

FEDERAL RESERVE BANK
OF DALLAS

Dallas, Texas, August 19, 1964

RELEASE OF EXCESS COIN HELD BY BANKS

To the Banking Institution Addressed:

Effective immediately, and for the duration of the coin shortage, this Bank will pay the transportation costs of coin shipments to our Bank and branches from nonmember banks and branches located outside of Federal Reserve Bank and branch cities. In view of the shortage of coin which presently prevails, this temporary change in policy is an effort by the Federal Reserve System to assist nonmember banks in disposing of any excess accumulations of coin, either wrapped or loose.

Coin shipments should be deposited with the office of this Bank in the zone in which the forwarding bank is situated. Credit for such deposits, subject to piece count verification, will be made to your nonmember clearing account, if one is carried, or to the account of a member bank correspondent designated by your bank. Reimbursement for shipping charges on shipments made to this Bank will be made as follows:

1. If shipment is by express, it should be sent charges collect.
2. If shipment is by fourth class insured mail, credit for the postage costs will be made to your nonmember clearing account, if one is carried, or to the account of a member bank correspondent designated by your bank. Such shipments should not exceed the amount for which the maximum indemnity is provided by the Post Office insurance fees.
3. If shipment is to be made by armored car carrier, it will be subject to prior approval and appropriate arrangements by this Bank.

This Bank will pay transportation costs on incoming coin shipments during the shortage and will assume the responsibility for such shipments subject to the terms and conditions of our currency and coin circular No. 5, dated July 17, 1961, addressed to member banks, an excerpt of which is enclosed.

Your cooperation in returning any coin in excess of your reasonable needs at our expense will constitute a public service and help the Commercial Banking System meet the coin needs of its customers.

Further information concerning this temporary change in procedure and copies of this excerpt may be obtained from any office of this Bank.

Yours very truly,

Watrous H. Irons
President

**EXCERPT FROM CURRENCY AND COIN BULLETIN NO. 5
OF THE FEDERAL RESERVE BANK OF DALLAS
DATED JULY 17, 1961**

To the Banking Institution Addressed:

This bank's Bulletin No. 5 describes the cash services of the Federal Reserve Bank of Dallas. Any nonmember bank shipping coin to this bank or any branch thereof shall by such action be deemed to have agreed to the terms and conditions set forth in the following excerpt from the bulletin with respect to such shipments. For purposes of this excerpt and unless stated otherwise, all references to the Federal Reserve Bank of Dallas or "this bank," shall include its branches at El Paso, Houston, and San Antonio, and all nonmember banks making shipments of coin shall be subject to the same terms and conditions as those applicable to member banks.

RISKS INCIDENT TO SHIPMENTS TO AND FROM BANKS

Assumption of Risk

3. Any member bank shipping or causing or ordering shipments of currency or coin to, from or for the account of this bank or any branch thereof shall by such action be deemed to have agreed to the following terms and conditions with respect to such shipments:

4. Subject to the terms of this bulletin, the Federal Reserve Bank of Dallas will assume all risks incident to the transportation of such shipments of currency or coin (a) by registered mail and (b) by such other means of transportation as may be selected by this bank, from the time such shipments leave the office of the sending bank until delivered at the office of the addressee bank, except as enumerated below; provided, however, that the Federal Reserve Bank of Dallas will not assume any risk for shipments sent by Railway Express Agency, Inc., while such shipments are in the custody of the Railway Express Agency, Inc., as the rate charged by the express company on such shipments is based on the declared value and the ordinary risks of loss are assumed by the express company under its shipping contract:

Exceptions

5. The Federal Reserve Bank of Dallas will not assume any risk of loss in any of the following circumstances, and any loss thereunder is agreed and understood to be assumed by the bank shipping or causing or ordering such shipment:

- (1) Any loss in excess of \$2,000,000 on all shipments by any one banking office to this bank on any one day.
- (2) Any loss resulting from hostile or warlike action by any military, naval, air forces, or agents of domestic, foreign or revolutionary governments, powers, or forces, whether or not war has been formally declared and including defending against an actual or expected attack; or any loss caused by any weapon of war employing atomic fission or radioactive force whether in time of peace or war.
- (3) Any loss resulting from any dishonest, fraudulent, or criminal act of an employee of any bank, other than this bank, shipping, causing, ordering or receiving the shipment.
- (4) Any loss to the extent recoverable from any insurance, surety, or indemnity company pursuant to purchased insurance, surety or indemnity (including bankers' blanket bond), whether primary or excess, carried by or maintained by any person other than this bank.
- (5) Any loss on any shipment by any bank other than this bank not made in conformity with the provisions of this bulletin.

