

FEDERAL RESERVE BANK  
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 3147]  
October 24, 1946]

ARMED FORCES LEAVE BONDS

*To all Banking Institutions in the  
Second Federal Reserve District:*

At the request of the Treasury Department we send you herewith, printed on the following pages, a memorandum covering certain information of general interest with respect to Armed Forces Leave Bonds and checks.

Treasury Department Circular No. 793, containing regulations governing Armed Forces Leave Bonds, and Form PD 2066, Application by Survivors for Payment of Bond or Check issued under the Armed Forces Leave Act of 1946, will be available shortly.

Additional copies of this circular may be obtained upon request.

ALLAN SPROUL,  
*President.*

FEDERAL RESERVE BANK  
OF NEW YORK  
27th Street at the United States

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ARMED FORCES LEAVEN BONDS

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## TREASURY DEPARTMENT

Washington

October 14, 1946

The following information relative to Armed Forces Leave Bonds and checks issued pursuant to the Armed Forces Leave Act of 1946 is released by the Treasury Department for the information of banking institutions to assist them in rendering assistance to veterans in connection with these payments. This memorandum is not to be construed as a regulation but is issued for general information purposes only.

### **Determination of Amounts Due.**

1. All determinations of compensation due under the act will be made by the respective branches of the Armed Services, i. e. the Army, Navy, Marine Corps, and Coast Guard. These determinations will be made on the basis of applications submitted by persons entitled. Application forms, which may be obtained at any post office, contain information as to persons eligible to receive this compensation, method of computing amounts due for unused leave, supporting papers required to be sent with claim, place to which applications are to be sent and other instructions relative to the manner in which the claim is to be prepared and submitted.

### **Method of Making Payments.**

2. On the basis of approved applications the respective branches of the Armed Services will make payments in bonds and checks on the following basis:

- a. Where the veteran was discharged prior to January 1, 1943, or where the total amount due is less than \$50, the entire amount of the claim will be paid by check drawn on the Treasurer of the United States. The entire amount of the claim will also be paid by check where application is made by other than the person entitled (e. g. where veteran is deceased).
- b. In all other cases the claim will be paid by issuance of one registered United States Armed Forces Leave Bond to the highest multiple of \$25, and a check drawn on the Treasurer of the United States for any balance. For example, a claim for \$162.50 of a veteran discharged in August of 1943 will be paid by one bond for \$150 and a check for \$12.50. The War Department will issue checks and bonds through 24 Army Finance offices located in various parts of the United States, and 5 offices outside the continental limits. The locations of these offices are shown on page 2 of the application form. The Navy Department will issue all bonds and checks from Great Lakes, Illinois. The Coast Guard and Marine Corps will issue all bonds and checks from Washington, D. C.

### **General Terms and Conditions of Checks Drawn on Treasurer of the United States in Payment of Terminal Leave.**

3. Checks drawn on the Treasurer of the United States in payment of terminal leave will show on their face the legend "Armed Forces Leave". These checks are subject to

the terms and conditions of Treasurer's checks generally as contained in applicable Treasury circulars. They should be cashed by banks only on the basis of endorsement by the payee, or pursuant to a power of attorney completely describing the check and executed after the issuance thereof. *Under no circumstances should a bank cash a check on the basis of endorsement by an executor, administrator or survivor of a deceased payee.* Persons presenting such checks, which have not been endorsed by the payees, should be referred to the Federal Reserve Bank of the district.

4. Of special importance in the case of these checks are the provisions of the Armed Forces Leave Act, relative to payment to survivors in case of death of the payee. The Act specifically defines the survivors entitled to payment (later described herein) and authorizes the Secretary of the Treasury to settle all claims of survivors in connection with such checks. The settling of such claims will be delegated by the Secretary of the Treasury to the Federal Reserve Banks to whom survivors should be referred in connection with uncashed checks.

