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Revenue Service. The endorsement placed on a bearer security by a Service Center Director or a District Director, Internal Revenue Service, should be in the following form:

For presentation to the Federal Reserve Bank of _____; Fiscal Agent of the United States, for redemption, the proceeds to be credited to the account of the Service Center Director, Internal Revenue Service, at _____, for credit on the Federal _____ (Income, gifts, or other) taxes due from _____. (Name and address)

§ 328.6 Requirements for endorsement.

(a) *On bearer securities.* The endorsement must be imprinted in the lefthand portion of the face of each security with the first line thereof parallel to the left edge of the security and in such manner as to be clearly legible and in such position that it will not obscure the serial number, series designation, or other identifying data, and cover the smallest possible portion of the text on the face of the security. The dimensions of the endorsement should be approximately 4 inches in width and 1½ inches in height, and must be imprinted by stamp or plate of such character as will render the endorsement substantially ineradicable. The name of the Federal Reserve bank of the district must appear on the plate or stamp used for the imprinting of the endorsement, and presentation to the appropriate branch of the Federal Reserve bank named will be considered as presentation to the bank. When securities are to be presented to the Bureau of the Public Debt, the words "United States Treasury" should be used in lieu of the words "Federal Reserve Bank of _____, Fiscal Agent of the United States." No subsequent endorsement will be recognized. If the form of endorsement on a security is different than that prescribed in § 328.5, the provisions of §§ 328.7 and 328.8 shall not apply to the security.

(b) *On coupons.* Unmatured coupons attached to restrictively endorsed securities should be canceled by imprinting the prescribed endorsement in such manner that a substantial portion of the endorsement will appear on each such coupon. If any such coupons are missing, deduction of their face amount will be made in cases of re-

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demption, and in cases of exchange, remittance equal to the face amount of the missing coupons must accompany the securities. All matured coupons, including coupons which will mature on or before the date of redemption or exchange (except as otherwise specifically provided in an announcement of an exchange offering), should be detached from securities upon which restrictive endorsements are to be imprinted.

§ 328.7 Shipment of securities.

Securities bearing restrictive endorsements may be shipped, at the risk and expense of the shipper, by registered mail, messenger, armored car service, or express to the Federal Reserve bank of the district in which the presenting bank, the Service Center Director, or the District Director, Internal Revenue Service, is located, or to the appropriate branch of such Federal Reserve bank, shipments to the Bureau of the Public Debt, Washington, DC, should be made by messenger or armored car.

§ 328.8 Loss, theft, or destruction of securities bearing restrictive endorsements.

(a) *General.* Relief will be provided on account of securities bearing restrictive endorsements proved to have been lost, stolen or destroyed, upon the owner's application, in the same manner as registered securities which have not been assigned. (See subpart N of the current revision of Department Circular No. 300, the general regulations governing United States securities.) Except for bearer securities submitted for redemption at par in payment of Federal estate taxes, a bank will be considered the owner of securities handled on behalf of customers unless it otherwise requests. The application for relief (Form PD 2211) and instructions will be furnished by the Federal Reserve banks.

(b) *Bond of indemnity.* Where securities bearing restrictive endorsements shipped by a bank have been lost, stolen, or destroyed, a bond of indemnity with surety satisfactory to the Secretary of the Treasury will be required from the owner. If such bond is executed by a bank or other corporation,

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the execution must be authorized by general or special resolution of the board of directors, or other body exercising similar functions under its by-laws. Ordinarily, no surety will be required on a bond executed by a presenting bank. The Secretary of the Treasury reserves the right, however, to require a surety in any case in which he considers such action necessary for the protection of the United States.

§ 328.9 Miscellaneous.

The provisions of this circular are subject to the current revision of Department Circular No. 300. The Secretary of the Treasury reserves the right at any time to amend, supplement, or withdraw any or all of the provisions of these regulations.

PART 330—REGULATIONS GOVERNING PAYMENT UNDER SPECIAL ENDORSEMENT OF UNITED STATES SAVINGS BONDS AND UNITED STATES SAVINGS NOTES (FREEDOM SHARES)

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AUTHORITY: 5 U.S.C. 301; 31 U.S.C. 3105.

SOURCE: 53 FR 37519, Sept. 26, 1988, unless otherwise noted.

§ 330.0 Purpose.

The regulations in this part establish a procedure under which qualified paying agents may specially endorse definitive United States Savings Bonds of certain series and United States Savings Notes (Freedom Shares), and ei-

ther redeem the securities so endorsed, or forward them to a TRS Site for redemption, with or without the owner's signature to the request for payment.

[77 FR 16169, Mar. 20, 2012]

§ 330.1 Definition of terms.

As used in this part:

Definitive security means a Treasury security held in paper form.

Federal Reserve Processing Site means a Federal Reserve Bank (including any Branch or office thereof, as appropriate) referred to in 31 CFR part 321, to which the paying agent, or institution acting on its behalf, is instructed to transmit redeemed securities for payment pursuant to the Federal Reserve Operating Circular.

Federal Reserve Treasury Retail Securities Site or *TRS Site* means a Federal Reserve Bank (including any Branch or office thereof, as appropriate) referred to in 31 CFR part 321, that is authorized to qualify paying agents, provide customer service, and provide other fiscal agency services under the provisions of this part. See § 330.9.

Owner(s) means the person(s) named as registered owner or coowners on a bond or note, or as the designated beneficiary who has succeeded to ownership of the bond or note upon the death of the owner. For the purposes of special endorsement, but not payment, by a qualified agent, the term may also include fiduciaries, corporations, partnerships, associations, and other entities named on a security, where such registration is authorized.

Paying agent(s) or *agent(s)* refers to an eligible financial institution qualified under the provisions of this part to specially endorse securities and qualified, under the provisions of Department of the Treasury Circular No. 750, current revision (31 CFR part 321), to redeem eligible savings bonds and notes. The term includes the branches of a qualified agent that redeem bonds and notes and are themselves directly accountable for such redemptions.

Redemption and *payment* are used interchangeably for payment of a bond or note in accordance with the terms of its offering and the regulations governing it, and include *redemption-exchange*.