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(v) Check the descending register door for damage, pry marks, or scarring. Make certain that the door cannot be opened without unlocking it.

(vi) Examine the meter drum for damage, pry marks, or scarring.

(vii) Examine the meter cover for pry marks or scarring near the post office lock or breakoff screws, any drilled holes, or any signs of attempted entry into the internal mechanism of the meter.

(viii) Examine the meter stamp die for excessive wear, damage, breakage, or scars from prying, and the postage die retaining screws for signs of wear to ensure that none is missing or shows signs of removal.

(ix) Check the register, counter, and display windows for breakage or cloudiness.

(x) Obtain the signature of the licensee to show that a meter inspection has taken place.

(8) Report immediately to the licensee's licensing postmaster any irregularity in the operation of the meter or sign of improper use, and take steps to replace or remove the meter.

§ 501.26 Meters not located.

Upon learning that one or more of its postage meters in service cannot be located, the manufacturer must undertake reasonable efforts to locate the meters by following a series of Postal Service-specified actions designed to locate the meters. If these efforts are unsuccessful and a meter is determined to be lost or stolen, the manufacturer must notify the Postal Service within 30 days by submitting a Lost and Stolen Meter Incident Report.

(a) If a licensee cannot be located, the manufacturer must, at a minimum, complete the following actions:

(1) Call the licensee's last known telephone number.

(2) Call directory assistance for the licensee's new telephone number.

(3) Contact the licensee's local post office for current change of address information.

(4) Contact the local post office for a copy of the applicable PS Form 3610 and PS Form 3601–C. Verify the location of the meter or licensee currently maintained in those meter records.

(5) Contact the rental agency responsible for the property where the licensee was located, if applicable.

(6) Visit the licensee's last known address to see whether the building superintendent or a neighbor knows the meter licensee's new address.

(7) Check the centralized meter inspection file for change of address notation.

(8) Mail a certified letter with return receipt to the licensee at the last known address with the notation ''Forwarding and Address Correction Requested.''

(9) If new address information is obtained during these steps, any scheduled meter inspections must be completed promptly.

(b) If a meter is reported to be lost or stolen by the licensee, the manufacturer must, at a minimum, complete the following actions:

(1) Ensure that the meter licensee has filed a police report and that copies have been provided to the appropriate Inspection Service Contraband Postage Identification Program (CPIP) specialist.

(2) Withhold issuance of a replacement meter until the missing meter has been properly reported to the police and to the appropriate Inspection Service CPIP specialist.

(c) If the manufacturer later learns that the meter has been located and/or recovered, the manufacturer must update lost and stolen meter activity records, inspect the meter promptly, initiate a postage adjustment or transfer if appropriate, and check the meter out of service if a replacement meter has been supplied to the meter licensee.

(d) If a meter reported to the Postal Service as lost or stolen is later located, the manufacturer is responsible for submitting a new Lost and Stolen Meter Incident Report that references the initial report and outlines the details of how the meter was recovered. This report must be submitted to the Postal Service within 30 days of recovery of the meter. The meter manufacturer is also responsible for purging lost and stolen meter reports that are provided on a periodic basis to the Postal Service ISSC for those meters that have been recovered.

(e) Any authorized manufacturer that fails to comply with standardized lost and stolen reporting procedures and instructions is subject to an administrative sanction under § 501.23, as determined by the Postal Service.

§ 501.27 Repair of internal mechanism.

Repair or reconditioning of meters involving access to internal mechanisms must be done only within a factory or suitable meter repair department under the manufacturer's direct control and supervision. Meters must be checked out of service by the post office of setting before they are opened or internal repairs are undertaken.

§ 501.28 Computerized remote postage meter resetting.

(a) *Description.* The Computerized Remote Postage Meter Resetting System (CMRS) permits postal licensees using specially designed postage meters to reset their meters at their places of business via telephonic communications. Authorized meter manufacturers that offer CMRS services are known as meter resetting companies (MRCs). To reset a meter, the licensee telephones the MRC and provides identifying data. Before proceeding with the setting transaction, the MRC must verify the data and ascertain from its own files whether the licensee has sufficient funds on deposit with the Postal Service. If the funds are available or the manufacturer opts to provide a funds advance in accordance with paragraph (b)(5) of this section, the MRC may complete the setting transaction.

(b) *Deposits with the Postal Service.* (1) Deposits in the Postal Service Fund at Treasury are backed in full faith and credit by the U. S. Treasury.

(2) A CMRS licensee is required to have funds available on deposit with the Postal Service before resetting a meter or the manufacturer may opt to provide a funds advance in accordance with paragraph (b)(4) of this section. The details of this deposit requirement are covered within the Acknowledgment of Deposit Requirement document. By signing this document, the licensee agrees to transfer funds to the Postal Service through a lockbox bank, as specified by the MRC, for the purpose of prepayment of postage. The MRC representative must provide all new CMRS licensees with this document when a new account is established. The document must be completed and signed by the licensee and sent to the licensing post office by the MRC.

(3) The MRC is required to incorporate the following language into its meter rental agreements:

ACKNOWLEDGMENT OF DEPOSIT REQUIREMENT

By signing this meter rental agreement, you represent that you have read the Acknowledgment of Deposit Requirement and are familiar with its terms. You agree that, upon execution of this Agreement with [the MRC], you will also be bound by all terms and conditions of the Acknowledgment of Deposit Requirement, as it may be amended from time to time.

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(4) The licensee is permitted to make deposits in one of three ways: check, electronic funds transfer (or wire transfer), or automated clearinghouse (ACH) transfer. These deposits are to be processed by the lockbox bank. The lockbox bank must wire daily all available balances to the Postal Service.

(5) If the MRC chooses to offer advancement of funds to licensees, the MRC is required to maintain a deposit with the Postal Service equal to at least 1 day's average funds advanced. The total amount of funds advanced to licensees on any given day may not exceed the amount the manufacturer has on deposit with the Postal Service. The MRC is not authorized to perform settings in excess of the licensee's balance in any other circumstance. The Postal Service shall not be liable for any payment made by the MRC on behalf of a licensee that is not reimbursed by the licensee because the MRC is solely responsible for the collection of advances.

(c) *Revenue protection.* The Postal Service shall conduct periodic assessments of the revenue protection safeguards of each MRC system and shall reserve the right to revoke an MRC's authorization if the CMRS system does not meet all requirements set forth by the Postal Service. In addition, the Postal Service shall reserve the right to suspend the operation of the MRC