

FEDERAL RESERVE BANK
OF NEW YORK

GOVERNMENT BOND DEPARTMENT

February 6, 1920

SHIPMENT OF REGISTERED LIBERTY BONDS AND NOTES

TO ALL BANKS, TRUST COMPANIES AND SAVINGS BANKS
IN THE SECOND FEDERAL RESERVE DISTRICT,

DEAR SIRs:

Enclosed is a copy of Treasury Department Circular 142, regarding the shipment of registered bonds and notes assigned for exchange for coupon bonds and notes.

We are constantly receiving from banks and trust companies, by ordinary mail uninsured, registered bonds and notes assigned as follows:

Assigned to "The Secretary of the Treasury for exchange for coupon bonds/notes."

Assigned to "The Secretary of the Treasury for exchange."

Assigned to "The Secretary of the Treasury."

Bonds or notes assigned as above or if assigned in blank makes them in effect bearer obligations and we, therefore, respectfully direct your attention to the provisions contained in this circular from which you will observe that bonds or notes should be assigned in such a manner as to restrict delivery, otherwise they should be forwarded under registered mail insured.

Yours very truly,

J. H. CASE,
Acting Governor.

Enclosure.

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ASSIGNMENTS OF UNITED STATES REGISTERED BONDS AND NOTES FOR EXCHANGE FOR COUPON BONDS AND NOTES.

1919.

Department Circular No. 142.

Loans and Currency.

TREASURY DEPARTMENT.

OFFICE OF THE SECRETARY.

Washington, November 15, 1919.

The following additional rules and regulations will govern assignments of United States registered bonds and notes to the Secretary of the Treasury for exchange for coupon bonds and notes:

1. Registered bonds or notes which are assigned to "The Secretary of the Treasury for exchange for coupon bonds/notes" or to "The Secretary of the Treasury for exchange" or in any form which clearly indicates the intent of the assignor to exchange for coupon bonds or notes, will be regarded as in effect assigned in blank, unless accompanied by written instructions restricting delivery of the coupon bonds or notes to be issued upon exchange. The coupon bonds or notes, in the absence of written instructions to the contrary, will be issued and delivered to the person by whom the registered bonds or notes are presented for such exchange, but the delivery of the coupon bonds or notes issued upon such exchange may be restricted by adding to the assignment express instructions as to delivery, as, for example, by inserting the words "to be delivered to -----"

(Name of person to whom delivery is to be made.)

2. Registered bonds or notes assigned for exchange in the manner above described, without instructions restricting delivery, lack the protection which registration affords and therefore may not safely be shipped without insurance. Accordingly, arrangements may be made as between Federal Reserve Banks and incorporated banks and trust companies for the transportation of registered bonds and notes so assigned to and from Federal Reserve Banks by registered mail insured, the charges in each case to be paid by the respective holders and to be remitted by the incorporated bank or trust company to the Federal Reserve Bank, in the same manner as if the bonds or notes were in coupon form. Full information as to such arrangements for the shipment of coupon bonds and notes by registered mail insured will be found in paragraph 27 of Treasury Department Circular No. 141, dated September 15, 1919.

3. Under existing law, no relief can be given in case of the loss or theft of registered bonds or notes which have been assigned for exchange in the manner above described, without instructions restricting delivery.

4. The Secretary of the Treasury may withdraw or amend at any time or from time to time all or any of the provisions of this circular.

CARTER GLASS,

Secretary of the Treasury.