#### **General Terms and Conditions of Armed Forces Leave Bonds.**

5. *Terms, Issue Date and Interest.* Armed Forces Leave Bonds will be issued in denominations in multiples of \$25, beginning with \$50 (such as \$50, \$75, \$100, \$125, etc.) and will have a five-year term. They will bear simple interest at 2½ percent from issue date. Issue dates will be inscribed on each bond at time of issue and will be based on the date of discharge from the service and not the date that the bond is actually issued. Bonds issued to members still in the service will carry an issue date of October 1, 1946. The first quarterly issue date will be April 1, 1943 and the last October 1, 1946, making a total of 15 issue dates. Interest on each bond will start retroactively with the issue date shown thereon. Thus a bond issued to a veteran discharged in February of 1943 would be dated April 1, 1943, would mature and be payable in five years from that date with interest at 2½ percent per annum (or 12½ percent for the five years) on April 1, 1948, regardless of when the bond is actually issued and sent to the veteran.

6. *Registration.* The bonds will be issued only in registered form, in the name of the person entitled. (There will be no coowners, beneficiaries, etc.) The name and service or serial number of the person entitled will be inscribed in the bond. If desired by the issuing branch of the service the address also may be shown but it is not required. Payment on redemption will be made at maturity *only* to the registered owner except in the case of his death. Federal Reserve Banks, as Fiscal Agents of the United States, will handle claims of survivors in the event of death of the registered owners. Claims on bonds and checks may be handled in one transaction.

7. *Non-transferability.* The bonds are not transferable by sale, exchange, assignment, pledge, hypothecation, or otherwise, and they cannot be used as collateral for a loan. As later described, they may, however, be assigned to the Administrator of Veterans Affairs in payment of National Service Life or Government Life Insurance premiums, cost of conversion of such insurance, and policy loans.

8. *Redemption.* The bonds are redeemable by the registered owner only at their maturity, at which time payment will be made in one amount for principal and interest. Since the earliest quarterly issue date is April 1943 and the last October 1946, the bonds will mature at quarterly intervals beginning April 1948. Redemption prior to maturity is authorized only in the case of death of the registered owner, in which case his survivors may obtain redemption (with interest to the end of the month in which redemption is made), and distribution of the proceeds prior to maturity as later described.

9. *Taxability.* The bonds are exempt from all taxation but the interest thereon is taxable.

### **Form of Bond.**

10. The bond will be in the form of a distinctively designed punched card, similar in principle to punched card Treasurer's checks. Distinctively designed protective paper stock will be used. The bonds bear the portrait of the late Carter Glass, former Secretary of the Treasury, the facsimile signature of Secretary of the Treasury, John W. Snyder, an imprint in red of the seal of the Treasury, and the legend "Armed Forces Leave Bond".

11. The bond stock is non-denominational and the amount will be inscribed on the bond only at time of issue. The amount will be imprinted twice, in specified blocks, on the face of the bond, in much the same way as amounts are imprinted on Treasurer's checks. The issue date and name, and service or serial number, will also be inscribed on the bond at time of issue.

### **Time Required for Processing Applications and Issuance and Delivery of Bonds and Checks.**

12. Bonds have been delivered to the issuing branches of the Armed Services. However, the processing of the applications and issuance of bonds and checks may require considerable time, in view of the large number of applications involved. It should be noted that any delay in this respect will not penalize the veteran in connection with his bond, because the bond, when received, will in any event be dated on the basis of his date of discharge and will bear no relation to the date it was actually issued and delivered to him.

### **Delivery of Bonds and Checks.**

13. Bonds and checks will be mailed to owners by regular mail to the addresses indicated on their applications. In some instances the services may mail bonds and checks in the same envelope, while in others they may be mailed separately.

### **Errors in Amount, Issue Date, or Inscription on Bonds.**

14. Errors in the amount or issue date of a bond or in the inscription of name, service or serial number of the owner, (resulting either from an error in the original application or otherwise), should be taken up with the respective issuing office of the service. In such cases the issuing office, upon review of the facts involved and return of the bond, will issue a corrected bond.

