

Fiscal Service, Treasury

§ 317.3

SOURCE: 54 FR 40830, Oct. 3, 1989, unless otherwise noted.

§ 317.0 Purpose and effective date.

The regulations in this part govern the manner in which an organization may qualify and act as an agent for the sale and issue of Series EE and Series I United States Savings Bonds.

[63 FR 38041, July 14, 1998]

§ 317.1 Definitions.

(a) *Bond(s)* means Series EE United States Savings Bonds and Series I United States Savings Bonds.

(b) *Federal Reserve Bank* refers to the Federal Reserve Bank or Branch providing savings bond services to the district in which the issuing agent or the applicant organization is located. See § 317.9(a).

(c) *Issuing agent* refers to an organization that has been qualified by a designated Federal Reserve Bank or the Commissioner of the Bureau of the Public Debt to sell savings bonds. An issuing agent acts as an agent of the purchaser in handling the remittance. The definition encompasses:

(1) Each organization that accepts and processes purchase orders for bonds sold over-the-counter, but does not inscribe bonds, and

(2) Each organization that is authorized to inscribe bonds sold over-the-counter or through payroll savings plans.

(d) *Offering circular* refers to Department of the Treasury Circular, Public Debt Series No. 1-80, current revision, for Series EE savings bonds, and to Department of the Treasury Circular, Public Debt Series No. 1-98 for Series I savings bonds.

(e) *Organization* means an entity, as described in § 317.2, that may qualify as an issuing agent of bonds.

[63 FR 64550, Nov. 20, 1998]

§ 317.2 Organizations authorized to act.

The following organizations are eligible to apply for qualification and to serve as savings bond issuing agents:

(a) Banks, credit unions, trust companies and savings institutions, if they are chartered by or incorporated under the laws of the United States, any

State or Territory of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

(b) Agencies of the United States and State and local governments.

(c) Employers operating payroll savings plans for the purchase of United States Savings Bonds, as well as organizations operating payroll savings plans on behalf of employers.

(d) Other organizations specifically and individually qualified by the Commissioner of the Bureau of the Public Debt whenever the Commissioner deems such a qualification to be in the public interest. In selecting an issuing agent, the Commissioner may use such process that the Commissioner deems to be appropriate. The selected issuing agent will be subject to such conditions that the Commissioner deems to be appropriate.

[63 FR 64550, Nov. 20, 1998, as amended at 65 FR 2035, Jan. 13, 2000]

§ 317.3 Procedure for qualifying and serving as issuing agent.

(a) *Execution of application agreement.* An organization seeking issuing agent qualification generally shall obtain from and file with a designated Federal Reserve Bank an application-agreement form. However, if an organization seeks qualification under § 317.2(d) or because of its status as an organization operating a payroll savings plan on behalf of an employer under § 317.2(c), it shall make application directly to the Bureau of the Public Debt for approval by the Commissioner of the Bureau of the Public Debt. An application-agreement sent directly to the Bureau of the Public Debt shall be supplemented by such other information as the Bureau of the Public Debt may request.

(1) The terms of each application agreement shall include the provisions prescribed by section 202 of Executive Order No. 11246, entitled "Equal Employment Opportunity" (3 CFR, subchapter B, 42 U.S.C. 2000e note).

(2) The provisions of the Privacy Act of 1974, as amended (5 U.S.C. 552a), and regulations issued pursuant thereto (31 CFR part 1, subpart C).

(b) *Certificate of qualification.* Upon approval of an application-agreement, the designated Federal Reserve Bank or the Bureau of the Public Debt will

§ 317.4

issue a certificate of qualification to the organization. Until the receipt of such a certificate, an organization shall not perform any act as an issuing agent, or advertise in any manner that it is authorized to so act or that it has applied for qualification as an issuing agent. After receipt of a certificate of qualification, an organization may perform the functions of an issuing agent. Under the terms of the application-agreement, the proceeds of the sale of bonds are at all times the property of the United States for which the organization shall be fully accountable.

(c) *Adverse action or change in qualification.* An organization will be notified by the designated Federal Reserve Bank or the Bureau of the Public Debt if its application-agreement to act as issuing agent is not approved, or if, after issuance, its certificate of qualification is terminated.

[54 FR 40830, Oct. 3, 1989, as amended at 59 FR 10535, 10536, Mar. 4, 1994; 63 FR 64550, Nov. 20, 1998]

§ 317.4 Issuing agents currently qualified.

Each organization, qualified as an issuing agent under a trust agreement currently in effect, is authorized to continue to act in that capacity without requalification. By so acting, it shall be subject to the terms and conditions of the previously executed application-agreement and these regulations in the same manner and to the same extent as though it had requalified hereunder.

§ 317.5 Termination of qualification.

(a) *By the United States.* The Secretary of the Treasury or a delegate may terminate the qualification of an issuing agent at any time, upon due notice to the agent. If this action is taken, the agent will be required to make a final accounting for the balance of savings bond stock for which it is charged, based on the records of the designated Federal Reserve Bank. The agent must surrender all unissued bonds and remit the issue price of any remaining bonds included in its accountability.

(b) *At request of issuing agent.* A designated Federal Reserve Bank will terminate the qualification of an issuing

31 CFR Ch. II (7–1–10 Edition)

agent upon its request, provided the agent is in full compliance with the terms of its agreement and the applicable regulations and instructions, and renders a final accounting.

[54 FR 40830, Oct. 3, 1989, as amended at 59 FR 10536, Mar. 4, 1994]

§ 317.6 Issuance of bonds.

(a) *General.* Each issuing agent shall comply with all regulations and instructions issued by the Department of the Treasury directly, or through the designated Federal Reserve Bank, concerning the sale, inscription, dating, and validation of bonds; the acceptance, processing, and transmittal of over-the-counter purchase orders; the remittance of sales proceeds; and the disposition of paper and electronic registration records. No issuing agent shall have authority to sell bonds other than as provided in the offering circular.

(b) *Fees.* Each issuing agent, other than a Federal agency, will be paid fees. Only issuing agents are eligible to collect fees. With prior approval, agents that are authorized to inscribe bonds and receive fee payments will also be paid a bonus for presorting savings bond mailings. Schedules reflecting the amount of the fees and presort bonuses, and the basis on which they are computed and paid, will be published separately in the FEDERAL REGISTER.

(c) *No charge to customers.* Any issuing agent that accepts fees from the Department of the Treasury for selling savings bonds, and/or accepting over-the-counter purchase orders, shall not make any charge to customers for the same service.

[54 FR 40830, Oct. 3, 1989, as amended at 55 FR 39960, Oct. 1, 1990; 58 FR 63529, Dec. 2, 1993; 59 FR 10536, Mar. 4, 1994; 63 FR 64550, Nov. 20, 1998]

§ 317.7 Obtaining and accounting for bond stock.

An issuing agent that is authorized to inscribe bonds sold over-the-counter or through payroll savings plans may obtain bond stock from the designated Federal Reserve Bank. The bond stock is, at all times, the property of the United States. The organization shall be fully accountable for the bond stock