

Wm. Phillips

FEDERAL RESERVE BANK
OF NEW YORK

Cash Department

[Circular No. 737, September 1, 1926.]
Superseding Circular No. 297. Reference to Circular No. 729.]

Shipments of Paper Currency, Coin and Bullion

To all Member Banks, State Banks and Trust Companies
in the Second Federal Reserve District:

This circular is issued at this time to outline in detail our present practice of handling shipments of paper currency, coin and bullion sent by mail and express to and from banking institutions in this district. The circular supersedes the provisions of our older Circular No. 297, issued August 18, 1920 on this subject, but makes no changes of a substantial nature. Instructions covering both incoming and outgoing shipments are given separately as heretofore.

Absorption of Shipping Expenses

We will pay the expense of all postage, expressage and insurance incident to all shipments of paper currency, coin and bullion to and from us for member banks provided the provisions printed on the following pages are observed in making such shipments to us. Banking institutions located in the territory assigned to our Buffalo Branch, comprising the counties of Monroe, Livingston, Allegany, Orleans, Genesee, Wyoming, Cattaraugus, Niagara, Erie, and Chautauqua, are requested to transact such business directly with our Buffalo Branch as usual.

Gold Coin	not over \$5.00 to each bag	1.000
Silver Dollars	1.000	1.000
Half Dollars	1.000	1.000
Quarter Dollars	1.000	1.000
Dimes	not over \$1.000 to each bag	1.000
Nielsens	200	1.000
Cents	30	1.000

INCOMING

Shipments to the Federal Reserve Bank of New York

PAPER CURRENCY ONLY

100 Pieces in Each Package

1. Currency should be assorted by denomination.
2. Notes and certificates should be enclosed in packages bound with paper straps each containing 100 pieces of the same denomination face and top up with the name of the depositing bank, date, amount and initials of the counter plainly marked on each strap.

Bundles to Contain 10 Packages

3. The currency should be packed in separate bundles each containing ten such packages or 1,000 pieces of the same denomination as far as the volume permits, with the extra packages, if any, packed in an "odd-package-bundle" and so marked; but the large denominations, that is 50's and up, should be strapped in packages of 50 or 100 pieces each of the same denomination, if the volume permits, and grouped, and packed in a single separate bundle. If there are less than 500 pieces in the large denominations they should be grouped and packed in the "odd-package-bundle" in paper straps in the manner stated.

Bundles to be Shipped in Sealed Bag

4. The entire shipment, assembled in bundles as above set forth, should be enclosed in a cloth bag, sealed with a lead seal in such a manner that the bag will not be damaged when opened and may be used again. The tag attached should bear the name of the shipping bank and the postage stamps should in all cases be affixed securely to the back of the tag and not to the bag. Upon request bags for this purpose will, for the present, be furnished at our expense. Registry receipt should be carefully filed as in the case of loss of shipment it would be required as evidence, but application for return of the registry card is not necessary. Credit for shipment thus received plus the cost of postage, will be given, subject to verification, on day of receipt, and advice of credit will be mailed.

5. The preparation and sealing of the shipment should be witnessed by two adults if possible one of whom shall have charge of it until deposited and registered at the post office.

6. Under no circumstances should rubber bands, pins or clips be used in substitution for paper straps.

7. Mutilated or torn notes and certificates should be carefully mended on the back and not on the face of the currency with adhesive paper or paste to preserve as far as possible the original design and size.

8. In the case of fragments, when three-fifths of the original note or certificate remains it is redeemable at the face value; when less than three-fifths, but clearly more than two-fifths of the original note or certificate remains, it may be sent to us, if desired, for redemption by the Treasury Department under Treasury regulations.

9. Paper currency shipments should not contain coin or securities.

When to Ship by Registered Mail

Notes of the \$5.00 denomination or larger should be sent by registered mail and all currency so shipped and accompanied by letter of advice will be insured under our policies provided the insurance declaration on the form in current use is forwarded to us under separate cover by ordinary mail at the time of shipment as provided for in our Circular No. 729 entitled "Insurance of Shipments of Currency, Coin and Securities."