### **Bonds Lost, Stolen or Destroyed.**

15. Registered owners, upon submission of required evidence, may obtain relief, by issuance of substitute bonds, in case of loss, theft, destruction, mutilation, or defacement, of Armed Forces Leave Bonds, where such bonds have previously been delivered to them or their representatives. In any such cases, notice of the facts (including as complete a description as possible of the bond as to amount, issue date, serial number, and name and service or serial number of the registered owner) should be given to the *Treasury Department, Division of Loans and Currency, Washington 25, D. C.*, which will handle all claims of this nature. These claims *will not* be handled by Federal Reserve Banks.

16. Claims arising from non-delivery of bonds (i. e. loss or destruction prior to delivery to registered owner) should be taken up with the issuing offices which, upon receipt of appropriate evidence, will issue replacement bonds in such cases.

### **Assignment of Bonds to Veterans Administration.**

17. A veteran may assign his bond to the Administrator of Veterans Affairs, in connection with either National Service Life Insurance or Government Life Insurance, for any of the following purposes:

- a. Payment of premiums in advance on policy in force.
- b. Payment of premiums to cover new insurance applied for.
- c. Payment of premiums for reinstatement of a lapsed policy and payment of premiums thereon in advance.
- d. Payment for the difference in reserve for conversion of policy in force and payment of premiums in advance.
- e. Payment of all or part of a policy loan made prior to July 31, 1946, and interest on such loan.

18. Regulations of the Administrator of Veterans Affairs will govern the procedure for the making of these assignments and the granting of credit on the books of the Veterans Administration. It is understood these regulations will be issued at an early date and that any office of the Veterans Administration will provide veterans with full information relative to their rights and privileges and the procedure to be followed.

### **Applications of Survivors in Deceased Cases.**

19. In the case of death of a person to whom an Armed Forces Leave Bond has been issued his survivors, as defined in the Act, may obtain redemption of the bond and distribution of the proceeds (including interest to the end of the month in which the bond is redeemed but not after its maturity), prior to, upon, or after its maturity, upon application at the option of such survivors. The Act specifies that the survivors entitled will consist of the surviving spouse and children, if any, in equal shares, and if no surviving spouse or child, or children, then in equal shares to the holder's surviving parents, if any. If there is no such survivor, any such bond will be retired and the amount thereof covered into the general fund of the Treasury.

20. The same rules for rights of survivors apply in the case of Armed Forces Leave checks where payees have died before cashing them. This includes both odd amount checks

and checks issued in full settlement of unused terminal leave (i. e. where amount of claim was less than \$50, or where date of discharge was prior to January 1, 1943.)

21. Applications by survivors on either bonds or checks will, under the Act, be handled by the Secretary of the Treasury. The applicable regulations will be contained in Treasury Circular No. 793. Federal Reserve Banks, acting as Fiscal Agents of the United States, will be empowered to settle these claims in behalf of the Secretary of the Treasury. This work will be done only by the twelve main Federal Reserve Banks and not by the branches. Where both a bond and a check are involved for the same deceased owner the application can be handled as one transaction and one distribution of the proceeds will be made for both.

22. Survivors who desire to make application for payment of either or both bonds and checks should be referred to the Federal Reserve Bank of the district which will supply the necessary form on which application should be made, and any other instructions.

23. In view of the specific provisions of the Act relative to rights of survivors, it is important that Armed Forces Leave Checks not be cashed by banks on the basis of endorsement by an executor, administrator or survivor.

#### **Redemption of Bonds at Maturity.**

24. It is contemplated that the Treasury will be in a position to have these bonds redeemable at maturity through commercial banks, as paying agents, in much the same way as is now done for Savings Bonds of Series A-E. This will be contingent upon the enactment of the necessary authorizing legislation by the Congress. It is also contemplated that the Federal Reserve Banks will function as agents of the Treasurer of the United States in handling transactions by paying agents as they now do for Savings Bonds. Information relative to payment at maturity will be provided prior to April 1, 1948, the first maturity date.

