

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 5368]
August 8, 1963]

GENERAL REGULATIONS GOVERNING UNITED STATES SECURITIES

Treasury Department Circular No. 300, Second Revision

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

Enclosed is a copy of the Second Revision of Treasury Department Circular No. 300, dated April 19, 1963, containing general regulations on United States Government securities other than savings bonds. The revision represents considerable rewriting and rearrangement of material that appeared in the superseded circular, dated April 30, 1955. It also contains new provisions covering taxpayer identifying numbers and advance refundings, and reflects minor substantive and procedural changes in almost all of its subparts.

Additional copies of the enclosure will be furnished upon request.

ALFRED HAYES,
President.

Cir. No. 5368

UNITED STATES TREASURY DEPARTMENT
GENERAL REGULATIONS
WITH RESPECT TO
UNITED STATES
SECURITIES

Department Circular No. 300

SECOND REVISION

April 19, 1963



U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1963

UNITED STATES TREASURY DEPARTMENT

GENERAL REGULATIONS

WITH RESPECT TO

UNITED STATES

SECURITIES

Department Circular No. 300

SECOND EDITION

April 19, 1963



U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON: 1963

TABLE OF CONTENTS

	Page
Subpart A—General Information.....	1
Sec. 306.0.—Applicability of regulations.....	1
Sec. 306.1.—Official agencies.....	1
(a) Subscriptions—tenders—bids.....	1
(b) Transactions after issue.....	1
Sec. 306.2.—Definitions.....	1
Sec. 306.3.—Transportation charges and risks in the shipment of securities.....	2
Subpart B—Registration.....	3
Sec. 306.10.—Registration.....	3
(a) General.....	3
(b) Identifying numbers.....	3
Sec. 306.11.—Forms of registration for transferable securities.....	3
(a) Natural persons in their own right.....	3
(1) One person.....	3
(2) Two or more persons—general.....	3
(i) With right of survivorship.....	3
(ii) Without right of survivorship.....	3
(b) Natural guardians of minors.....	4
(c) Incompetents not under guardianship.....	4
(d) Private organizations (corporations, unincorporated associations and partnerships).....	4
(1) A corporation.....	4
(2) An unincorporated association.....	4
(3) A partnership.....	4
(e) States, public bodies and corporations and public officers.....	4
(f) States, public officers, corporations or bodies as trustees.....	4
(g) Executors, administrators, guardians and similar representatives or fiduciaries.....	4
(h) Private trust estates.....	5
Sec. 306.12.—Nontransferable securities.....	5
Sec. 306.13.—Errors in registration.....	5
Subpart C—Transfers, Exchanges and Reissues.....	5
Sec. 306.15.—Transfers and exchanges of securities—closed periods.....	5
(a) General.....	5
(b) Closing of transfer books.....	5
Sec. 306.16.—Denominational exchanges of registered securities.....	5
Sec. 306.17.—Exchanges of registered securities for coupon securities.....	6
Sec. 306.18.—Exchanges of coupon securities for registered securities.....	6
Sec. 306.19.—Denominational exchanges of coupon securities.....	6
Sec. 306.20.—Reissue of registered transferable securities.....	6
Sec. 306.21.—Reissue of nontransferable securities.....	6
(a) Treasury Bonds, Investment Series A—1965.....	6
(b) Treasury Bonds, Investment Series B—1975—80.....	6
Sec. 306.22.—Exchange of Treasury Bonds, Investment Series B—1975—80.....	6
Subpart D—Redemption or Payment.....	7
Sec. 306.25.—Presentation and surrender.....	7
(a) General.....	7
(b) “Overdue” securities.....	7
Sec. 306.26.—Redemption of registered securities at maturity, upon prior call, or for advance refunding.....	7
Sec. 306.27.—Redemption of bearer securities at maturity, upon prior call, or for advance refunding.....	7
Sec. 306.28.—Optional redemption of Treasury bonds at par (before maturity or call redemption date) and application of the proceeds in payment of Federal estate taxes.....	7
(a) General.....	7
(b) Conditions.....	8
(i) Coownership holdings.....	8
(ii) Partnership holdings.....	8
(iii) Trust holdings.....	8
(c) Transactions permitted after owner’s death.....	8

	Page
Subpart E—Interest.....	8
Sec. 306.35.—Computation of interest.....	8
Sec. 306.36.—Termination of interest.....	9
Sec. 306.37.—Interest on registered securities.....	9
(a) Method of payment.....	9
(b) Change of address.....	9
(c) Collection of interest checks.....	9
(1) General.....	9
(2) By voluntary guardians of incompetents.....	9
(d) Nonreceipt, loss, theft or destruction of interest checks.....	9
Sec. 306.38.—Interest on bearer securities.....	9
Subpart F—Assignments of Registered Securities—General.....	9
Sec. 306.40.—Execution of assignments.....	9
Sec. 306.41.—Form of assignment.....	10
Sec. 306.42.—Alterations and erasures.....	10
Sec. 306.43.—Voidance of assignments.....	10
Sec. 306.44.—Discrepancies in names.....	10
Sec. 306.45.—Officers authorized to witness assignments.....	10
(a) Officers authorized generally.....	10
(b) Authorized officers in foreign countries.....	10
(c) Officers having limited authority.....	11
(d) Special provisions for witnessing assignments.....	11
Sec. 306.46.—Duties and responsibilities of witnessing officers.....	11
Sec. 306.47.—Evidence of witnessing officer's authority.....	11
Sec. 306.48.—Interested person not to act as witness or witnessing officer.....	11
Sec. 306.49.—Nontransferable securities.....	11
Subpart G—Assignments by or in Behalf of Individuals.....	11
Sec. 306.55.—Signatures, minor errors and change of name.....	11
Sec. 306.56.—Assignment of securities registered in the names of or assigned to two or more persons.....	11
(a) For transfer or exchange.....	11
(b) For advance refunding exchanges.....	12
(c) For redemption or redemption-exchange.....	12
(1) Alternative registration or assignment.....	12
(2) Joint registration or assignment.....	12
Sec. 306.57.—Minors and incompetents.....	12
(a) Assignments of securities registered in name of minor.....	12
(1) By minor.....	12
(2) By natural guardian.....	12
(b) Assignments of securities registered in name of natural guardian of minor.....	12
(c) Assignments by voluntary guardians of incompetents.....	12
(d) Assignments by legal guardians of minors or incompetents.....	13
Sec. 306.58.—Nontransferable securities.....	13
Subpart H—Assignments in Behalf of Estates of Deceased Owners.....	13
Sec. 306.65.—In course of administration.....	13
Sec. 306.66.—Temporary or special administrators.....	13
(a) Temporary administrators.....	13
(b) Special administrators.....	13
Sec. 306.67.—After settlement through court proceedings.....	13
Sec. 306.68.—Without administration.....	13
Sec. 306.69.—Special provisions applicable to small amounts of securities, interest checks or redemption checks.....	13
Sec. 306.70.—Nontransferable securities.....	14
Subpart I—Assignments by or in Behalf of Trustees and Similar Fiduciaries.....	14
Sec. 306.75.—Individual fiduciaries.....	14
Sec. 306.76.—Fiduciaries acting as a unit.....	14
Sec. 306.77.—Corepresentatives and fiduciaries.....	14
Sec. 306.78.—Nontransferable securities.....	14
Subpart J—Assignments in Behalf of Private or Public Organizations.....	15
Sec. 306.85.—Private corporations and unincorporated associations.....	15
Sec. 306.86.—Change of name and succession of private organizations.....	15
Sec. 306.87.—Partnerships.....	15
Sec. 306.88.—Political entities and public corporations.....	15
Sec. 306.89.—Public officers.....	15
Sec. 306.90.—Nontransferable securities.....	15

	Page
Subpart K—Attorneys in Fact.....	15
Sec. 306.91.—Attorneys in fact.....	15
(a) General.....	15
(b) For legal representatives or fiduciaries.....	16
(c) For corporation or unincorporated association.....	16
(d) For public corporations.....	16
Sec. 306.92.—Nontransferable securities.....	16
Subpart L—Transfer through Judicial Proceedings.....	16
Sec. 306.95.—Transferable securities.....	16
Sec. 306.96.—Evidence required.....	16
Sec. 306.97.—Nontransferable securities.....	16
(a) Treasury Bonds, Investment Series A-1965.....	16
(b) Treasury Bonds, Investment Series B-1975-80.....	16
Subpart M—Requests for Suspension of Transactions.....	16
Sec. 306.100.—Requests for suspension of transactions in securities.....	16
(a) Registered securities.....	16
(1) Reports of loss, theft or destruction of registered securities.....	16
(2) Reports of assignments affected by fraud.....	17
(3) Reports of forged assignments.....	17
(b) Bearer securities or registered securities so assigned as to become, in effect, payable to bearer.....	17
(1) Securities not overdue.....	17
(2) Overdue securities.....	17
Subpart N—Claims on Account of Loss, Theft, Destruction, Mutilation or Defacement of Securities.....	17
Sec. 306.105.—Statutory authority and requirements.....	17
Sec. 306.106.—Reports of loss, theft, destruction, mutilation or defacement of securities.....	17
(a) Loss or theft.....	17
(b) Destruction, mutilation or defacement.....	18
Sec. 306.107.—Relief authorized for lost, stolen, destroyed, mutilated or defaced securities.....	18
(a) Registered securities.....	18
(b) Bearer securities or registered securities so assigned as to become, in effect, payable to bearer.....	18
(c) Interest coupons.....	18
Sec. 306.108.—Type of relief granted.....	18
Sec. 306.109.—Nontransferable securities.....	18
Subpart O—Miscellaneous Provisions.....	18
Sec. 306.115.—Additional requirements.....	18
Sec. 306.116.—Waiver of regulations.....	18
Sec. 306.117.—Preservation of existing rights.....	18
Sec. 306.118.—Supplements, amendments or revisions.....	18
APPENDIX.....	19

100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200

TITLE 31—MONEY AND FINANCE

Chapter II—Fiscal Service

Part 306—General Regulations With Respect to United States Securities

1963
Department Circular No. 300
Second Revision
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, April 19, 1963.

Department Circular No. 300, Revised, dated April 1, 1955, as amended (31 CFR 306), is hereby further amended and issued as the Second Revision, effective April 19, 1963.

AUTHORITY: Secs. 306.0 to 306.118 issued under R.S. 3706, 40 Stat. 288, 290 and 1309, 48 Stat. 343 and 50 Stat. 481; 31 U.S.C. 738a, 739, 752, 752a, 753, 754, 754a and 754b.

SUBPART A—GENERAL INFORMATION

Sec. 306.0. Applicability of regulations.—These regulations apply to all United States transferable and nontransferable securities,¹ other than United States Savings Bonds, to the extent specified in these regulations, the offering circulars or special regulations governing such securities.

Sec. 306.1. Official agencies.

