NEW YORK, October 22, 1918.

IMPORTANT INFORMATION WITH RESPECT TO REGISTERED BONDS OF THE LIBERTY LOANS.

To Banks and Trust Companies:

In cases where subscribers express their desire to secure registered bonds of the Fourth Liberty Loan or request the exchange of coupon bonds for registered bonds, either of the Fourth Liberty Loan or of the earlier issues, the following suggestions are made and so far as possible should be followed, in order that the issue of registered bonds may be made in a uniform manner. If these suggestions are observed, difficulty later in passing title to bonds and in cashing interest checks will be avoided.

To avoid errors in the issue of registered bonds, it is of the utmost importance that registry instructions be correct in every respect. Thousands of registered bonds of previous issues were returned to the Treasury Department owing to the fact that the subscribing banks did not realize the importance of verifying the names as submitted to them by the subscribers. It is requested that the banks utilize typewriting machines in preparing their requests for registered bonds when submitting the prescribed forms to the Federal Reserve Bank. It is further requested that all schedules be carefully proof read against the application forms as to the exact names of the holders and their addresses before submitting requisitions to Federal Reserve Bank. By so doing, most inaccuracies may be corrected or otherwise eliminated and great assistance will be given not only to the Federal Reserve Bank and the Treasury Department but to the subscribers as well.

Banks taking subscriptions for registered bonds, covered by the banks’ own subscriptions, are cautioned against applying to the Federal Reserve Bank for bonds registered in the names of subscribers until the subscribers have made payment in full. A bond registered in the name of a subscriber, received on such application, will not be negotiable by the bank in case the subscriber defaults leaving the bank’s advance unliquidated. The proper course in such cases, and so long as the subscriber is indebted to the bank for the bond, is to apply for coupon bonds, or bonds registered in the name of the bank, and to exchange them later, upon completion of payment by the subscriber, for bonds registered in the subscriber’s name.

THE FORM IN WHICH REGISTERED BONDS SHOULD BE ISSUED.

1. Name and address of subscriber. Full given name and full middle name, if any, of subscriber should be submitted, with the prefix (in the case of women) Mrs., or Miss, and post office address in full, including street address, should be furnished.

2. Bonds registered in names of married women. Bonds cannot be registered as, for example, “Mrs. John C. Jones.” A married woman’s own name should be used, as “Mrs. Helen Jones.”
3. **Bonds registered in guardians' names.** Bonds should not be registered in the name of “James Smith, Guardian,” but should be inscribed “Mary Jones, under guardianship of James Smith,” or, “James Smith as Guardian of Mary Jones,” or, “Mary Jones, by James Smith, her Guardian.”

4. **Bonds registered in the name of a minor.** Requisitions should not be submitted for registered bonds in the name of a minor. The name of a guardian should in all cases be furnished, as indicated in 3 next above.

5. **Bonds registered in the name of a copartnership.** It is advisable that the registration should disclose that the owner is a firm or copartnership, as for instance, “James Smith & Co., a copartnership.” Registration will not be refused in the name of the firm without more, but in such cases, upon assignment, the description must be added to the signature on the assignment (as, for instance, “James Smith & Co., a copartnership, by William Brown, member of the firm”), or an affidavit will be required showing the nature of the organization.

6. **Bonds registered in the name of an unincorporated association, lodge or society.** Registration of bonds should not be in the name of unincorporated associations, lodges or societies but one or more trustees should be designated by such associations, lodges or societies, and the bonds registered in such trustees' names, as, for example, “John Brown and Joseph Smith, or their successors, as trustees for the Harmony Society of Richmond, Virginia.”

7. **Bonds registered in the name of an incorporated association, lodge or society.** Registration of bonds should not be in the names of any of the officers, but the legal corporate title of the organization should be furnished.

8. **Bonds registered in trustees' names.** Bonds should not be registered as, for example, “John Jones and James Smith, as trustees,” but the trust should in all cases be identified; for example, “John Jones and James Smith, as trustees under the will of Henry Smith.” The same applies where such trustees are acting under an indenture of trust or an agreement of trust. It applies also to executors or administrators of estates; for example, bonds should not be issued “John Jones, executor,” but should be registered “John Jones, as executor under the will of Henry Jones.”

9. **Bonds registered in more than one name.** The full name of each individual should be given, as “John Smith and Mary Smith,” rather than “John and Mary Smith.” Bonds so registered will be assignable only by both, and will be payable to both. Interest will be paid to any one of several joint holders. In case of death of any joint holders, the survivor or survivors will be recognized as having full authority, upon due proof of such death and survivorship.

10. **Bonds registered in the name of schools.** Bonds should not be registered in the name of “Johnson Public School,” nor “Eighth Grade, Jefferson School,” but a representative should be designated, in whose name the bonds will be registered, the name to be followed by descriptive title identifying such representatives with a particular school, etc., as “John Smith, or his successors, Principal, Johnson Public School.”

11. **Bonds registered in names of military detachments, etc.** As indicated in the cases of schools next above, a representative should be designated, in whose name the bond will be registered, and descriptive title should be furnished, as for example, “James Jones, or his successors, Treasurer, Mess Fund, Fifteenth Cavalry.” In such cases it is suggested that the commanding officer be consulted as to the appropriate person in whose name the bond shall be registered.

The above are instructions received from the Treasury Department, and we transmit them to you for your information and guidance.

Very truly yours,

L. F. Sailer,

Deputy Governor.