#### **Records of Bonds to be maintained by Treasury Department.**

25. The Treasury Department will maintain, *in Washington, D. C.*, records of all bonds issued and outstanding. These will be maintained both by name of the owner and by bond serial number and will be used as a basis for servicing these securities. With the bond in punched card form the Treasury's procedures will include a mechanical comparison of every bond redeemed against the corresponding record of bonds issued as a basis for audit of all bonds retired.

#### **General.**

The punched card type of bond has been used in the interest of economy and efficiency. The bonds have been designed for use in mechanical accounting machines; therefore, it is important that all persons handling such bonds avoid the use of pins, staples, or other mutilating devices. The cooperation of financial institutions in this respect will be greatly appreciated.

(at 3147)

# REGULATIONS GOVERNING ARMED FORCES LEAVE BONDS<sup>1</sup>

1946  
Department Circular No. 793

Fiscal Service  
Bureau of the Public Debt

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, November 12, 1946.

TO MEMBERS AND FORMER MEMBERS OF THE ARMED FORCES OF THE UNITED STATES, AND OTHERS CONCERNED:

Under Section 6 of the Armed Forces Leave Act of 1946 (hereinafter referred to as the Act),<sup>2</sup> living members and living former members of the Armed Forces of the United States are entitled to receive under the conditions set forth in the Act, bonds of the United States in settlement and compensation of accumulated leave. Under the terms of the Act these bonds are issued under authority and subject to the provisions of the Second Liberty Bond Act, as amended.

Pursuant to the authority contained in said Acts the following regulations are prescribed to govern such bonds:

## I. SUBSTANTIVE REGULATIONS

324.1 *Designation.*—The bonds issued for the above purpose are designated "Armed Forces Leave Bonds."

324.2 *Issue and inscription.*—Armed Forces Leave Bonds are issued by the Secretary of the Treasury (hereinafter referred to as the Secretary) acting through the Army, Navy, Marine Corps, and Coast Guard, which are designated as issuing agents. They are inscribed only in the names of living members or living former members of the armed forces. In each case a single bond in the highest appropriate multiple of \$25 is issued where the amount due is \$50 or more. The name and serial or service number of the owner will be inscribed on the bond and at the option of the issuing agent the address may also be inscribed. No exchange will be permitted for bonds of lower denomination, for example, if a bond for \$275 is issued to a particular owner he may not exchange that bond for a bond in the amount of \$200 and a bond in the amount of \$75.

324.3 *Date and maturity of bond, and interest.*—The issue date of a bond will be the first day of the quarter-year period (January 1, April 1, July 1, or October 1) next following the date of discharge from the armed forces of the former member whose name is to be inscribed thereon, provided he was discharged on or after January 1, 1943, and prior to September 1, 1946, or in case a member of the armed forces was still on active duty on September 1, 1946, his bond will be dated October 1, 1946. Each bond will mature five years from its issue date. In case of the death of the owner of any such bond payment may be made prior to maturity upon proper application, at the option of such owner's survivors, as defined in the Act (see 324.9 hereof). Interest will accrue at the rate of 2½% per annum from the issue date to the date of maturity or to the last day of the month in which payment is made, whichever may be earlier. Interest will be paid only with the principal sum.

324.4 *Transfer and pledge.*—The bonds are nontransferable by sale, exchange, assignment, pledge, hypothecation or otherwise, except that they may be assigned by the owner to the Administrator of Veterans' Affairs for redemption by such Administrator, for the purpose of paying premiums or the difference in reserve in case of conversion to insurance on another plan or a policy loan made prior to July 31, 1946, on a United States Government life insurance policy or a national service life insurance policy under such regulations as may be prescribed by the Administrator of Veterans' Affairs. Such assignment may not be used directly or indirectly as a means of securing in cash the proceeds of such bond or any portion thereof prior to the date of its maturity or the maturity of such policy by death, whichever is earlier (see 324.6 hereof). No claims by attempted transferees or by persons loaning money on the security of the bonds will be recognized.