(a) Subscriptions—tenders-bids.—Securities subject to these regulations are issued from time to time pursuant to public offerings by the Secretary of the Treasury, through the Federal Reserve Banks, fiscal agents of the United States, and the Treasurer of the United States. Only the Federal Reserve Banks and Branches and the Treasury Department are authorized to act as official agencies, and subscriptions for securities, tenders for Treasury bills, and bids, to the extent provided in the regulations governing the sale of Treasury bonds through competitive bidding, may be made direct to them; however, banking institutions may assist customers with their subscriptions, tenders or bids.

(b) Transactions after issue.—Transactions in

securities after original issue are largely conducted by the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C., and inquiries concerning such transactions should be directed to it. The Federal Reserve Banks and Branches are also official agencies for the receipt of securities for transactions after issue. The Federal Reserve Banks and Branches are located in the cities indicated by their names, as follows:

Federal Reserve Bank of Boston.	Federal Reserve Bank of St. Louis,
Federal Reserve Bank of New York, Buffalo Branch.	Little Rock Branch, Louisville Branch, Memphis Branch.
Federal Reserve Bank of Philadelphia.	Federal Reserve Bank of Minneapolis,
Federal Reserve Bank of Cleveland, Cincinnati Branch, Pittsburgh Branch.	Helena (Montana) Branch.
Federal Reserve Bank of Richmond, Baltimore Branch, Charlotte Branch.	Federal Reserve Bank of Kansas City, Denver Branch, Oklahoma City Branch, Omaha Branch.
Federal Reserve Bank of Atlanta, Birmingham Branch, Jacksonville Branch, Nashville Branch, New Orleans Branch.	Federal Reserve Bank of Dallas, El Paso Branch, Houston Branch, San Antonio Branch.
Federal Reserve Bank of Chicago, Detroit Branch.	Federal Reserve Bank of San Francisco, Los Angeles Branch, Portland (Oregon) Branch, Salt Lake City Branch, Seattle Branch.

Sec. 306.2. Definitions.—Certain words and terms, as used in these regulations, are defined as follows:

(a) "Department" refers to the Treasury Department.

(b) "Bureau" refers to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C.

¹ Bonds and other securities issued by certain agencies of the United States and the former government of Puerto Rico are subject to these regulations, so far as applicable, under special arrangements with the issuing authorities. Information as to their application to any particular transaction in any designated security will be furnished by the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C., upon request.

(c) "Treasury securities," "Treasury bonds," "Treasury notes," "Treasury certificates of indebtedness," and "Treasury bills," or simply "securities," "bonds," "notes," "certificates" and "bills," unless otherwise indicated by the context, refer only to transferable securities.

(d) "Transferable securities" are securities title to which may be transferred by delivery, or by assignment and delivery, and which may be sold on the market.

(e) "Registered securities" are either transferable or nontransferable, payable on their face at maturity or call for redemption before maturity in accordance with their terms to certain persons whose names and addresses are recorded. Nontransferable securities, issued only in registered form, are payable according to their terms to the registered owners or recognized successors in title to the extent and in the manner provided in the offering circulars or applicable regulations.

(f) "Bearer securities" are those which are payable on their face at maturity or call for redemption before maturity in accordance with their terms to "bearer," the ownership of which is not recorded. Title to such securities may pass by delivery without endorsement and without notice. "Coupon securities" are bearer securities which are issued with interest coupons attached.

(g) "Securities assigned in blank" or "securities so assigned as to become, in effect, payable to bearer" refers to registered securities which are assigned by the owner or his authorized representative without designating the assignee. Registered securities assigned simply to "The Secretary of the Treasury" or in the case of Treasury Bonds, Investment Series B-1975-80, to "The Secretary of the Treasury for exchange for the current Series EA or EO Treasury notes" are considered to be so assigned as to become, in effect, payable to bearer.

(h) "Face maturity date" is the payment date specified in the text of a security.

(i) "Call date" is the date on which the obligor may make payment before maturity pursuant to a call for redemption in accordance with the terms of the security.

(j) "Payment" and "redemption," unless otherwise indicated by the context, are used interchangeably for payment at maturity or payment before maturity pursuant to a call for redemption in accordance with the terms of the securities.

(k) "Redemption-exchange" is any authorized redemption of securities for the purpose of applying

the proceeds in payment for other securities offered in exchange.

(l) "Advance refunding offer" is an offer to a holder of a security, in advance of its call or maturity, to exchange it for another security.

(m) "Coownership" and "coowner" are used for convenience only to describe any permitted form of joint ownership.

(n) "Incompetent" refers to a person under any legal disability except minority.

(o) "Court" means one which has jurisdiction over the parties and the subject matter.

(p) "Identifying number" means the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service, i.e., an individual's social security account number or an employer identification number. (NOTE: The social security account number is composed of nine digits separated by two hyphens, for example, 000-00-0000; the employer identification number is composed of nine digits separated by one hyphen, for example, 00-0000000. The hyphens are an essential part of the numbers and must be included.)

Sec. 306.3. Transportation charges and risks in the shipment of securities.—The following rules will govern transportation to, from and between the Treasury Department and the Federal Reserve Banks and Branches of securities issued on or presented for authorized transactions:

(a) The securities may be presented or received by the owners or their agents in person.

(b) Securities issued *on original issue*, unless delivered in person, will be delivered by registered mail or by other means at the risk and expense of the United States.

(c) The United States will assume the risk and expense of any transportation of securities which may be necessary between the Federal Reserve Banks and Branches and the Treasury.

(d) Securities submitted for any transaction after original issue, if not presented in person, must be forwarded at the owner's risk and expense.

(e) *Bearer securities* issued on transactions other than original issue will be delivered by registered mail, covered by insurance, at the owner's risk and expense, unless called for in person by the owner or his agent. *Registered securities* issued on such transactions will be delivered by registered mail at the risk of, but without expense to, the registered owner. Should delivery by other means be desired, advance arrangements should be made with the official agency to which the original securities were presented.

SUBPART B—REGISTRATION

Sec. 306.10. Registration.

(a) *General.*—The registration used must express the actual ownership of the security, and may not include any restriction on the authority of the owner to dispose of it in any manner, except as otherwise specifically provided in these regulations. The Treasury Department reserves the right to treat the registration as conclusive of ownership. Requests for registration should be clear, accurate and complete and conform substantially with one of the forms set forth in this subpart. The registration of all securities owned by the same person, organization or fiduciary estate should be uniform. The address must include the street and number, postal zone, rural route or any other local feature. Individual owners should be designated by the names by which they are ordinarily known or under which they do business, preferably including at least one full given name. The name of an individual may be preceded by any applicable title, such as “Dr.” or “Rev.,” or followed by “M.D.,” “D.D.” or other similar designation. “Sr.” or “Jr.” or any other similar suffix should be used when necessary to distinguish the owner from any other person. The name of a woman must be preceded by “Miss” or “Mrs.,” unless some other applicable title or designation is used. A married woman’s own given name, not that of her husband, must be used, for example, “Mrs. Mary A. Jones,” NOT “Mrs. Frank B. Jones.”

(b) *Identifying numbers.*—Requests for registration and assignments for transfer must include identifying numbers. (See Sec. 306.2(p).) Identifying numbers are not required for foreign governments, nonresident aliens not engaged in trade or business within the United States, or international organizations and foreign corporations not engaged in trade or business within the United States and not having an office or place of business or a financial or paying agent in the United States.

Sec. 306.11. Forms of registration for transferable securities.—The forms of registration described below are authorized for transferable securities:

(a) *Natural persons in their own right.*—In the names of natural persons who are not under any legal disability, in their own right, substantially as follows:

(1) *One person.*—In the name of one individual, for example:

John A. Doe (000-00-0000)
Mrs. Mary C. Doe (000-00-0000)
Miss Mary Ann Doe (000-00-0000)

An individual who is sole proprietor of a business conducted under a trade name may include a reference to the trade name, for example:

John A. Doe, doing business as Doe’s Home Appliance Store (00-0000000)
or
John A. Doe (000-00-0000), d/b/a Doe’s Home Appliance Store

(2) *Two or more persons—general.*—Securities will not be registered in the name of one person payable on death to another, or in any form which purports to authorize transfer by less than all the persons named in the registration as owners (or all the survivors).² Securities registered in the names of husband and wife should show the husband’s identifying number. Securities registered in the names of a minor (whether under legal or natural guardianship) and an adult should show the latter’s identifying number.

(i) *With right of survivorship.*—In the names of two or more individuals with right of survivorship, for example:

John A. Doe (000-00-0000) or Mrs. Mary C. Doe or the survivor
Mrs. Mary C. Doe and John A. Doe (000-00-0000) or the survivor
John A. Doe (000-00-0000) or Mrs. Mary C. Doe or Miss Mary Ann Doe or the survivors or survivor
John A. Doe (000-00-0000) or Mrs. Mary C. Doe
John A. Doe (000-00-0000) and Mrs. Mary C. Doe

(ii) *Without right of survivorship.*—In the names of two or more individuals in such manner as to preclude the right of survivorship, for example:

John A. Doe (000-00-0000) and William B. Doe as tenants in common
John A. Jones as natural guardian of Henry B. Jones, a minor, or Robert C. Jones (000-00-0000), without right of survivorship.

² WARNING: DIFFERENCE BETWEEN TRANSFERABLE TREASURY SECURITIES REGISTERED IN THE NAMES OF TWO OR MORE PERSONS AND UNITED STATES SAVINGS BONDS IN COOWNERSHIP FORM. The effect of registering transferable Treasury securities in the names of two or more persons differs decidedly from registration of savings bonds in coownership form. Savings bonds are virtually redeemable on demand at the option of either co-owner on his signature alone. Transferable Treasury securities are redeemable only at maturity or upon prior call by the Secretary of the Treasury. Accordingly, if cash is needed before such time, it can be realized only by sale on the market. This involves a transfer of ownership which can be accomplished only upon proper assignment by or in behalf of all owners.

(b) *Natural guardians of minors.*—A security may be registered in the name of a natural guardian of a minor for those whose *estate* no legal guardian or similar representative has legally qualified, for example:

John Jones as natural guardian of Henry Jones, a minor
(000-00-0000)

Either parent with whom the minor resides, or, if he does not reside with either parent, the person who furnishes his chief support, will be recognized as his natural guardian and will be considered a fiduciary. Registration in the name of a minor in his own right as owner or coowner is not authorized. Securities so registered, upon qualification of the natural guardian, will be treated as though registered in the name and title of the natural guardian.

(c) *Incompetents not under guardianship.*—Registration in the name of an incompetent is not authorized, except to the extent provided in Sec. 306.57 (c) (2).

