

FEDERAL RESERVE BANK OF DALLAS
DALLAS, TEXAS

June 5, 1956

**To the Member Banks of the
Eleventh Federal Reserve District:**

Enclosed is a revised copy of pages 5 and 6 of our operating Bulletin No. 5 relating to currency and coin services.

The revision of paragraph 24 is a clarification of the shipping charges to be paid on currency that is shipped to the Federal Reserve Bank of Dallas or its branches.

Yours very truly,

Watrous H. Irons,

President

dispatched by two or more trains, in which event the limit of liability shall apply to each train separately, with the further limitation of liability that shipments of currency shall not exceed \$400,000 in any one shipping package.

Advice of Shipment

19. Mail advice will be sent to member banks covering each shipment, and, if the shipment is not received promptly, the head office or branch making it should be immediately notified by telephone or telegraph.

Verification of Shipment

20. All shipments should be verified (piece counted) immediately upon arrival, by the receiving bank, and any discrepancy found should be reported to this bank. Receipt of a shipment of currency or coin must be acknowledged by officially signing the accompanying receipt form and returning it in the enclosed envelope addressed to the General Auditor of this bank. Where disbursement of currency or coin is made without verification, this bank will assume no liability.

SHIPMENTS OF CURRENCY TO THE FEDERAL RESERVE BANK OF DALLAS

Preparation of Currency for Shipment

21. All currency included in each shipment should be sorted and packaged by denomination, face and top up, and should be enclosed in paper currency straps, each strap containing 100 notes, with the name of the depositing bank, date, amount, and the number or stamp of the teller counting the package, appearing on each strap. (Under no circumstances should rubber bands, pins, or clips be substituted for paper straps.) In so far as possible packages should be assembled by denomination into units of 2,000 notes each. Each unit should be securely tied so as to avoid collapse while in transit. The weight of all units allowed in one sack and under one registry is determined by postal regulations. Placing in each sack a number of units, not in excess of the weight allowed, is desired as a measure of reducing shipping costs.

22. On the date of shipment, there must be mailed (under separate cover) to the Federal Reserve Bank, a notice giving the date, amount and description of the shipment. A supply of this bank's Form Cash 316 for this purpose will be furnished upon request. A copy of the advice should be enclosed with the shipment.

23. Torn notes should be carefully mended on the back with transparent cellophane tape in such manner as to preserve the original design and visual identification of the face of the notes. All such notes should be strapped separately from those packages containing currency not mutilated; and where the number of notes in a single denomination is 25 or more, a separate strap should be used. Pins, clips, and other metallic substances, if not removed, could cause injury to the handlers and damage the machinery used in cancelling unfit currency. Failure to comply with the foregoing slows up the process of handling and may delay final verification.

Method of Shipment

24. Currency of all denominations should be shipped by registered mail. Since the Federal Reserve Bank of Dallas assumes all risks incident to the

transportation of such shipments, the sending bank should pay only postage at first class rate, applicable surcharges, and registry fee covering a maximum indemnity of \$25.00.

Mutilated Currency

25. The Federal Reserve Bank of Dallas will accept for credit, redemption, or exchange lawfully held paper currency of the United States that is mutilated. If clearly not less than three-fifths of the original proportions of a bill remain, it will be exchanged at face value. Lawfully held paper currency, so mutilated that less than three-fifths but clearly more than two-fifths of the original proportions remain, is exchangeable only by the Treasurer of the United States at one-half the face amount of the whole note. Fragments not clearly more than two-fifths are not exchangeable by the Treasurer of the United States unless accompanied by evidence required in the following paragraphs.

26. Fragments of less than three-fifths when identifiable as to denomination, kind and genuineness, are exchangeable at the face amount of the whole note, only by the Treasurer of the United States when accompanied by satisfactory proof that the missing portions have been totally destroyed. This proof should be in the form of an affidavit from the owner, setting forth that he is the owner and the cause and manner of destruction. If, however, the owner cannot of his own knowledge state the facts of destruction, an affidavit or affidavits from any other person or persons having knowledge of the facts will be required.

27. The affidavits must be subscribed and sworn to before a notary public or other officer authorized by law to administer oaths. Unless authenticated by the official impression seal of the officer, the affidavit should be accompanied by a certificate from the proper official showing that the officer was in commission on the date of the acknowledgment. The expiration date of the officer's commission should be shown in any event. Should an affiant sign by mark (X), his signature must be witnessed by two persons besides the acknowledging officer and the places of residence of the witnesses to the mark must be stated. In addition to the affidavits, there should be furnished a certificate, to be executed if possible, by an officer of an incorporated bank or trust company, or by a public officer of the United States, setting forth that the officer has read the affidavit and the affiants are respectable persons in the community and are, in the judgment of the officer, worthy of belief. No relief is granted in cases where currency has been totally destroyed.

SHIPMENTS OF COIN TO THE FEDERAL RESERVE BANK OF DALLAS

Preparation of Shipment

28. Coin should be shipped to this bank loose in heavy canvas bags, each bag containing coin of only one denomination. Lead seals should be used in sealing bags of coin and the impression should bear the name or the A.B.A. number of the shipping bank. Coin shipped to this bank should be sacked as follows:

Silver Coin—\$500 or \$1,000
Nickels—\$100 or \$200
Cents— \$50 or \$100