



FEDERAL RESERVE BANK
OF DALLAS

TONY J. SALVAGGIO
FIRST VICE PRESIDENT

September 18, 1991

DALLAS, TEXAS 75222

Notice 91-75

TO: The Chief Operating Officer of
each financial institution in the
Eleventh Federal Reserve District

SUBJECT

Availability of New U.S. Treasury Department Brochure

DETAILS

The Treasury Department has published a brochure titled Preparation and Redemption of Mutilated U.S. Paper Currency to help financial institutions identify mutilated currency and to provide information on how mutilated currency can be redeemed. The brochure is intended to be used as a reference document by your tellers to advise the public when questions may arise.

ENCLOSURE

Enclosed is a copy of the new brochure.

MORE INFORMATION

If you would like additional copies of the brochure, please contact Charles Worley, (214) 698-4275, at the Dallas Office; Javier Jimenez, (915) 521-8202, at the El Paso Branch; Luke Richards, (713) 652-1544, at the Houston Branch; or John Bullock, (512) 978-1403, at the San Antonio Branch.

For additional copies of this Bank's notice, please contact the Public Affairs Department at (214) 651-6289.

Sincerely,

SHIPMENT OF MUTILATED CURRENCY

Mutilated currency may be mailed or personally delivered to the Bureau of Engraving and Printing. When mutilated currency is submitted, a letter should be included stating the estimated value of the currency and an explanation of how the currency became mutilated. Each case is carefully examined by an experienced mutilated currency examiner. The amount of time needed to process each case varies with its complexity and the case workload of the examiner.

The Director of the Bureau of Engraving and Printing has the final authority for the settlement of mutilated currency claims.

Although Treasury examiners are usually able to determine the amount and value of mutilated currency, careful packaging is essential to prevent additional damage.

The following procedures should be applied when packing mutilated currency:

1. Regardless of the condition of the currency, Do Not Disturb the fragments any more than is absolutely necessary.
2. If the currency is brittle or inclined to fall apart, pack it carefully in plastic and cotton without disturbing the fragments and place the package in a secure container.
3. If the currency was mutilated in a purse, box, or other container, it should be left in the container to protect the fragments from further damage.
4. If it is absolutely necessary to remove the fragments from the container, send the container along with the currency and any other contents that may have currency fragments attached.
5. If the currency was flat when mutilated, do not roll or fold the notes.
6. If the currency was in a roll when mutilated, do not attempt to unroll or straighten it out.
7. If coin or any other metal is mixed with the currency, carefully remove it. Any fused, melted, or otherwise mutilated coins should be sent to the:

Superintendent
U. S. Mint
Post Office Box 400
Philadelphia, PA. 19105
for evaluation.

For cases that are expected to take longer than 4 weeks to process, the Bureau of Engraving and Printing will issue a written confirmation of receipt.

MAILING ADDRESS

Department of the Treasury
Bureau of Engraving and Printing
Office of Currency Standards
P.O. Box 37048
Washington, D.C. 20013

All mutilated currency should be sent by "Registered Mail, Return Receipt Requested." Insuring the shipment is the responsibility of the sender.

Personal deliveries of mutilated currency to the Bureau of Engraving and Printing are accepted between the hours of 8:00 A.M. and 2:00 P.M., Monday through Friday, except holidays. The Office of Currency Standards is located at 14th and C Streets, S.W., Washington, D.C.

Preparation and Redemption of Mutilated U.S. Paper Currency



**DEPARTMENT OF THE TREASURY
BUREAU OF ENGRAVING
AND PRINTING**



PUBLIC SERVICE

Do you know what to do to replace badly damaged currency?

The Department of the Treasury, Bureau of Engraving and Printing, redeems partially destroyed or badly damaged currency as a free public service.

Every year the U.S. Treasury handles approximately 30,000 claims and redeems mutilated currency valued at over \$30 million.

The Office of Currency Standards, located in the Bureau of Engraving and Printing, uses experts to examine mutilated currency and will approve the issuance of a Treasury check for the value of the currency determined to be redeemable.

WHAT IS MUTILATED CURRENCY?

Currency notes which are:

- **NOT CLEARLY** more than one-half of the original note and/or,
- in such condition that the value is questionable and special examination is required to determine its value.

Currency can become mutilated in any number of ways. The most common causes are: fire, water, chemicals, explosives; animal, insect or rodent damage; and petrification or deterioration by burying.

Under regulations issued by the Department of the Treasury, mutilated United States currency may be exchanged at face value if:

- more than 50% of a note identifiable as United States currency is present; or,
- 50% or less of a note identifiable as United States currency is present, and the method of mutilation and supporting evidence demonstrates to the satisfaction of the Treasury that the missing portions have been totally destroyed.

Examples of Mutilated Currency



Burned Currency



Currency Chemically Damaged



Damaged by Rodents/Insects



Currency from Explosives



Buried Currency



Damaged by Liquids

WHAT IS NOT MUTILATED CURRENCY?

Any badly soiled, dirty, defaced, disintegrated, limp, torn, worn out currency note that is CLEARLY MORE than one-half of the original note, and does not require special examination to determine its value.

These notes should be exchanged through your local bank and processed by the Federal Reserve Bank.