324.5 *Claims of creditors.*—By the terms of the Act the bonds are exempt from claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever. Accordingly, no claims of creditors, assignees for the benefit of creditors, trustees or receivers in bankruptcy or equity will be recognized, and no payment of the bonds to any such persons will be made, either during the lifetime of the person whose name is inscribed on the bonds or after his death.

<sup>1</sup> Section 324.11 hereof relates to payment of Armed Forces Leave checks to survivors.

<sup>2</sup> Pub. Law 704, 79th Cong.



324.6 *Assignment to the Administrator of Veterans' Affairs.*—Any registered owner of an Armed Forces Leave Bond who desires to use his bond in payment of premiums or other payments in connection with United States Government life insurance or national service life insurance policies should mail or deliver his bond to the Office of the Veterans' Administration to which he pays his premiums. The bond should be accompanied by a completed VA Form 9-1625, "Directions for use of Proceeds of Armed Forces Leave Bonds", obtainable at any Veterans' Administration Office. Before submitting the bond to the Veterans' Administration the assignment form printed on the bottom of the back of the bond should be signed by the owner exactly as his name appears on the face of the bond. No certification or witness to the signature of the owner on such assignment form will be required.

324.7 *Payment to registered owner at maturity.*—To secure payment at maturity the registered owner should appear before one of the officers authorized to certify requests for payment, establish his identity and sign his name to the request for payment printed on the back of the bond. The signature should be in exactly the form as his name is inscribed on the face. No power of attorney to request payment will be recognized.

(a) *Certification of request.*—After the request for payment has been signed the certifying officer should complete and sign the certificate appearing at the end of the form for request for payment and the bond should then be presented in person or by mail to the Federal Reserve Bank of the District in which the owner resides<sup>1</sup> or to the Treasurer of the United States, Washington 25, D. C., or to such other paying agent as may be designated by the Secretary of the Treasury. The use of registered mail is desirable for the protection of the owner.

(b) *Certifying officers.*—The following officers are authorized to certify requests for payment of Armed Forces Leave Bonds:

- (1) Certain designated officers in the Treasury Department at Washington;
- (2) Officers of incorporated banks or trust companies;
- (3) Commissioned officers of the Army, Navy, Marine Corps and Coast Guard of the United States (only for members of such establishments);
- (4) The officer in charge of any home, hospital or other facility of the Veterans' Administration (only for patients and members of such facilities);
- (5) Such other officers as may from time to time be designated by the Secretary for that purpose.

(c) *Instructions to certifying officers.*—Certifying officers should require positive identification of the person signing a request for payment.

324.8 *Right to payment on death of owner.*—Upon the death of an owner of an Armed Forces Leave Bond the bond becomes payable only to his survivors in the following order:

- (a) Surviving wife or husband and children, if any, in equal shares;
- (b) If such owner leaves no surviving spouse or children, then in equal shares to such owner's surviving parents, if any. If there are no such survivors the bond will be retired and the amount covered into the general fund of the Treasury. Accordingly, payment will not be made to an executor or administrator of the estate of a deceased registered owner, and if a bond should come into the possession of such an executor or administrator, or other person not a survivor, following the death of the owner it should be immediately delivered to one of the survivors, if any; otherwise forwarded to the Division of Loans and Currency, Washington 25, D. C., with a signed statement that there are no known survivors.

324.9 *Payment to survivors.*—Survivors of a deceased registered owner in the order provided in the preceding section are entitled to receive payment of an Armed Forces Leave Bond at their option and upon application to the Secretary of the Treasury at any time following the death of such registered owner, whether before, upon or after maturity of the bond. Application for such payment should be made on Form PD 2066, copies of which may be obtained from any Federal Reserve Bank. See Section 324.13 for instructions as to filing the application.

