

Fiscal Service, Treasury

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other clearing account in the total amount paid, as reflected on the cash letter, and shall be subject to adjustment via a charge or credit to that account if any discrepancy is subsequently discovered.

[59 FR 10537, Mar. 4, 1994]

Subpart E—Losses Resulting From Erroneous Payments

§ 321.15 Liability for losses.

Under the governing statute, as amended (31 U.S.C. 3126(a)), an agent cannot be relieved of liability for a loss resulting from an erroneous payment unless the Secretary of the Treasury can make a determination that the loss resulted from no fault or negligence on the agent's part.

§ 321.16 Report of erroneous payment.

If an agent discovers an erroneous payment of securities, it should immediately advise the Bureau of the Public Debt, Parkersburg, WV 26106-1328, (304) 420-6402. If the circumstances of the payment warrant such action, the agent should also notify the nearest office of the United States Secret Service.

§ 321.17 Investigation of potential loss.

(a) *Notice to an agent.* When it determines that a loss has occurred, because of the erroneous payment of securities, the Bureau of the Public Debt will notify the agent in writing and identify the securities.

(b) *Investigative procedure.* The Bureau of the Public Debt may request the United States Secret Service to investigate potential losses. Upon request, the agent shall make available to the Bureau of the Public Debt, or its investigative agent, all records and information pertaining to the transaction in question, including the disposition of the redemption proceeds. If the proceeds were deposited in an account maintained by the agent, the information made available shall include the ultimate disposition of the redemption proceeds from the account.

§ 321.18 Determination of loss.

Upon completion of the investigation, and after consideration of the re-

sults, the Bureau of the Public Debt shall advise the agent through which the payment occurred:

(a) That no final loss to the United States has occurred, and, accordingly, that the agent is relieved from liability for the payment, or that no claim for reimbursement shall be made unless and until a loss has been sustained; or

(b) That while a final loss to the United States has occurred, the agent is not required to make reimbursement therefor, as the Secretary of the Treasury, or his designee, has determined that such loss resulted from no fault or negligence on the part of such agent; or

(c) That a final loss to the United States has occurred, and that, the Secretary of the Treasury, or his designee, has been unable to make an affirmative finding that such loss resulted from no fault or negligence on the part of such agent, reimbursement must be made promptly, except where credit for the payment had not previously been extended.

§ 321.19 Certification of signatures.

The regulations in this subpart shall, to the extent appropriate, apply to losses resulting from payments made in reliance on certifications of signatures by an officer or designated employee of any financial institution authorized to certify requests for payment.

§ 321.20 Applicability of provisions.

The provisions of this subpart shall apply to securities redeemed by any Federal Reserve Bank referred to in § 321.25, as fiscal agent, or any Treasury office authorized to redeem securities, as well as to paying agents.

[53 FR 37511, Sept. 26, 1988, as amended at 59 FR 10537, Mar. 4, 1994]

§ 321.21 Replacement and recovery of losses.

(a) If a final loss results from the redemption of a security, and the paying agent redeeming the security is not relieved of liability for such loss under 31 U.S.C. 3126(a), the Bureau of the Public Debt will demand that the paying agent promptly reimburse the United States in the amount of the final loss and will take such other action as may be necessary to collect such amount as

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set out in the procedure described in paragraph 21 of the appendix to this part.

(b) If a final loss has resulted from the redemption of a security, and no reimbursement has been or will be made, the loss shall be subject to replacement out of the fund established by the Government Losses in Shipment Act, as amended.

[61 FR 37197, July 16, 1996]

Subpart F—Forwarding Items

§ 321.22 Forwarding securities not payable by an agent.

Any securities an agent is not authorized to pay under the provisions of this part should be forwarded for redemption to the Fiscal Agency Department of a Federal Reserve Bank referred to in § 321.25. The requests for payment on the securities should be properly certified. Any documentary evidence required to support the redemption should accompany the securities. If the securities are presented for redemption-exchange, they must also be accompanied by a completed and signed exchange subscription and any additional cash needed to complete the transaction. Unpaid securities so forwarded must not be commingled with redeemed securities transmitted for settlement.

[53 FR 37511, Sept. 26, 1988, as amended at 59 FR 10537, Mar. 4, 1994]

Subpart G—Miscellaneous Provisions

§ 321.23 Paying agent fees and charges.

(a) *Fees.* Fees shall be paid as outlined in this section. A schedule setting out the fees, and the basis on which they are computed and paid, is separately published in the FEDERAL REGISTER. Current information is available from a Federal Reserve Bank referred to in § 321.25.

(1) *Securities transmitted via EZ CLEAR.* A fee will be paid for each security redeemed during a calendar month and transmitted via EZ CLEAR to a Federal Reserve Bank in separately sorted cash letters. Payment will be made to the presenting institu-

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tion by ACH. No fees will be paid for redeemed securities received by a Bank in mixed cash letters.

(2) To comply with the provisions of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended (2 U.S.C. 901, et seq.), or the legislative resolution resulting therefrom, the Secretary may authorize, upon notice in the FEDERAL REGISTER, the discontinuance, reduction or delay of fee payments. Fee payments so affected may subsequently be paid in accordance with the schedule of fees as hereafter published, subject to the availability of funds therefor, and to the extent permitted by law. Fee payments for servicing occurring after notice of the resumption of such payments has been published in the FEDERAL REGISTER will be made in accordance with the schedule of fees published in such notice.

(b) *Charges to presenters.* A paying agent shall not make any charge whatever to persons entitled to request payment of securities, for redeeming them under the provisions of this part.

[53 FR 37511, Sept. 26, 1988; 53 FR 39581, Oct. 7, 1988, as amended at 55 FR 39960, Oct. 1, 1990; 59 FR 10537, Mar. 4, 1994]

§ 321.24 Claims on account of lost securities.

If a security redeemed by an agent is lost, stolen or destroyed while in its custody or in transit prior to settlement, the agent's claim for reimbursement of the missing security's redemption value on the original payment date will be considered, provided the security can be identified by serial number.

§ 321.25 Role of Federal Reserve Banks.

(a) The Federal Reserve Banks referred to below, as fiscal agents of the United States, shall perform such services in connection with this part as may be requested by the Secretary of the Treasury, or his designee. The Banks are authorized and directed to perform such duties, including the issuance of instructions and forms, as may be necessary to fulfill the purposes and requirements of these regulations.