When to Ship by Express

Paper currency in denominations of \$1.00 and \$2.00 should be sent to us by express, charges collect. No insurance declaration is necessary on express shipments but letter of advice should be sent under separate cover by ordinary mail and a separate advice placed in each bag stating the contents. Credit for such shipments is given, subject to verification, on day of receipt.

COIN ONLY

Incoming Shipments

Coin should be shipped loose in cloth bags, and should not be put in wrappers of any kind, nor included in shipments of paper currency or securities. Each denomination should be put up in a separate bag, the amount contained in each bag should be plainly marked on the shipping tag, and the maximum amount in any one bag should be as follows:

Gold Coin.....	not over \$5,000 to each bag	Dimes	not over \$1,000 to each bag
Silver Dollars....	" " 1,000 " " "	Nickels	" " 200 " " "
Half Dollars.....	" " 1,000 " " "	Cents	" " 50 " " "
Quarter Dollars..	" " 1,000 " " "		

How to Ship Coin

All coin shipments should be sent by express "collect". Credit for such shipments is given, subject to verification, on day of receipt, and advice of credit will be mailed.

Advice of Shipment

An advice of shipment should be mailed, under separate cover, to this bank or our Buffalo Branch, as the case may be, whenever a shipment is made. The advice must state (a) total amount shipped by denominations (b) number of separate bags and (c) instructions as to disposition.

Foreign Paper Currency or Coin

Foreign currency or coin should not be included in regular shipments as above provided. If sent to us it should be forwarded prepaid under separate cover for sale and credit at the current rate of exchange.

OUTGOING

Shipments from the Federal Reserve Bank of New York

CURRENCY AND COIN

We are prepared to furnish paper currency, silver and minor coin in all denominations. The paying out of new currency and new coin is governed by the volume of fit currency and circulated coin on hand.

1. Requests for shipments of currency or coin should be made by letter signed officially. When urgent, however, telegrams containing the proper test word may be sent at our expense. To insure shipments on the same day such requests should be in our hands not later than 2 p.m. or before noon on Saturdays. Official confirmation should immediately follow such telegrams.

2. Outgoing shipments of paper currency, coin and gold bullion are charged to correspondents on the day forwarded.

3. Shipments of all paper currency will be forwarded by registered mail insured.

COIN

All coin will be shipped by express prepaid. Coins are shipped in standard bags containing the following amounts:

Gold Coin	\$5,000 in each bag	Quarter Dollars	\$1,000 in each bag
Silver Dollars	1,000 " " "	Dimes	1,000 " " "
Half Dollars	1,000 " " "	Nickels	200 " " "
	Cents		50 in each bag

Upon request and if available wrapped subsidiary silver and minor coin will be furnished in small quantities to member banks in the district located outside of greater New York. In the event that wrapped coins are not available we shall forward the shipments loose.

GOLD BULLION

Gold bullion will be shipped to member banks at its assayed valuation, plus the charges as fixed in the current table of charges at the Mints and Assay Offices of the United States.

Counterfeit, Altered or Raised Notes

Information lending aid to the United States Secret Service with respect to raised notes or to notes of \$5 or more, mutilated by having the ends or corners torn or cut off, should be given to the nearest United States Secret Service Agent.

Fragments of currency (particularly the ends) are sometimes used illegally in raising or altering lower denominations to higher. To prevent such unlawful operations these fragments should be collected and destroyed or forwarded to the Treasury Department at Washington for destruction.

All counterfeit, altered or raised notes received by one bank from another after being properly branded, should be forwarded to the nearest United States Secret Service Agent. The Secret Service has headquarters in the Second Federal Reserve District in the Custom House in New York City, and at the Post Office Buildings at Buffalo and Utica.

Very truly yours,

BENJ. STRONG,
Governor