(d) *Private organizations (corporations, unincorporated associations and partnerships).*—A security may be registered in the name of any private corporation, unincorporated association or partnership. The full legal name of the organization, as set forth in its charter, articles of incorporation, constitution, partnership agreement or other authority from which its powers are derived, must be included in the registration, and may be followed, if desired, by a parenthetical reference to a particular account or fund other than a trust fund, in accordance with the rules and examples given below:

(1) *A corporation.*—The name of a business, fraternal, religious or other private corporation must be followed by descriptive words indicating the corporate status unless the term "corporation" or the abbreviation "Inc." is part of the name or the name is that of a corporation or association organized under Federal law, such as a National bank or a Federal savings and loan association, for example:

Smith Manufacturing Company, a corp. (00-0000000)
The Standard Manufacturing Corp. (00-0000000)
Jones & Brown, Inc. (00-0000000) (Depreciation Acct.)
First National Bank of ----- (00-0000000)

(2) *An unincorporated association.*—The name of a lodge, club, labor union, veterans' organization, religious society or similar self-governing organization which is not incorporated (whether or not it is chartered by or affiliated with a parent organization which is incorporated) must be followed by the words "an unincorporated association," for example:

American Legion Post No. ----, Department of the D.C.,
an unincorporated assn. (00-0000000)
Local Union No. 100, Brotherhood of Locomotive En-
gineers, an unincorporated association (00-0000000)

Securities should not be registered in the name of an unincorporated association if the legal title to its property in general, or the legal title to the funds with which the securities are to be purchased, is held by trustees. In such a case the securities should be registered in the title of the trustees in accordance with (h) of this section. The term "unincorporated association" should not be used to describe a trust fund, a partnership or a business conducted under a trade name.

(3) *A partnership.*—The name of a partnership must be followed by the words "a partnership," for example:

Smith & Brown, a partnership (00-0000000)
Acme Novelty Co., a limited partnership (00-0000000)

(e) *States, public bodies and corporations and public officers.*—A security may be registered in the name of a State or county, city, town, village, school district or other political entity, public body or corporation established by law (including a board, commission, administration, authority or agency) which is the owner or official custodian of public funds, *other than trust funds*, or in the full legal title of the public officer having custody, for example:

State of Maine (00-0000000)
Town of Rye, N.Y. (00-0000000)
Maryland State Highway Commission (00-0000000)
Treasurer, City of Springfield, Ill. (00-0000000)
Treasurer of Rhode Island as Custodian of the State For-
estry Fund (00-0000000)

(f) *States, public officers, corporations or bodies of trustees.*—A security may be registered in the title of a public officer or in the name of a State or county, a public corporation or public body acting as trustee under express authority of law, followed by appropriate reference to the statute creating the trust, for example:

State Sinking Fund Commission, trustee of State Highway
Certificates of Indebtedness Sinking Fund under Sec.
----, Code of S.C. (00-0000000)
Insurance Commissioner of Pennsylvania, trustee for the
benefit of the policyholders of the Blank Insurance Co.
(00-0000000), under Sec. ----, Penna. Stats.

(g) *Executors, administrators, guardians and similar representatives or fiduciaries.*—A security may be registered in the names of legally qualified executors, administrators, guardians, conservators or similar representatives or fiduciaries of a single estate. The names of all the representatives or fiduciaries, in

the form shown in their letters of appointment, must be included in the registration and must be followed by an adequate identifying reference to the estate, for example:

John Smith, executor of the will (or administrator of the estate) of Henry J. Jones, deceased (00-0000000)

William C. Jones, guardian (or conservator, etc.) of the estate of James D. Brown, a minor (or an incompetent) (000-00-0000)

William C. Jones, as custodian for John Smith, a minor (000-00-0000), under the California Gifts of Securities to Minors Act

(h) Private trust estates.—A security may be registered in the name and title of the trustee or trustees of a single duly constituted private trust, followed by an adequate identifying reference to the authority governing the trust, for example:

John Jones and Blank Trust Company, Albany, N.Y., trustees under the will of Sarah Jones, deceased (00-0000000)

John Doe and Richard Roe, trustees under agreement with Henry Jones dated 2/9/50 (00-0000000)

The names of all trustees, in the form used in the trust instrument, must be included in the registration, except as follows:

(1) If there are several trustees designated as a board or authorized to act as a unit, their names should be omitted and the words "Board of Trustees" should be substituted for the word "trustees," for example:

Board of Trustees of Blank Company Retirement Fund under collective bargaining agreement dated 6/30/50 (00-0000000)

(2) If the trustees do not constitute a board or otherwise act as a unit, and are either too numerous to be designated in the inscription by names and title, or serve for limited terms, some or all of the names may be omitted, for example:

John Smith, Henry Jones, et al., trustees under the will of Henry J. Smith, deceased (00-0000000)

Trustees under the will of Henry J. Smith, deceased (00-0000000)

Trustees of Retirement Fund of Industrial Manufacturing Co., under directors' resolution of 6/30/50 (00-0000000)

Sec. 306.12. Nontransferable securities.—Upon authorized reissue, Treasury Bonds, Investment Series B-1975-80, may be registered in the forms set forth in Sec. 306.11.

Sec. 306.13. Errors in registration.—If an erroneously inscribed security is received it should not be altered in any respect but the Bureau or a Federal Reserve Bank or Branch should be promptly furnished

full particulars concerning the error and requested to furnish instructions.

SUBPART C—TRANSFERS, EXCHANGES AND REISSUES

Sec. 306.15. Transfers and exchanges of securities—closed periods.

(a) General.—The transfer of registered securities should be made by assignment in accordance with Subpart F. Transferable registered securities are eligible for denominational exchange and exchange for bearer securities. Bearer securities are eligible for denominational exchange, and when so provided in the offering circular, are eligible for exchange for registered securities. Specific instructions for the issuance and delivery of the new securities, signed by the owner or his authorized representative, must accompany the securities presented. (Form PD 1642, 1643, 1644, or 1827, as appropriate, may be used.) Securities presented for transfer or for exchange for bearer securities of the same issue must be received by an official agency not less than one full month before the date on which the securities mature or become redeemable pursuant to a call for redemption before maturity, and any security so presented which is received too late to comply with this provision will be accepted for payment only.

(b) Closing of transfer books.—The transfer books are closed for one full month preceding interest payment dates. If the date set for the closing of the transfer books falls on Saturday, Sunday or a legal holiday, the books will be closed as of the close of business on the last business day preceding that date. If registered securities forwarded for transfer, for reissue, or for exchange for coupon securities, or coupon securities forwarded for exchange for registered securities are received by the Bureau during the time the books are closed, the transaction will not be completed until the first business day following the date on which interest falls due, when the books are reopened for all purposes. However, denominational exchanges, exchanges of Treasury Bonds, Investment Series B-1975-80, for the current series of EA or EO 1½ percent 5-year Treasury notes, and optional redemption of bonds at par as provided in Sec. 306.28, may be made at any time.

Sec. 306.16. Denominational exchanges of registered securities.—No assignment will be required for the authorized exchange of registered securities for like securities in the same names in other authorized denominations.

Sec. 306.17. Exchanges of registered securities for coupon securities.—Registered securities submitted for exchange for coupon securities should be assigned to “The Secretary of the Treasury for exchange for coupon securities to be delivered to (inserting the name and address of the person to whom delivery of the coupon securities is to be made).” Assignments to “The Secretary of the Treasury for exchange for coupon securities,” or assignments in blank will also be accepted. The coupon securities issued upon exchange will have all unmatured coupons attached.

Sec. 306.18. Exchanges of coupon securities for registered securities.—Coupon securities presented for exchange for registered securities should have all matured interest coupons detached. All unmatured coupons should be attached, except that if presented when the transfer books are closed (in which case the exchange will be effected on or after the date on which the books are reopened), the next maturing coupons should be detached and held for collection in ordinary course when due. If any coupons which should be attached are missing, the securities must be accompanied by a remittance in an amount equal to the face amount of the missing coupons. The new registered securities will bear interest from the interest payment date next preceding the date on which the exchange is made.

Sec. 306.19. Denominational exchanges of coupon securities.—All matured interest coupons and all unmatured coupons likely to mature before an exchange can be completed should be detached from securities presented for denominational exchange. All unmatured coupons should be attached. If any are missing, the securities must be accompanied by a remittance in an amount equal to the face amount of the missing coupons. The new coupon securities will have all unmatured coupons attached.

Sec. 306.20. Reissue of registered transferable securities.—Assignments are not required for reissue of registered transferable securities in the name(s) of (1) the surviving coowner or coowners of securities registered in the names of or assigned to two or more persons, unless the registration or assignment includes words which preclude the right of survivorship, or the words “or either of them,” (2) a succeeding fiduciary or other lawful successor, (3) an individual, corporation, or unincorporated association whose name has been legally changed, (4) a corporation or unincorporated association which is the lawful successor to another corporation or unincorporated association, and (5) a successor in title to a public officer or body. Evidence of survivorship, succession, or

change of name, as appropriate, must be furnished. No evidence will be required to support assignments for redemption for the account of the registered owner(s) or assignee(s), or for redemption-exchange or pursuant to an advance refunding offer if the securities offered in exchange are to be registered in substantially the same form. The appropriate identifying number must be furnished if the registration of the security submitted does not include such number for the person or organization to be named on the reissued or new bonds.

Sec. 306.21. Reissue of nontransferable securities.

(a) Treasury Bonds, Investment Series A-1965.—Bonds of this series may be reissued only when (1) the name of an owner has been changed, (2) the trustees in whose names the bonds are registered have been succeeded by other trustees, and (3) the corporation, unincorporated association or fund in whose name the bonds are registered has been succeeded by another corporation or unincorporated association or fund, by operation of law or otherwise, whereby the business or activities of the original organization or fund are continued without substantial change in the successor. Bonds presented for reissue must be accompanied by pertinent evidence and an appropriate request for reissue. (Form PD 2168 should be used.)

(b) Treasury Bonds, Investment Series B-1975-80.—Bonds of this series may be reissued only in the names of (1) lawful successors in title, (2) the legal representatives or distributees of a deceased owner's estate, or the distributees of a trust estate, and (3) State supervisory authorities in pursuance of any pledge required of the owner under State law, or upon termination of the pledge in the names of the pledgors or their successors. Bonds presented for reissue must be accompanied by evidence of entitlement.

Sec. 306.22. Exchange of Treasury Bonds, Investment Series B-1975-80.—Bonds of this series presented for exchange for 1½ percent 5-year Treasury notes must bear duly executed assignments to “The Secretary of the Treasury for exchange for the current series of EA or EO Treasury notes to be delivered to (inserting the name and address of the person to whom the notes are to be delivered).” The notes will bear the April 1 or October 1 date next preceding the date the bonds, duly assigned with supporting evidence, if necessary, are received by the Bureau or a Federal Reserve Bank or Branch. Interest accrued at the rate of 2¾ percent on the bonds surrendered from the next preceding interest payment date to the date of exchange will be credited, and interest at the

rate of 1½ percent on the notes for the same period will be charged and the difference will be paid to the owner.

SUBPART D—REDEMPTION OR PAYMENT

Sec. 306.25. Presentation and surrender.