<sup>1</sup> The Federal Reserve Banks are located at Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas and San Francisco.

(a) *Definition of survivors.*—Survivors are defined in the Act as follows:

- (1) "Spouse" means a lawful wife or husband;
- (2) "Children" include
  - (a) a legitimate child;
  - (b) a child legally adopted;
  - (c) a stepchild, if, at the time of death of the member or former member of the armed forces, such stepchild is a member of the deceased's household;
  - (d) an illegitimate child, but in the case of a male member or former male member of the armed forces only if he has been judicially ordered or decreed to contribute to such child's support; has been judicially decreed to be the putative father of such child; or has acknowledged under oath in writing that he is the father of such child; and
  - (e) a person to whom the member or former member of the armed forces at the time of death stands in loco parentis and so stood for not less than twelve months prior to the date of death;
- (3) "Parent" includes father and mother, grandfather and grandmother, stepfather and stepmother, father and mother through adoption, and persons who, for a period of not less than one year prior to the death of the member or former member of the armed forces, stood in loco parentis to such member or former member: *Provided*, That not more than two parents may receive the benefits provided under this Act and preference shall be given to the parent or parents, not exceeding two, who actually exercised parental relationship at the time of or most nearly prior to the date of the death of such member or former member of the armed forces.

(b) *Payment only.*—Only payment of the entire amount of the bond will be permitted. No partial payment and no reissue of the bond in part may be made. Payment in all cases will be made by separate checks drawn in the proper amounts to the individual survivors, except that in the case of a survivor under 17 years of age or under mental disability, the check will be drawn either to the guardian of such survivor, if the Secretary has received notice of the appointment of such guardian, or in the absence of such notice, to a proper person selected by the Secretary, for the use and benefit of such survivor, without the necessity of resorting to judicial proceedings for the appointment of a legal representative.

(c) *All survivors must join.*—Since no partial payment or reissue may be made, all survivors of the class entitled to receive payment must unite in the application, except that in the case of survivors under 17 years of age or under mental disability, legally qualified guardians, if any, may sign in their behalf, and in the absence of such legal guardians, such proper persons as the Secretary may select to act on behalf of such survivors.

(d) *Time of vesting of survivors' rights.*—A survivor's right to receive payment becomes fixed upon the date of the death of the owner. If a survivor dies before receiving payment the right to receive payment of his or her share of the bond passes to the estate of such survivor. For example, if the registered owner dies and leaves a widow and two children and the widow dies prior to receipt of payment, her share passes to her estate and payment of the bond will be made one-third to the widow's representative and one-third to each of the surviving children. If no executor or administrator is appointed for the estate of a deceased survivor, settlement may be made in the same manner as provided for the settlement without administration of estates of deceased owners of United States registered bonds.

324.10 *Loss, theft, destruction, mutilation or defacement of bonds.*—If an Armed Forces Leave Bond is lost, stolen, destroyed, mutilated or defaced, relief may be granted before maturity by the issue of a substitute bond to be marked "DUPLICATE", or at or after maturity by payment of the bond in accordance with the provisions of Section 8 of the Government Losses in Shipment Act (U. S. C. 1940 Ed., title 31, sec. 738a). Relief in such cases will be governed by the regulations contained in Department Circular 300, as amended. In any such case immediate notice of the facts, together with a complete description of the bond (including name and address of owner, bond serial number, amount, and issue date), should be given to the Treasury Department, Division of Loans and Currency, Washington 25, D. C., which will forward appropriate forms for requesting relief, together with full instructions. Usually such relief will be granted without requiring a bond of indemnity.

