

corporation will be recognized only if it is authorized by statute.

§ 306.96 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**

§ 306.100 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.¹⁰

§ 306.101 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 6 months prior to presentation of the securities, there must also be submitted a certificate dated within 6 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.

¹⁰Title in a finder claiming ownership of a registered security will not be recognized. A finder claiming 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.

§ 306.102 Nontransferable securities.

The provisions of this subpart shall apply to Treasury Bonds, Investment Series B-1975-80, 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**

§ 306.105 Requests for suspension of transactions in registered securities.

(a) *Timely notice.* If prior to the time a registered security bearing an apparently valid assignment has been functioned, a claim is received from the owner or his authorized representative showing that:

(1) The security was lost, stolen, or destroyed and that it was unassigned, or not so assigned as to have become in effect payable to bearer, or

(2) The assignment was affected by fraud, the transaction for which the security was received will be suspended.

The interested parties will be given a reasonable period of time in which to effect settlement of their interests by agreement, or to institute judicial proceedings.

(b) *Late notice.* If, after a registered security has been transferred, exchanged, or redeemed in reliance on an apparently valid assignment, an owner notifies the Bureau that the assignment was affected by fraud or that the security had been lost or stolen, the Department will undertake only to furnish available information.

(c) *Forged assignments.* A claim that an assignment of a registered security is a forgery will be investigated. If it is established that the assignment was in fact forged and that the owner did not authorize or ratify it, or receive any benefit therefrom, the Department will recognize his ownership and grant appropriate relief.

§ 306.106 Requests for suspension of transactions in bearer securities.

(a) *Securities not overdue.* Neither the Department nor any of its agents will

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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 § 306.25.¹¹ However, if the securities are received and retired, 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.

(b) *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 § 306.25 will be accepted by the Bureau for the purpose of suspending redemption of the securities if the claimant 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.

¹¹ 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 cannot protect and will not undertake to protect the owners of 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.”

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Subpart N—Relief for Loss, Theft, Destruction, Mutilation, or Defacement of Securities

§ 306.110 Statutory authority and requirements.

Relief is authorized, under certain conditions, for the loss, theft, destruction, mutilation or defacement of U.S. securities, whether before, at, or after maturity. 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, is required as a condition of relief on account of any bearer security or any registered security assigned in blank or so assigned as to become in effect payable to bearer, and is ordinarily required in the case of unassigned registered securities.

§ 306.111 Procedure for applying for relief.

Prompt report of the loss, theft, destruction, mutilation or defacement of a security should be made to the Bureau. The report should include:

(a) 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 some other person, the capacity in which he represents the owner.

(b) The identity 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 of any assignment, endorsement or other writing.

(c) A full statement of the circumstances.

All available portions of a mutilated, defaced or partially destroyed security must also be submitted.

§ 306.112 Type of relief granted.

(a) *Prior to call or maturity.* After a claim on account of the loss, theft, destruction, mutilation, or defacement of a security which has not matured or been called has been satisfactorily established and the conditions for granting relief have been met, a security of like description will be issued to replace the original security.