(a) *General.*—Securities, whether in registered or bearer form, are payable in due course at maturity unless called for redemption before maturity, in which case they will be payable on the redemption date fixed in the call. The Secretary of the Treasury may provide for the exchange of maturing or called securities, or pursuant to an advance refunding offer, may afford owners the opportunity of exchanging a security, in advance of call or maturity, for another security. Registered securities should be presented and surrendered for redemption to a Federal Reserve Bank or Branch or to the Bureau, and bearer securities to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington 25, D.C.³

(b) *“Overdue” securities.*—If a bearer security or a registered security assigned in blank, or to bearer or so assigned as to become, in effect, payable to bearer, is presented and surrendered for redemption after it has become overdue, the Secretary of the Treasury may require satisfactory proof of ownership. A security shall be considered overdue after the lapse of the following periods of time from its face maturity date:

- (1) One year for Treasury bonds.
- (2) Six months for Treasury notes and certificates of indebtedness.
- (3) Three months for Treasury bills.
- (4) Other securities:
 - (i) One year for securities issued for a term of five years or longer.
 - (ii) Six months for securities issued for a term of one year or more but less than five years.
 - (iii) Three months for securities issued for a term of less than one year.

Sec. 306.26. Redemption of registered securities at maturity, upon prior call, or for advance refunding.—Registered securities presented and surrendered for redemption at maturity or pursuant to a call for redemption before maturity should be assigned to “The Secretary of the Treasury for redemption,” unless the assignor desires that payment be made to some other person, in which case the assignments should be made to “The Secretary of the Treasury for

redemption for the account of (inserting the name, identifying number and address of the person to whom payment is to be made).” Assignments in blank or other assignments having a similar effect will be accepted but specific instructions for the issuance and delivery of the redemption check, signed by the owner or his authorized representative, must accompany the securities, unless included in the assignment. (Form PD 1705 may be used.) Payment will be made by check drawn on the Treasurer of the United States to the order of the person entitled and mailed in accordance with the instructions received. Interest payable on the maturity date, or call redemption date, unless otherwise provided in the notice of call, will be paid with the principal. Securities presented for advance refunding should be assigned as provided in the advance refunding offer. Adjustment of interest will be made as provided in the offer.

Sec. 306.27. Redemption of bearer securities at maturity, upon prior call, or for advance refunding.—All interest coupons due and payable on or before the date of maturity or date fixed in the call for redemption before maturity should be detached from coupon securities presented for redemption and should be collected separately in regular course. All coupons bearing dates subsequent to a date fixed in a call for redemption, or an offer of advance refunding, should be left attached to the securities. If any such coupons are missing the full face amount thereof will be deducted from the payment to be made upon redemption or the advance refunding adjustment unless satisfactory evidence of their destruction is submitted. Any amounts so deducted will be held in the Department to provide for adjustments or refunds in the event that the missing coupons should be subsequently presented or their destruction is later satisfactorily established. In the absence of other instructions, payment of bearer securities will be made by check drawn to the order of the person presenting and surrendering the securities and mailed to him at his address, as given in the advice which should accompany the securities. (Form PD 1704 may be used.) A Federal Reserve Bank, upon appropriate request, may make payment to a member bank from which bearer securities are received by crediting the amount in the member bank’s account.

Sec. 306.28. Optional redemption of Treasury bonds at par (before maturity or call redemption date) and application of the proceeds in payment of Federal estate taxes.

(a) *General.*—All Treasury bonds to be redeemed at par for the purpose of applying the proceeds to

³ See Sec. 306.28 for presentation and surrender of securities eligible for use in payment of Federal estate taxes.

payment of Federal estate taxes on a decedent's estate⁴ must be presented and surrendered to a Federal Reserve Bank or Branch or the Bureau. They should be accompanied by Form PD 1782, fully completed and duly executed in accordance with the instructions on the form, and evidence as described therein. Redemption will be made at par plus accrued interest from the last preceding interest payment date to the date of redemption, except that if registered bonds are received by a Federal Reserve Bank or Branch or the Bureau within one month preceding an interest payment date for redemption before that date a deduction will be made for interest from the date of redemption to the interest payment date, and a check for the full six months' interest will be paid in due course. The proceeds of redemption will be deposited to the credit of the District Director, Internal Revenue Service, designated in Form PD 1782, the representative of the estate will be notified of the deposit, and the District Director will forward a formal receipt.

(b) Conditions.—The bonds presented for redemption under this section must have (1) been owned by the decedent at the time of his death and (2) thereupon constituted part of his estate, as determined by the following rules in the case of coownership, partnership and trust holdings:

(i) *Coownership holdings.*—Bonds held by the decedent at the time of his death in coownership with another person or persons will be deemed to have met the above conditions either (1) to the extent to which the bonds actually became the property of the decedent's estate, or (2) in an amount not to exceed the amount of the Federal estate taxes which the surviving coowner or coowners are required to pay on account of such bonds and other jointly-held property.⁵

(ii) *Partnership holdings.*—Bonds held at the time of the decedent's death by a partnership in which he had an interest will be deemed to have

met the above conditions to the extent of his fractional share of the bonds so held proportionate to his interest in the assets of the partnership.

(iii) *Trust holdings.*—Bonds held in trust at the time of the decedent's death will be deemed to have met the above conditions in an amount not to exceed: the amount of the Federal estate taxes which the trustee as such is required to pay under the terms of the trust instrument or otherwise; or, if the trust actually terminated in favor of the decedent's estate, the amount of such estate taxes.

(c) Transactions permitted after owner's death.—If the bond or bonds are in excess of the amount of the taxes and are not in the lowest authorized denominations, they may be exchanged for bonds of lower denominations. Other transactions, involving no change of ownership, which may be conducted after the death of the owner without affecting the eligibility of the bonds for redemption at par, include (1) exchange of registered bonds for coupon bonds, (2) transfer to the names of the representative of his estate, and (3) exchange of coupon bonds for bonds registered in the name of the representative of the estate; but such transactions must be explained on Form PD 1782 or in a supplemental statement.

SUBPART E—INTEREST

Sec. 306.35. Computation of interest.—The interest on Treasury securities accrues and is payable on a semiannual basis unless otherwise provided in the circular offering them for sale or exchange. If the period of accrual is an exact six months, the interest accrual is an exact one-half year's interest, without regard to the number of days in the period. If the period of accrual is less than an exact six months, the accrued interest is computed by determining the daily rate of accrual on the basis of the exact number of days in the full interest period and multiplying the daily rate by the exact number of days in the fractional period for which interest has actually accrued. A full interest period does not include the day as of which the securities were issued or the day on which the last preceding interest became due, but does include the day on which the next succeeding interest payment is due. A fractional part of an interest period does not include the day as of which the securities were issued or the day on which the last preceding interest payment became due, but does include the day as of which the transaction terminating the accrual of interest is effected. The 29th of February in a leap year is included whenever

⁴ Certain issues of Treasury bonds are redeemable at par and accrued interest upon the death of the owner, at the option of the representative of, or if none, the persons entitled to, his estate, for the purpose of having the entire proceeds applied in payment of the Federal estate taxes on the decedent's estate, in accordance with the terms of the offering circulars cited on the face of the bonds. A current list of eligible issues may be obtained from any Federal Reserve Bank or Branch or the Bureau of the Public Debt.

⁵ Substantially the same rule applies to community property except that upon the death of either spouse bonds which constitute part of the community estate are deemed to meet the required conditions to the extent of *one-half of each bond*.

it falls within either a full interest period or a fractional part thereof.⁶

Sec. 306.36. Termination of interest.—Securities will cease to bear interest on the date of their maturity unless they have been called for redemption prior to maturity in accordance with their terms, in which case they will cease to bear interest on the date fixed for redemption in the call.

Sec. 306.37. Interest on registered securities.

(a) Method of payment.—The interest on registered securities is payable by checks drawn on the Treasurer of the United States to the order of the registered owners, except as otherwise provided herein. Interest checks are prepared by the Department in advance of the interest payment date and are ordinarily mailed in time to reach the addressees on that date. Upon receipt of notice of the death or incompetency of an individual named as registered owner, a change in the name or in the status of a partnership, corporation or unincorporated association, the removal, resignation, succession or death of a fiduciary or trustee, delivery of interest checks will be withheld pending receipt and approval of evidence showing who is entitled to receive the interest checks. If the inscriptions on securities do not clearly identify the owners, delivery of interest checks will be withheld pending reissue of the securities in the correct registration. The final installment of interest will be paid with the principal at maturity, or upon call, unless otherwise provided in the notice of call.⁷

(b) Change of address.—To assure timely delivery of interest checks, owners should promptly notify the Bureau of any change of address. (Form PD 345 may be used.) The notification must be signed by the registered owner or a coowner or an authorized representative, and should show the old and new addresses, the serial number and denomination of each security, the title of the securities (for example, 3¼ percent Treasury Bonds of 1978–83, dated May 1, 1953), and the registration of each security. Notifications by attorneys in fact or by legal representatives of the estates of deceased, incompetent or minor owners should be supported by proof of their appointment unless, in the case of legal representatives, they are named in the registration.

⁶ The Appendix to these regulations contains a complete explanation as to the method of computing interest on Treasury bonds, notes and certificates of indebtedness in any given situation. The Appendix also outlines the method of computing the discount rate on Treasury bills.

⁷ See Sec. 306.15(b) for presentation of securities during periods transfer books are closed.

(c) Collection of interest checks.

(1) General.—Interest checks may be collected in accordance with the regulations governing the endorsement and payment of Government warrants and checks, which are contained in Department Circular No. 21, Revised, as amended.

(2) By voluntary guardians of incompetents.—Interest checks drawn to the order of an incompetent for whose estate no legal guardian or similar representative has been appointed should be returned to the Bureau with a full explanation of the circumstances. For collection of interest, the Department will recognize the relative responsible for the incompetent's care and support or some other person as voluntary guardian for the incompetent. (Application may be made on Form PD 1461.)

(d) Nonreceipt, loss, theft or destruction of interest checks.—If an interest check is not received within a reasonable period after an interest-payment date, or if a check is lost, stolen or destroyed after receipt, the Bureau should be notified. The notification should include the name and address of the owner, the serial number, denomination, and titles of the securities upon which the interest was payable. If the check is subsequently received or recovered, the Treasurer of the United States, Washington 25, D.C., should be advised.

Sec. 306.38. Interest on bearer securities.—Unless the terms of the securities provide that final interest is payable with the principal at maturity, interest on coupon securities is payable upon presentation and surrender of the interest coupons as they mature. Interest coupons are payable at the Office of the Treasurer of the United States and at any Federal Reserve Bank or Branch.⁸ The interest on some issues is payable with the principal at maturity, and no coupons are attached. The interest on Treasury bills, which are sold on a discount basis and are payable at par at maturity, is represented by the difference between the purchase price and the par value, and no coupons are attached.

SUBPART F—ASSIGNMENTS OF REGISTERED SECURITIES—GENERAL

Sec. 306.40. Execution of assignments.—The assignment of a registered security should be executed by the owner or his authorized representative in the presence of an officer authorized to witness the assignment. All assignments must be made on the backs of the se-

⁸ Banking institutions will usually cash the coupons without charge as an accommodation to their customers.

curities, unless otherwise authorized by the Department or a Federal Reserve Bank or Branch. An assignment by mark (X) must be witnessed not only by a witnessing officer but also by at least one other person, who should add an endorsement substantially as follows: "Witness to signature by mark," followed by his signature and address.

