, such provisions to be construed in a manner consistent with the provisions of the Adjusted Compensation Payment Act, 1936, as amended, and the provisions of these regulations. Forms P. D. 1049 and 1050 must be completed and executed in compliance with the accompanying instructions. These forms may be obtained from the Treasury Department, Division of Loans and Currency, Washington, D. C. In all such cases instructions should be requested of that Division before a request for payment is executed or a bond submitted.

9½. *Payment in the case of minors or incompetents not under legal guardianship.*—

(a) *Payment to a minor.*—Payment may be made direct to a minor bond owner not under legal guardianship upon request of the minor if at the time payment is requested such minor is of sufficient competency and understanding to comprehend the nature of the transaction. In general, the fact that the request for payment has been signed by the minor and duly certified will be accepted as sufficient proof of such competency and understanding.

(b) *Payment to a parent or other person on behalf of a minor.*—If a minor bond owner not under legal guardianship is not of sufficient competency and understanding to sign his name to the request and to comprehend the nature of the transaction, 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. Such parent or other person must surrender the bond with the request for payment properly executed, and furnish a certificate, which may be typed on the back of the bond, showing his right to act for the minor. If a parent signs the request, the certificate and signature thereto should be in substantially the following form:

"I certify that I am the mother (or father) of John C. Jones and the person with whom he resides. He is \_\_\_ years of age, is not under legal guardianship, and is not of sufficient competency to sign this request and to understand the nature of the transaction.

Mrs. Mary Jones on behalf of John C. Jones."

If a person other than a parent signs the request, the certificate and signature thereto, including a reference to the person's relationship, if any, to the minor, should be in substantially the following form:

"I certify that John C. Jones does not reside with either parent and that I furnish his chief support. He is \_\_\_ years of age, is not under legal guardianship, and is not of sufficient competency to sign this request and to understand the nature of the transaction.

Mrs. Alice Brown, grandmother, on behalf of John C. Jones."

(c) *Payment to incompetents.*—In any case where the adult owner of a bond has been judicially declared incompetent or such incompetency is otherwise established and no duly qualified legal representative of his estate is acting, payment will be made to any person (whether or not a member of the family of the incompetent) upon presentation of satisfactory proof that such person is acting in behalf of and for the benefit of the incompetent.

The Treasury Department may in any particular case require further evidence as to the competency and understanding of a minor. It may also in any particular case require a minor to join in a request for payment executed by a parent or by another person or may require a parent or other person to join in a request for payment executed by a minor.

11½. *Payment to joint fiduciaries.*—Where there are two or more persons acting as joint fiduciaries, such as administrators, executors, trustees or guardians of a bond owner's estate, the bond will be paid upon a properly executed request by any one or more of such fiduciaries but payment shall be for the account of all.

D. W. BELL,

Acting Secretary of the Treasury.

(Filed with the Division of the Federal Register, May 14, 1945)