Preparation of Shipments

6. Any member bank shipping or causing shipments of currency or coin to or for the account of this bank or any branch thereof shall by such action be deemed to have agreed that all such shipments shall be prepared and verified by one or more responsible employees of the sender and that the sealed package shall be in charge of a responsible person until deposited and registered at the post office, or, if the shipment is by express or armored car, until receipted for by the express office or armored car service, and that the contents of all packages shall be enclosed in a strong wrapper, envelope, or cloth or canvas bag, well secured, and sealed in a manner acceptable to the post office, express office, or armored car service at the place of mailing or dispatch.

**SHIPMENTS OF COIN TO THE FEDERAL RESERVE
BANK OF DALLAS**

Preparation of Shipments

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

29. On the date of shipment, there should be mailed to the Federal Reserve Bank, a notice giving the date, amount and description of the shipment. . . .

Transportation Services Available

30. Unless other means of transportation are selected by this bank, coin should be shipped to this bank by Railway Express Agency, Inc., collect, where such service is available. The addressee tag should show the amount in each sack.

31. Banks located in towns which have no express facilities should ship coin to this bank by parcel post, fourth class insured mail. If the Federal Reserve Bank (or appropriate branch) is in the first or second parcel post zone from the point of shipment, the maximum permissible weight of each sack is 40 pounds when mailed from a first class post office; if the Federal Reserve Bank is in the third to eighth zones from the point of shipment, the maximum permissible weight of each sack is 20 pounds. If mailed at a second, third, or fourth class post office, the maximum weight of each sack is 70 pounds regardless of zone. On any shipment made by parcel post, fourth class insured mail, no sack should contain more than \$200 regardless of weight. There is no limit as to the number of sacks that may be mailed at one time. The addressee tag should carry the following inscription: "Postmaster — Fourth-class mail. This package may be opened for postal inspection if necessary. From — (Name of sending bank)."

32. The risks of loss of such shipments from member banks will be assumed by this bank upon the same terms and subject to the same conditions as appear in paragraphs 3 through 6 and 34 of this bulletin, provided, however, that this bank will not assume any risks of loss on such shipments while they are in the custody of the United States Post Office Department.

PAYMENTS OF LOSSES AND SUBROGATION OF RIGHTS OF RECOVERY

34. The amount of any loss, the risk of which is assumed under the terms of this bulletin, will be paid promptly by this bank upon receiving from the bank sustaining the loss, in form satisfactory to this bank, a written proof of loss, receipt, and any other necessary documents, including, but not limited to, an assignment of its rights, title, and interest in the lost property. The bank receiving any such payment shall take all necessary measures in behalf and at the risk and expense of this bank for the recovery, reissue, or replacement of such property, including the institution of legal proceedings in its own name, if deemed necessary by this bank.

ENTRIES TO THE RESERVE ACCOUNT OF A MEMBER BANK

35. Deposits or shipments of United States currency and coin received from a member bank will be credited to its reserve account subject to count, verification, and subsequent adjustments for shortages, overages, counterfeits, etc.

COUNTERFEIT OR ALTERED CURRENCY AND COIN

37. In accordance with Treasury Department regulations, all counterfeit or altered currency and coin must be delivered to an agent of the United States Secret Service. Accordingly, all counterfeit currency and coin received by this bank will be delivered to a secret service agent whose receipt, fully describing the counterfeit currency or coin, will be mailed to the depositor.

RIGHT TO AMEND

41. The right is reserved by this bank to withdraw, add to, or amend at any time any of the terms and conditions of this bulletin.

Yours very truly,

Watrous H. Irons

President

**FEDERAL RESERVE BANK
OF DALLAS**

Dallas, Texas, August 19, 1964

RELEASE OF EXCESS COIN HELD BY BANKS

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

Effective for the duration of the coin shortage, this bank will accept deposits of wrapped coin from member banks and branches.

In view of the shortage of coin which presently prevails, this temporary change in policy is an effort by the Federal Reserve System to assist member banks in disposing of any excess accumulations of wrapped coin which may develop.

The fact that this bank will accept deposits of wrapped coin during this period does not alter any other provisions set forth in our currency and coin circular No. 5, dated July 17, 1961. Deposits of wrapped coin should be sent to the office of this bank to which you currently forward loose coin.

Your cooperation in returning any coin, wrapped or loose, in excess of your reasonable needs will constitute a public service and help the Commercial Banking System meet the coin needs of its customers.

Further information concerning this temporary change in procedure and copies of this circular may be obtained from any office of this bank.

Yours very truly,

Watrous H. Irons
President