Sec. 306.41. Form of assignment.—Registered securities may be assigned in blank, to bearer, to a specified transferee, to the Secretary of the Treasury for exchange for coupon securities, or to the Secretary of the Treasury for redemption or for exchange for other securities offered at maturity, upon call or pursuant to an advance refunding offer. Assignments to "The Secretary of the Treasury," "The Secretary of the Treasury for transfer," or "The Secretary of the Treasury for exchange" will not be accepted, unless supplemented by specific instructions.

Sec. 306.42. Alterations and erasures.—If an alteration or erasure has been made in an assignment, an explanation satisfactory to the Treasury Department, usually in the form of an affidavit by the person responsible, will be required.

Sec. 306.43. Voidance of assignments.—An assignment of a security to or for the account of another person, not completed by delivery, may be voided by a disclaimer of interest from that person. The disclaimer should be executed in the presence of an officer authorized to witness assignments of securities. Unless otherwise authorized by the Treasury Department or a Federal Reserve Bank or Branch the disclaimer must be written, typed, or stamped on the back of the security, in substantially the following form:

The undersigned as assignee of this security hereby disclaims any interest herein.

 (Signature)
 I certify that the above-named person as described, whose identity is well known or proved to me, personally appeared before me the ____ day of -----
 (Month and year)
 at ----- and signed the above disclaimer of interest.
 (Place)

(SEAL)

 (Signature and official designation
 of witnessing officer)

In the absence of a disclaimer, an affidavit or affidavits should be submitted for consideration explaining why a disclaimer cannot be obtained, reciting all other material facts and circumstances relating to the transaction, including whether or not the security was delivered to the person named as assignee and whether or

not the affiants know of any basis for the assignee claiming any right, title or interest in the security.

Sec. 306.44. Discrepancies in names.—The Department will ordinarily require an explanation of discrepancies in the names which appear in inscriptions, assignments, supporting evidence or in the signatures to any assignments. (Form PD 385 may be used for this purpose.) However, where the variations in the name of the registered owner, as inscribed on securities of the same or different issues, are such that both may properly represent the same person, for example, "J. T. Smith" and "John T. Smith," no proof of identity will be required *if the assignments are signed exactly as the securities are inscribed and are duly certified by the same witnessing officer.*

Sec. 306.45. Officers authorized to witness assignments.

(a) **Officers authorized generally.**—Officers authorized to witness assignments include:

(1) Officers and employees of banks and trust companies chartered by or incorporated under the laws of the United States or those of any State, Commonwealth or Territory of the United States, and Federal Savings and Loan Associations or other organizations which are members of the Federal Home Loan Bank System, who have been authorized generally to bind their respective institutions by their acts.

(2) Officers of Federal Reserve Banks and Branches.

(3) Officers of Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives, the Central Bank for Cooperatives, and Federal Home Loan Banks.

(4) United States Attorneys, Collectors of Customs, and Regional Commissioners and District Directors, Internal Revenue Service.

(5) Judges and Clerks of United States Courts.

(b) **Authorized officers in foreign countries.**—The following officers are authorized to witness assignments in foreign countries:

(1) United States diplomatic or consular representatives.

(2) Managers, assistant managers and other officers of foreign branches of banks or trust companies chartered by or incorporated under the laws of the United States or any State, Commonwealth or Territory of the United States.

(3) Notaries public and other officers authorized to administer oaths. The official position and authority of any such officer must be certified by a

United States diplomatic or consular representative under seal of his office.

(c) Officers having limited authority.—The following officers are authorized to witness assignments to the extent set forth in connection with each class of officers:

(1) Postmasters, acting postmasters, assistant postmasters, inspectors-in-charge, chief and assistant chief accountants, and superintendents of stations of any post office, notaries public and justices of the peace in the United States, its territories and possessions, the Commonwealth of Puerto Rico and the Canal Zone, but only for assignment of securities for redemption for the account of the assignor, or for redemption-exchange, or pursuant to an advance refunding offer for other securities to be registered in his name, or in his name with a coowner. The signature of any post office official, other than a postmaster, must be in the following form: "John A. Doe, Postmaster, by Richard B. Roe, Superintendent of Station."

(2) Commissioned officers and warrant officers of the Armed Forces of the United States for assignments of securities of any class for any authorized transaction, but only with respect to assignments executed by (i) Armed Forces personnel and civilian field employees, and (ii) members of the families of such personnel or civilian employees.

(d) Special provisions for witnessing assignments.—The Commissioner of the Public Debt, the Chief of the Division of Loans and Currency, or any Federal Reserve Bank or Branch is authorized to make special provisions for any case or class of cases.

Sec. 306.46. Duties and responsibilities of witnessing officers.—The witnessing officer must require execution of the assignment in his presence after he has established the identity of the assignor. He must then complete the certification and impress or imprint the official seal or stamp, if any. The witnessing officer and, if he is an officer or employee of an organization, the organization will be held responsible for any loss which the United States may suffer as the result of his fault or negligence.

Sec. 306.47. Evidence of witnessing officer's authority.—The authority of a witnessing officer may be established by his affixing the seal of his organization to his certification of an assignment. If such officer does not have access to the seal, his signature and authority must be certified to the Department, under seal, by an officer having access to the records and will be recognized until notice is received that his authority

has been terminated. (Form PD 835-B may be used.) Any post office official must use the official stamp of his office. A commissioned or warrant officer of any of the armed forces of the United States should indicate his rank and state that the person executing the assignment is one of the class whose signature he is authorized to witness. A judge or clerk of court must use the seal of the court. Any other witnessing officer must use his official seal or stamp, if any, but, if he has neither, his official position and a specimen of his signature must be certified by some other authorized officer under official seal or stamp or otherwise proved to the satisfaction of the Department.

Sec. 306.48. Interested person not to act as witness or witnessing officer.—Neither the assignor, the assignee, nor any person having an interest in a security may act as witnessing officer or as witness to an assignment by mark. However, a bank officer may witness an assignment to the bank, or an assignment executed by another officer in its behalf.

Sec. 306.49. Nontransferable securities.—The provisions of this subpart, so far as applicable, govern transactions in Treasury Bonds, Investment Series B-1975-80.

SUBPART G—ASSIGNMENTS BY OR IN BEHALF OF INDIVIDUALS

Sec. 306.55. Signatures, minor errors and change of name.—The owner's signature to an assignment should be in the form in which the security is inscribed or assigned, unless such inscription or assignment is incorrect or the name has since been changed. In case of a change of name, the signature to the assignment should show both names and the manner in which the change was made, for example, "John Young, formerly John Jung (changed by court order)." Evidence of the change will be required. However, no evidence is required to support an assignment if the change resulted from marriage and the signature, which must be duly witnessed by an authorized officer, is written to show that fact, for example, "Mrs. Mary J. Brown, before marriage Miss Mary Jones."

Sec. 306.56. Assignment of securities registered in the names of or assigned to two or more persons.

(a) For transfer or exchange.—The transfer or exchange for coupon securities of securities registered in the names of or assigned to two or more persons may be made during the lives of all the coowners only upon assignments by all or in their behalf by authorized representatives. Upon proof of the death of one, the Department will accept an assignment by or in behalf of the survivor or survivors, unless the registra-

tion or assignment includes words which preclude the right of survivorship, or the words "or either of them." In such cases, in addition to assignment by or in behalf of the survivor or survivors, an assignment in behalf of the decedent's estate will be required.

(b) For advance refunding exchanges.—Securities registered in the names of or assigned to two or more persons, whether jointly or in the alternative, may be assigned by one where the securities offered in exchange are to be inscribed in their names in substantially the same form. If bearer securities or securities in a different form are to be issued, all persons named must assign, except that in case of death paragraph (a) of this section shall apply.

(c) For redemption or redemption-exchange.

(1) Alternative registration or assignment.—Securities registered in the names of or assigned to two or more persons *in the alternative*, for example, "John Smith or Mrs. Mary Smith" or "John Smith or Mrs. Mary Smith or the survivor," may be assigned by one coowner at maturity or upon call, for redemption or redemption-exchange (as defined in Sec. 306.2(k)), for his own account or otherwise, whether or not the other coowner or coowners are deceased. This provision also applies to securities registered in or assigned to the form "John Smith and Mrs. Mary Smith or either of them."

(2) Joint registration or assignment.—Securities registered in the names of or assigned to two or more persons *jointly*, for example, "John Smith and Mrs. Mary Smith," "John Smith and Mrs. Mary Smith or the survivor," or "John Smith and Mrs. Mary Smith as tenants in common," may be assigned by one coowner during the lives of all only (i) for redemption at maturity or upon call, *and then only for redemption for the account of all*, or (ii) for exchange for other securities to be registered in their names in substantially the same form as appears in the registration or assignment of the securities surrendered. Upon proof of the death of one coowner, the survivor or survivors may assign securities so registered or assigned for redemption or redemption-exchange for any account, except that, if the words "as tenants in common" or other words having the same effect appear in the registration or assignment, assignment in behalf of the decedent's estate also will be required.

Sec. 306.57. Minors and incompetents.

(a) Assignments of securities registered in name of minor.

(1) By minor.—Securities registered in the name of a minor for whose estate no guardian or similar representative is legally qualified, may be assigned by the minor at maturity or call for redemption if the total face amount of the matured or called securities so registered does not exceed \$500, and if the minor, in the opinion of the witnessing officer, is of sufficient competency to execute the assignments and understand the nature of the transaction.

(2) By natural guardian.—Securities registered in the name of a minor for whose estate no legal guardian or similar representative has qualified may be assigned by the natural guardian upon qualification. Form PD 2481 may be used for this purpose.

(b) Assignments of securities registered in name of natural guardian of minor.—Securities registered in the name of a natural guardian of a minor may be assigned by the natural guardian for any authorized transaction except one for the apparent benefit of the natural guardian. If the natural guardian in whose name the securities are registered is deceased or is no longer qualified to act as natural guardian, the securities may be assigned by the person then acting as natural guardian. The assignment by the new natural guardian should be supported by proof of the death or disqualification of the former natural guardian and by evidence of his own status as natural guardian. (Form PD 2481 may be used for this purpose.) No assignment by a natural guardian will be accepted after receipt of notice of the minor's attainment of majority, removal of his disability of minority, disqualification of the natural guardian to act as such, qualification of a legal guardian or similar representative, or the death of the minor.

(c) Assignments by voluntary guardians of incompetents.—Registered securities belonging to an incompetent for whose estate no legal guardian or similar representative is legally qualified may be assigned by the relative responsible for his care and support or some other person as voluntary guardian:

(1) For redemption or exchange for bearer securities, if the proceeds of the securities are necessary and will be used for the care and support of the incompetent or that of his legal dependents and the total face amount of such securities for which redemption or exchange is requested in any 90-day period does not exceed \$1,000.

(2) For redemption-exchange, if the securities are matured or have been called, or pursuant to an advance refunding offer, for reinvestment in other securities to be registered in the form "A, an incom-

petent (000-00-0000), under voluntary guardianship."