324.11 *Checks.*—

- (a) Payment to survivors of checks issued to the registered owner (1) in full settlement of leave,
- (2) in payment of bonds, or (3) in payment of the odd amount due the member or former member of

the armed forces over and above the bond issued in settlement of leave, will be made to the persons entitled as provided in the above regulations relating to bonds. Accordingly, such checks received by executors or administrators of deceased registered owners should not be deposited for collection but should be turned over to the survivors or returned to the issuing office with a statement of the facts.

(b) In the case of a survivor entitled to payment who dies before receiving and collecting the check issued in the name of the survivor, payment will be made to his estate.

## II. PROCEDURE

324.12 *Surrender of bonds at maturity by registered owner.*—Registered owners desiring payment of their bonds at maturity, after completing the request for payment in accordance with the provisions of 324.7 hereof, should forward the bonds to the appropriate Federal Reserve Bank or to the Treasurer of the United States, Washington 25, D. C. The use of registered mail is desirable for the protection of the owner. Federal Reserve Banks as fiscal agents of the United States are authorized to make payment of bonds so presented if in proper form. Bonds marked "DUPLICATE" issued in lieu of lost, stolen, destroyed, mutilated or defaced bonds must be submitted to the Treasury Department, Division of Loans and Currency, Washington 25, D. C., as Federal Reserve Banks are not authorized to pay such bonds.

324.13 *Payment to survivors.*—Survivors applying for payment under section 324.9 hereof should forward the bonds, accompanied by the applications on Form PD 2066, to the appropriate Federal Reserve Bank or to the Treasury Department, Division of Loans and Currency, Washington 25, D. C. Usually payment will be expedited by the use of the Federal Reserve Banks. The form must be accompanied in each case by (1) a death certificate for the registered owner, (2) an explanation of any discrepancy between the name as given on the face of the bond and the name as given in the death certificate, and (3) in case of an application by parents other than the own father and mother still living together, a signed and sworn statement giving the basis for the claim of parental relationship as defined in the Act (see 324.9 hereof). The right is reserved to require other and further evidence in cases where such action appears desirable. Federal Reserve Banks as fiscal agents of the United States are authorized to make payment to survivors upon applications in accordance with these regulations, but may submit any doubtful or unusual cases to the Treasury Department, Division of Loans and Currency, for final decision.

324.14 *Designation of agents to make determination.*—The various Federal Reserve Banks as fiscal agents of the United States, the Fiscal Assistant Secretary of the Treasury, the Assistant to the Fiscal Assistant Secretary, the Commissioner and Associate Commissioner of the Public Debt, and the Chief of the Division of Loans and Currency are designated to make determinations on behalf of the Secretary as provided in the Act.

## III. GENERAL

324.15 *Taxation.*—Under the Act all amounts paid or payable under Section 6 in cash, bonds or both (except interest in the case of bonds) shall be exempt from taxation.

324.16 *Address for communications.*—All inquiries after issue in connection with the payment of or transactions in Armed Forces Leave Bonds should be addressed to the Federal Reserve Bank of the District in which the owner resides, or to the Treasury Department, Division of Loans and Currency, Washington 25, D. C., except that any inquiries regarding the use of such bonds in connection with Government life insurance or national service life insurance payments should be addressed to the Office of the Veterans' Administration to which the assured has been paying premiums, or to the Director of Insurance Accounts Service, Veterans' Administration, Washington 25, D. C.

324.17 *Additional regulations.*—The Secretary of the Treasury may at any time, or from time to time, prescribe additional, supplemental, amendatory or revised rules and regulations governing Armed Forces Leave Bonds.

Publication of notice and public procedure thereon with respect to these regulations are found to be contrary to the public interest for the reason that such notice and public procedure would expose interested parties to undue delay in the exercise of rights provided by the Act.

These regulations will become effective immediately, the requirements of section 4 (c) of the Administrative Procedure Act (Public Law 404, 79th Congress) being dispensed with in order that survivors entitled may take prompt advantage of their rights under the Act.

JOHN W. SNYDER,  
*Secretary of the Treasury.*