An application on Form PD 1461 by the person seeking authority to act as voluntary guardian will be required.

(d) Assignments by legal guardians of minors or incompetents.—Securities registered in the name and title of the legal guardian or similar representative of the estate of a minor or incompetent may be assigned by the representative for any authorized transaction without proof of his qualification. Assignments by a representative of any other securities belonging to a minor or incompetent must be supported by properly certified evidence of qualification. The evidence must be dated not more than one year before the date of the assignments and must contain a statement showing the appointment is in full force unless it shows the appointment was made not more than one year before the date of the assignment or the representative or a corepresentative is a corporation. An assignment by the representative will not be accepted after receipt of notice of termination of the guardianship, except for transfer to the former ward.

Sec. 306.58. Nontransferable securities.—The provisions of this subpart, so far as applicable, govern transactions in Treasury Bonds, Investment Series B-1975-80.

SUBPART H—ASSIGNMENTS IN BEHALF OF ESTATES OF DECEASED OWNERS

Sec. 306.65. In course of administration.—A security belonging to the estate of a decedent which is being administered by a duly qualified executor or general administrator will be accepted for any authorized transaction upon assignment by such representative. If the security is not registered in the name and title of the representative, the assignment must be supported by a certificate or a copy of the letters of appointment, under court seal. The certificate or certification, if required, must be dated not more than six months before the date of the assignment and must contain a statement that the appointment is in full force, unless (a) it shows the appointment was made not more than one year before the date of the assignment, or (b) the representative or a corepresentative is a corporation, or (c) redemption is being made for application of the proceeds in payment of Federal estate taxes as provided by Sec. 306.28.

Sec. 306.66. Temporary or special administrators.—Temporary or special administrators may assign securities for any authorized transaction within the scope of their authority. The assignments must be supported by:

(a) Temporary administrators.—A certificate, under court seal, showing the appointment in full force within thirty days preceding the date of receipt of the securities.

(b) Special administrators.—A certificate, under court seal, showing the appointment in full force within six months preceding the date of receipt of the securities. Authority for assignments for transactions not within the scope of appointment must be established by a duly certified copy of a special order of court.

Sec. 306.67. After settlement through court proceedings.—Securities belonging to the estate of a decedent which has been settled will be accepted for any authorized transaction upon assignments by the person or persons entitled, as determined by the court. The assignments should be supported by a copy, certified under court seal, of the decree of distribution, the representative's final account as approved by the court, or similar court records.

Sec. 306.68. Without administration.—When it appears that no legal representative of an estate to which securities belong has been or is to be appointed, the securities may be duly disposed of pursuant to an agreement and assignment by all persons entitled to share in the securities under the laws of the State of the decedent's domicile. (Form PD 1646 may be used.) However, all debts of the decedent and his estate must be paid or provided for and the interests of any minors or incompetents in the estate must be protected.

Sec. 306.69. Special provisions applicable to small amounts of securities, interest checks or redemption checks.—Entitlement to, or the authority to dispose of, a small amount of public debt securities and checks issued in payment thereof or in payment of interest thereon, belonging to the estate of a decedent, may be established through the use of certain short forms, according to the aggregate amount of securities and checks involved (excluding checks representing interest on the securities), as indicated by the following table:

Amount	Circumstances	Form	To be executed by—
\$100	No administration...	PD 2216	Person who paid burial expenses.
\$500	Estate being ad- ministered.	PD 2488	Executor or ad- ministrator.
\$500	Estate settled.....	PD 2458A	Former executor or administrator, attorney or other qualified person.

Sec. 306.70. Nontransferable securities.—The provisions of this subpart, so far as applicable, govern transactions in Treasury Bonds, Investment Series B-1975-80.

SUBPART I—ASSIGNMENTS BY OR IN BEHALF OF TRUSTEES AND SIMILAR FIDUCIARIES

Sec. 306.75. Individual fiduciaries.—Securities registered in, or assigned to, the names and titles of individual fiduciaries will be accepted for any authorized transaction upon assignment by the designated fiduciaries without proof of their qualification. If the fiduciaries in whose names the securities are registered, or to whom they have been assigned, have been succeeded by other fiduciaries, evidence of successorship must be furnished. If the appointment of a successor is not required under the terms of the trust instrument or otherwise and is not contemplated, assignments by the surviving or remaining fiduciary or fiduciaries must be supported by appropriate proof. This requires (a) proof of the death, resignation, removal or disqualification of the former fiduciary and (b) evidence that the surviving or remaining fiduciary or fiduciaries are fully qualified to administer the fiduciary estate, which may be in the form of a certificate by them showing the appointment of a successor has not been applied for, is not contemplated and is not necessary under the terms of the trust instrument or otherwise. Assignments of securities registered in the titles, without the names of the fiduciaries, for example, "Trustees of the George E. White Memorial Scholarship Fund under deed of trust dated 11/10/40, executed by John W. White," must be supported by proof that the assignors are the qualified and acting trustees of the designated trust estate, unless they are empowered to act as a unit in which case the provisions of Sec. 306.76 shall apply. (Form PD 2446 may be used to furnish proof of incumbency of fiduciaries.)

Assignments by fiduciaries of securities not registered or assigned in such manner as to show that they belong to the estate for which the assignors are acting must also be supported by evidence that the estate is entitled to the securities.

Sec. 306.76. Fiduciaries acting as a unit.—If the fiduciaries of any trust estate, public or private, constitute a board, committee or other body empowered to act as a unit, securities registered in its name, or assigned to it, may be assigned for any authorized transaction by anyone authorized to act in its behalf. Except as otherwise provided in this section, the assignments must be supported by a copy of a resolution adopted by the body, properly certified under its seal, or, if none, sworn to by a member of the body having access to its records. (Form PD 2495 may be used.)

If the person assigning is designated in the resolution by title only, his incumbency must be duly certified by another member of the body. (Form PD 2446 may be used.) If the fiduciaries of any trust estate are empowered to act as a unit, although not designated as a board, committee or other body, securities registered in their names or assigned to them as such, or in their titles without their names, may be assigned by anyone authorized by the group to act in its behalf. Such assignments may be supported by a sworn copy of a resolution adopted by the group in accordance with the terms of the trust instrument, and proof of their authority to act as a unit may be required. As an alternative, assignments by all the fiduciaries, supported by proof of their incumbency if not named on the securities, will be accepted.

Sec. 306.77. Corepresentatives and fiduciaries.—If there are two or more executors, administrators, guardians or similar representatives, or trustees of an estate, all must unite in the assignment of any securities belonging to the estate. However, when a statute, a decree of court, or the instrument under which the representatives or fiduciaries are acting provides otherwise, assignments in accordance with their authority will be accepted. If the securities have matured or been called and are submitted for redemption for the account of all, or for redemption-exchange or pursuant to an advance refunding offer and the securities offered in exchange are to be registered in the names of all, only one representative or fiduciary need execute the assignment.

Sec. 306.78. Nontransferable securities.—The provisions of this subpart, so far as applicable, govern assignments of Treasury Bonds, Investment Series B-1975-80.

SUBPART J—ASSIGNMENTS IN BEHALF OF PRIVATE OR PUBLIC ORGANIZATIONS

Sec. 306.85. *Private corporations and unincorporated associations.*—Securities registered in the name of, or assigned to, an unincorporated association, or a private corporation in its own right or in a representative or fiduciary capacity, may be assigned in its behalf for any authorized transaction by any duly authorized officer or officers. Evidence, in the form of a resolution of the governing body, authorizing the assigning officer to assign, or to sell, or to otherwise dispose of the securities will ordinarily be required to support assignments. Resolutions may relate to any or all registered securities owned by the organization or held by it in a representative or fiduciary capacity. (Form PD 1009 or 1010, or any substantially similar form, may be used for securities owned by an organization in its own right; Form PD 1011 or 1012, or any substantially similar form, may be used for securities held in a representative or fiduciary capacity.) If the officer or officers derive their authority from the charter, constitution or bylaws, a copy or a pertinent extract therefrom, properly certified, will be required in lieu of a resolution. If the resolution or other supporting document shows only the title of the authorized officer, without his name, it must be supplemented by a certificate of incumbency. (Form PD 1014 may be used.)

Sec. 306.86. *Change of name and succession of private organizations.*—If a private corporation or unincorporated association changes its name or is lawfully succeeded by another corporation or unincorporated association, its securities may be assigned in behalf of the organization in its new name or that of its successor by an authorized officer in accordance with Sec. 306.85. The assignment must be supported by evidence of the change of name or successorship.

Sec. 306.87. *Partnerships.*—An assignment of a security registered in the name of or assigned to a partnership must be executed by a general partner. Upon dissolution of a partnership, assignment by all living partners and by the persons entitled to assign in behalf of any deceased partner's estate will be required unless the laws of the jurisdiction authorize a general partner to bind the partnership by any act appropriate for winding up partnership affairs. In those cases where assignments by or in behalf of all partners are required this fact must be shown in the assignment; otherwise, an affidavit by a former general partner must be furnished identifying all the persons who had been partners immediately prior to dissolution. Upon volun-

tary dissolution, for any jurisdiction where a general partner may not act in winding up partnership affairs, an assignment by a liquidating partner, as such, must be supported by a duly executed agreement among the partners appointing the liquidating partner.

Sec. 306.88. *Political entities and public corporations.*—Securities registered in the name of, or assigned to, a State, county, city, town, village, school district or other political entity, public body or corporation, may be assigned by a duly authorized officer, supported by evidence of his authority.

Sec. 306.89. *Public officers.*—Securities registered in the name of, or assigned to, a public officer, designated by title, may be assigned by such officer, supported by evidence of incumbency. Assignments for the officer's own apparent individual benefit will not be recognized.

Sec. 306.90. *Nontransferable securities.*—The provisions of this subpart apply to Treasury Bonds, Investment Series B-1975-80.

SUBPART K—ATTORNEYS IN FACT

Sec. 306.91. *Attorneys in fact.*

(a) *General.*—Assignments by an attorney in fact will be recognized if supported by an adequate power of attorney. Every power must be executed in the presence of an authorized witnessing officer. The original power, or a photocopy certified by an authorized witnessing officer, must be filed with the Treasury Department. An assignment by a substituted attorney in fact must be supported by an authorizing power of attorney and power of substitution. An assignment by an attorney in fact or a substituted attorney in fact for the apparent benefit of either will not be accepted unless expressly authorized. (Form PD 1001, 1002, 1003 or 1004, as appropriate, may be used to appoint an attorney in fact. An attorney in fact may use Form PD 1006 or 1008 to appoint a substitute. However, any form sufficient in substance may be used.) If there are two or more joint attorneys in fact or substitutes, less than all may assign for redemption for the account of the owner, or for redemption-exchange, or pursuant to an advance refunding offer provided the new securities are to be registered in the owner's name. Otherwise, all must unite in the assignment unless the power authorizes less than all to act. A power of attorney or of substitution not coupled with an interest will be recognized until the Bureau receives proof of revocation or proof of the grantor's death or incompetency.

(b) For legal representatives or fiduciaries.—Assignments by an attorney in fact or substitute attorney in fact for a legal representative or fiduciary, in addition to the power of attorney and of substitution, must be supported by evidence, if any, as required by Secs. 306.57(d), 306.65, 306.75 and 306.76. Powers must specifically designate the securities to be assigned.

(c) For corporation or unincorporated association.—Assignments by an attorney in fact or a substitute attorney in fact in behalf of a corporation or unincorporated association, in addition to the power of attorney and power of substitution, must be supported by one of the following documents certified under seal of the organization, or, if it has no seal, sworn to by an officer who has access to the records:

(1) A copy of the resolution of the governing body authorizing an officer to appoint an attorney in fact, with power of substitution if pertinent, to assign, or to sell, or to otherwise dispose of, the securities, or

(2) A copy of the charter, constitution or bylaws, or a pertinent extract therefrom, showing the authority of an officer to appoint an attorney in fact, or

(3) A copy of the resolution of the governing body directly appointing an attorney in fact.

If the resolution or other supporting document shows only the title of the authorized officer, without his name, a certificate of incumbency must also be furnished. (Form PD 1014 may be used.) The power may not be broader than the resolution or other authority.

(d) For public corporations.—A general power of attorney in behalf of a public corporation will be recognized only if it is authorized by statute.

Sec. 306.92. Nontransferable securities.—The provisions of this subpart shall apply to nontransferable securities, subject only to the limitations imposed by the terms of the particular issues.

SUBPART L—TRANSFER THROUGH JUDICIAL PROCEEDINGS

Sec. 306.95. Transferable securities.—The Department will recognize valid judicial proceedings affecting the ownership of or interest in transferable securities, upon presentation of the securities together with evidence of the proceedings. In the case of securities registered in the names of two or more persons, the extent of their respective interests in the securities must be determined by the court in proceedings to

which they are parties or must otherwise be validly established.⁹

Sec. 306.96. Evidence required.—Copies of a final judgment, decree or order of court and of any necessary supplementary proceedings must be submitted. Assignments by a trustee in bankruptcy or a receiver of an insolvent's estate must be supported by evidence of his qualification. Assignments by a receiver in equity or a similar court officer must be supported by a copy of an order authorizing him to assign, or to sell, or to otherwise dispose of, the securities. Where the documents are dated more than six months prior to presentation of the securities, there must also be submitted a certificate dated within six months of presentation of the securities, showing the judgment, decree or order, or evidence of qualification, is in full force. Any such evidence must be certified under court seal.

Sec. 306.97. Nontransferable securities.

(a) Treasury Bonds, Investment Series A-1965.—The provisions of this subpart shall apply to bonds of this series, except that reference to assignments shall be deemed only to refer to requests for payment. With the exception of a trustee in bankruptcy or a receiver of an insolvent's estate, payment will be limited to the redemption value current thirty days after termination of the judicial proceedings or current at the time the bonds are surrendered for redemption, whichever is less. No judicial proceedings will be recognized if they would give effect to an attempted voluntary transfer inter vivos of the bonds.

(b) Treasury Bonds, Investment Series B-1975-80.—The provisions of this subpart shall apply to bonds of this series, except that prior to maturity any reference to assignments shall be deemed to refer to assignments of the bonds for exchange for the current series of 1½ percent 5-year EA or EO Treasury notes.

SUBPART M—REQUESTS FOR SUSPENSION OF TRANSACTIONS

Sec. 306.100. Requests for suspension of transactions in securities.

(a) Registered securities.

(1) *Reports of loss, theft or destruction of registered securities.*—Reports of lost, stolen or destroyed registered securities not so assigned as to become, in

⁹ A finder claiming the ownership of a bearer security or a registered security assigned in blank or so assigned as to become, in effect, payable to bearer, must perfect his title in accordance with the provisions of State law. If there are no such provisions, the Department will not recognize his title to the security.

effect, payable to bearer, will be accepted from the owner or his authorized agent at any time and records will be maintained of the reports. If such a registered security is presented to the Department, the owner will be duly advised and given all available information.

(2) *Reports of assignments affected by fraud.*—The Department reserves the right to suspend any transaction in a registered security bearing an apparently valid assignment, if prior to the time it is received in the Department a report is received from and a claim is filed by an assignor that his assignment was affected by fraud. The interested parties will be notified of the suspension and given a reasonable period of time within which to effect settlement by agreement or institute judicial proceedings. If subsequent to the time the Department has transferred, exchanged or redeemed a registered security in reliance on an apparently valid assignment, a report or claim is received that the assignment was affected by fraud, the Department will undertake only to furnish all available information.

(3) *Reports of forged assignments.*—If it is claimed that the assignment of a registered security is a forgery, the Department will investigate the matter and if it is established that the assignment was forged and the owner did not authorize or ratify the assignment, or receive any benefits therefrom, the Department will recognize his ownership and grant appropriate relief.

(b) Bearer securities or registered securities so assigned as to become, in effect, payable to bearer.

(1) *Securities not overdue.*—Neither the Department nor any of its agents will accept notice of any claim or of pending judicial proceedings by any person for the purpose of suspending transactions in bearer securities, or registered securities so assigned as to become, in effect, payable to bearer which are not overdue as defined in Sec. 306.25.¹⁰ However, if the securities are received and retired,

¹⁰ It has been the longstanding policy of the Department to assume no responsibility for the protection of bearer securities not in the possession of persons claiming rights therein and to give no effect to any notice of such claims. This policy was formalized on April 27, 1867 when the Secretary of the Treasury issued the following statement:

"In consequence of the increasing trouble, wholly without practical benefit, arising from notices which are constantly received at the Department respecting the loss of coupon bonds, which are payable to bearer, and of Treasury notes issued and remaining in blank at the time of loss, it becomes necessary to give this public notice, that the Government can not protect and will not undertake to protect the owners of

the Department will undertake to notify persons who appear to be entitled to any available information concerning the source from which the securities were received.

(2) *Overdue securities.*—Reports that bearer securities, or registered securities so assigned as to become, in effect, payable to bearer, were lost, stolen or possibly destroyed *after* they became overdue as defined in Sec. 306.25 will be accepted by the Bureau for the purpose of suspending redemption of the securities if the person claiming ownership thereof establishes his interest. If the securities are presented, their redemption will be suspended and the presenter and the claimant will each be given an opportunity to establish ownership.

SUBPART N—CLAIMS ON ACCOUNT OF LOSS, THEFT, DESTRUCTION, MUTILATION OR DEFACEMENT OF SECURITIES

Sec. 306.105. Statutory authority and requirements.—Section 8 of the Act of July 8, 1937 (50 Stat. 481), as amended (31 U.S.C. 738a), provides for relief, under certain conditions, on account of the loss, theft, destruction, mutilation or defacement of United States interest-bearing securities. To obtain relief the security must be fully identified and the pertinent facts proved to the satisfaction of the Secretary of the Treasury, and generally, a bond of indemnity in such form and with such surety, sureties or security as may be required to protect the interests of the United States, must be filed.

Sec. 306.106. Reports of loss, theft, destruction, mutilation or defacement of securities.

(a) *Loss or theft.*—Report of the loss or theft of a security should be made promptly to the Bureau. The report should include:

(1) The name and present address of the owner, and his address at the time the security was issued, and, if the report is made by any other person, the capacity in which he represents the owner;

(2) The identification of the security by title of loan, issue date, interest rate, serial number and denomination, and in the case of a registered security, the exact form of inscription and a full description

such bonds and notes against the consequences of their own fault or misfortune.

"Hereafter all bonds, notes, and coupons, payable to bearer, and Treasury notes issued and remaining in blank, will be paid to the party presenting them in pursuance of the regulations of the Department, in the course of regular business; and no attention will be paid to caveats which may be filed for the purpose of preventing such payment."

of any assignment, endorsement or other writing thereon; and

(3) A statement of the circumstances.

(b) **Destruction, mutilation or defacement.**—If a security is destroyed, or becomes so mutilated or defaced as to impair its value to the owner, a report of the circumstances, as outlined in paragraph (a), must be made to the Bureau. All available portions of the mutilated or defaced security must also be submitted. In any appropriate case, a form for use in applying for relief will be furnished.

Sec. 306.107. Relief authorized for lost, stolen, destroyed, mutilated or defaced securities.

(a) **Registered securities.**—Relief will be granted for a registered security not assigned in blank or not so assigned as to become, in effect, payable to bearer, when it has been established that the security has been lost, stolen, destroyed, mutilated or defaced. Relief will be granted in the same manner for bearer securities restrictively endorsed in accordance with the provisions of the current revision of Department Circular No. 853.

(b) **Bearer securities or registered securities so assigned as to become, in effect, payable to bearer.**—

Relief will be granted for bearer securities and registered securities so assigned as to become, in effect, payable to bearer, proved to have been destroyed, mutilated or defaced. Relief will also be granted for such securities if they were lost or stolen under such circumstances and have been missing for such period of time after they have matured or become redeemable pursuant to a call for redemption as in the judgment of the Secretary of the Treasury establishes that they (1) have been destroyed or have become irretrievably lost, (2) are not held by any person as his own property and (3) will never become the basis of a valid claim against the United States.

(c) **Interest coupons.**—Relief will be granted for interest coupons only when it is established they were attached to a security at the time they were destroyed, mutilated or defaced.

Sec. 306.108. Type of relief granted.—When relief is authorized for a lost, stolen, destroyed, mutilated or defaced security, it will be granted by either (a) the issue of a substitute marked "Duplicate," bearing the same issue date and showing the serial number of the original security, if the security for which relief is being granted has not matured or become redeemable

pursuant to a call, or (b) payment, if the security has matured or become redeemable pursuant to a call. When a substitute is issued to replace a destroyed, mutilated or defaced coupon security it will have attached all coupons corresponding to those proved to have been attached thereto at the time of the mishap, except that any matured coupons will not be attached but will be paid by check. Relief will not be granted in any case before the expiration of six months from date of loss or theft.

Sec. 306.109. Nontransferable securities.—The provisions of this subpart shall apply to all nontransferable securities, other than United States Savings Bonds, subject only to the limitations imposed by the terms of the particular issues.

SUBPART O—MISCELLANEOUS PROVISIONS

Sec. 306.115. Additional requirements.—In any case or any class of cases arising under these regulations the Secretary of the Treasury may require such additional evidence and a bond of indemnity with or without surety, as may in his judgment be necessary for the protection of the interests of the United States.

Sec. 306.116. Waiver of regulations.—The Secretary of the Treasury reserves the right, in his discretion, to waive or modify any provision or provisions of these regulations in any particular case or class of cases for the convenience of the United States or in order to relieve any person or persons of unnecessary hardship, if such action is not inconsistent with law, does not impair any existing rights, and he is satisfied that such action would not subject the United States to any substantial expense or liability.

Sec. 306.117. Preservation of existing rights.—Nothing contained in this circular shall limit or restrict any existing rights which holders of securities heretofore issued may have acquired under the circulars offering such securities for sale or under the regulations in force at the time of acquisition.

Sec. 306.118. Supplements, amendments or revisions.—The Secretary of the Treasury may at any time, or from time to time, prescribe additional, supplemental, amendatory or revised regulations with respect to United States securities.

(Signed) DOUGLAS DILLON,
Secretary of the Treasury.

Appendix.—Computation of Interest on Treasury Bonds, Treasury Notes, and Treasury Certificates of Indebtedness, and Computation of Discount on Treasury Bills

Use of Interest Table

TREASURY BONDS, TREASURY NOTES, AND TREASURY CERTIFICATES OF INDEBTEDNESS

COMPUTATION OF INTEREST ON A SEMIANNUAL BASIS
ONE DAY'S INTEREST IS $\frac{1}{181}$, $\frac{1}{182}$, $\frac{1}{183}$ OR $\frac{1}{184}$ OF $\frac{1}{2}$
YEAR'S INTEREST

Computation of interest will be made on a semiannual basis in all cases where interest is payable for one or more full half-year (6 months) periods, or for one or more full half-year periods and a fractional part of a half-year period. A semiannual interest period is an exact half-year or 6 months, for computation purposes, and may comprise 181, 182, 183 or 184 actual days.

An exact half-year's interest at the specified rate is computed for each full period of exactly 6 months, irrespective of the actual number of days in the half-year.

If the initial interest covers a fractional part of a half-year, computation is made on the basis of the actual number of days in the half-year (exactly 6 months) ending on the day such initial interest becomes due. If the initial interest covers a period in excess of 6 months, computation is made on the basis of one full half-year period, ending with the interest due date, and a fractional part of the preceding full half-year period.

Interest for any fractional part of a full half-year period is computed on the basis of the exact number of days in the full period, including February 29 whenever it falls within such a period.

The number of days in any half-year period is shown in the following table:

For the half-year		Number of days	
Beginning from the 1st or 15th day of—	Ending on the 1st or 15th day of—	Regular year	Leap year
January	July	181	182
February	August	181	182
March	September	184	184
April	October	183	183
May	November	184	184
June	December	183	183
July	January	184	184
August	February	184	184
September	March	181	182
October	April	182	183
November	May	181	182
December	June	182	183
One year (any 2 consecutive half-years)		365	366

In the attached table decimals are set forth for use in computing interest for fractional parts of interest periods. The decimals cover interest on \$1,000 for one day in each possible semiannual interest period, at all rates of interest, in steps of $\frac{1}{8}$ percent, from $\frac{1}{8}$ to 6 percent. The amount of interest accruing on any date (for a fractional part of an interest period) on \$1,000 face amount of any issue of Treasury bonds, Treasury notes, or Treasury certificates of indebtedness may be ascertained in the following way:

(1) The date of issue, the dates for the payment of interest, and the rate of interest (percent per annum) may be determined from the text of the security, or from the official circular governing the issue.

(2) Determine the interest period of which the fraction is a part, and calculate the number of days in the full period to determine the proper column to be used in selecting the decimal for one day's interest.

(3) Calculate the actual number of days in the fractional period *from* but not including the date of issue or the day on which the last preceding interest payment was made, *to* and including the day on which the next succeeding interest payment is due or the day as of which the transaction which terminates the accrual of additional interest is effected.

(4) Multiply the appropriate decimal (one day's interest on \$1,000) by the number of days in the fractional part of the interest period. The appropriate decimal will be found in the attached table opposite the rate borne by the security, and in the column showing the full interest period of which the fractional period is a part. (For interest on any other amount, multiply the amount of interest on \$1,000 by the other amount expressed as a decimal of \$1,000.)

TREASURY BILLS

The methods of computing discount rates on Treasury bills are given below:

Computation will be made on an annual basis in all cases. The annual period for bank discount is a year of 360 days, and all computations of such discount for a fractional part of a year will be made on that basis. The annual period for true discount is one full year from but not including the date of issue to and including the anniversary of such date. Computation of true discount for a fractional part of a year will be made on the basis of 365 days in the year, or 366 days if February 29 falls within the year.

BANK DISCOUNT

The bank discount rate on a Treasury bill may be ascertained by (1) subtracting the sale price of the bill from its face value to obtain the amount of discount; (2) dividing the amount of discount by the number of days the bill is to run to obtain the amount of discount per day; (3) multiplying the amount of discount per day by 360 (the number of days in a commercial year of 12 months of 30 days each) to obtain the amount of discount per year; and (4) dividing the amount of discount per year by the face value of the bill to obtain the bank discount rate.

For example :

91-day bill—dated April 1, 1954—due July 1, 1954 :

Principal amount—maturity value.....	\$100.00
Price at issue—amount received.....	99.50
<hr/>	
Amount of discount.....	.50
$\$0.50 \div 91 \times 360 \div \$100 = 1.978$ percent.	

TRUE DISCOUNT

The true discount rate on a Treasury bill may be ascertained by (1 and 2) obtaining the amount of discount per day by following the first two steps described under "Bank Discount"; (3) multiplying the amount of discount per day by the actual number of days in the year from date of issue (365 ordinarily, but 366 if February 29th of a leap year falls within the year from date of issue) to obtain the amount of discount per year; and (4) dividing the amount of discount per year by the sale price of the bill to obtain the true discount rate.

For example :

91-day bill—dated April 1, 1954—due July 1, 1954 :

Principal amount—maturity value.....	\$100.00
Price at issue—amount received.....	99.50
<hr/>	
Amount of discount.....	.50
$\$0.50 \div 91 \times 365 \div \$99.50 = 2.016$ percent.	

THE METHODS OF COMPUTING DISCOUNT RATES ON TREASURY BILLS

The methods of computing discount rates on Treasury bills are given below:

Computation will be made on an annual basis in all cases. The annual period for bank discount is a year of 360 days, and all computations of such discount for a fractional part of a year will be made on that basis. The annual period for true discount is one full year from but not including the date of issue to and including the anniversary of such date. Computation of true discount for a fractional part of a year will be made on the basis of 365 days in the year, or 366 days if February 29 falls within the year.

Month	Day	Number of days in year
January	1	365
February	1	366
March	1	365
April	1	365
May	1	365
June	1	365
July	1	365
August	1	365
September	1	365
October	1	365
November	1	365
December	1	365

Decimal for 1 day's interest on \$1,000 at various rates of interest, payable semiannually or on a semi-annual basis, in regular years of 365 days and in leap years of 366 days

Rate per annum	Interest period ending on the 1st or 15th of—			
	Half-year of 184 days Regular year: January, February, September, November	Half-year of 183 days Regular year: October, December Leap year: April, June	Half-year of 182 days Regular year: April, June Leap year: March, May, July, August	Half-year of 181 days Regular year: March, May, July, August
<i>Percent</i>				
1/8	\$0. 003 396 739	\$0. 003 415 301	\$0. 003 434 066	\$0. 003 453 039
1/4	. 006 793 478	. 006 830 601	. 006 868 132	. 006 906 077
3/8	. 010 190 217	. 010 245 902	. 010 302 198	. 010 359 116
1/2	. 013 586 957	. 013 661 202	. 013 736 264	. 013 812 155
5/8	. 016 983 696	. 017 076 503	. 017 170 330	. 017 265 193
3/4	. 020 380 435	. 020 491 803	. 020 604 396	. 020 718 232
7/8	. 023 777 174	. 023 907 104	. 024 038 462	. 024 171 271
1	. 027 173 913	. 027 322 404	. 027 472 527	. 027 624 309
1 1/8	. 030 570 652	. 030 737 705	. 030 906 593	. 031 077 348
1 1/4	. 033 967 391	. 034 153 005	. 034 340 659	. 034 530 387
1 1/2	. 037 364 130	. 037 568 306	. 037 774 725	. 037 983 425
1 3/4	. 040 760 870	. 040 983 607	. 041 208 791	. 041 436 464
1 7/8	. 044 157 609	. 044 398 907	. 044 642 857	. 044 889 503
1 7/4	. 047 554 348	. 047 814 208	. 048 076 923	. 048 342 541
1 3/2	. 050 951 087	. 051 229 508	. 051 510 989	. 051 795 580
2	. 054 347 826	. 054 644 809	. 054 945 055	. 055 248 619
2 1/8	. 057 744 565	. 058 060 109	. 058 379 121	. 058 701 657
2 1/4	. 061 141 304	. 061 475 410	. 061 813 187	. 062 154 696
2 1/2	. 064 538 043	. 064 890 710	. 065 247 253	. 065 607 735
2 3/4	. 067 934 783	. 068 306 011	. 068 681 319	. 069 060 773
2 7/8	. 071 331 522	. 071 721 311	. 072 115 385	. 072 513 812
2 7/4	. 074 728 261	. 075 136 612	. 075 549 451	. 075 966 851
2 3/2	. 078 125 000	. 078 551 913	. 078 983 516	. 079 419 890
3	. 081 521 739	. 081 967 213	. 082 417 582	. 082 872 928
3 1/8	. 084 918 478	. 085 382 514	. 085 851 648	. 086 325 967
3 1/4	. 088 315 217	. 088 797 814	. 089 285 714	. 089 779 006
3 1/2	. 091 711 957	. 092 213 115	. 092 719 780	. 093 232 044
3 3/4	. 095 108 696	. 095 628 415	. 096 153 846	. 096 685 083
3 7/8	. 098 505 435	. 099 043 716	. 099 587 912	. 100 138 122
4	. 101 902 171	. 102 459 016	. 103 021 978	. 103 591 160
4 1/8	. 105 298 913	. 105 874 317	. 106 456 044	. 107 044 199
4 1/4	. 108 695 652	. 109 289 617	. 109 890 110	. 110 497 238
4 1/2	. 112 092 391	. 112 704 918	. 113 324 176	. 113 950 276
4 3/4	. 115 489 130	. 116 120 219	. 116 758 242	. 117 403 315
4 7/8	. 118 885 870	. 119 535 519	. 120 192 308	. 120 856 354
4 7/4	. 122 282 609	. 122 950 820	. 123 626 374	. 124 309 392
4 3/2	. 125 679 348	. 126 366 120	. 127 060 440	. 127 762 431
4 3/4	. 129 076 087	. 129 781 421	. 130 494 505	. 131 215 470
4 7/8	. 132 472 826	. 133 196 721	. 133 928 571	. 134 668 508
5	. 135 869 565	. 136 612 022	. 137 362 637	. 138 121 547
5 1/8	. 139 266 304	. 140 027 322	. 140 796 703	. 141 574 586
5 1/4	. 142 663 043	. 143 442 623	. 144 230 769	. 145 027 624
5 1/2	. 146 059 783	. 146 857 923	. 147 664 835	. 148 480 663
5 3/4	. 149 456 522	. 150 273 224	. 151 098 901	. 151 933 702
5 7/8	. 152 853 261	. 153 688 525	. 154 532 967	. 155 386 740
5 7/4	. 156 250 000	. 157 103 825	. 157 967 033	. 158 839 779
5 3/2	. 159 646 739	. 160 519 126	. 161 401 099	. 162 292 818
6	. 163 043 478	. 163 934 426	. 164 835 165	. 165 745 856