(b) *Fiduciaries (including legal guardians, trustees, and similar representatives)*—(1) *General.* A bond may be registered in the name of any person or persons or any organization acting as fiduciary of a single fiduciary estate, but not where the fiduciary will hold the bond merely or principally as security for the performance of a duty, obligation, or service. A bond's registration should conform to a form authorized by this paragraph. A common trust fund established and maintained by a financial institution authorized to act as a fiduciary will be considered a single fiduciary estate within the meaning of the regulations in this part.

(2) *Legal guardians, conservators, similar representatives, certain custodians, etc.* A bond may be registered in the name and fiduciary capacity of the legally appointed or authorized representative of the estate of a minor, incompetent, aged or infirm person, absentee, et al., or of a personal or testamentary trust.

Examples: Tenth National Bank, Guardian (or Conservator, Trustee, etc.) of the Estate of George N. Brown 123–45–6789, a minor (or an incompetent, aged person, infirm person, or absentee). Henry C. Smith, Conservator of the Estate of John R. White 123–45–6789, an adult, pursuant to Sec. 633.572 of the Iowa Code. Juan B. Gonzalez 123–45–6789, a minor (or an incompetent) under custodianship by designation of the Veterans Administration. Frank M. Redd 123–45–6789, an incompetent for whom Eric A. Redd has been designated trustee by the Department of the Army pursuant to 37 U.S.C. 602. Richard A. Rowe 123–45–6789, for whom Reba L. Rowe is representative payee for social security benefits (or black lung benefits, as the case may be). Henry L. Green 123–45–6789 or George M. Brown, a minor under legal guardianship of the Tenth National Bank. Henry L. Green 123–45–6789 P.O.D. George M. Brown, a minor under legal guardianship of the Tenth National Bank. Harbor State Hospital and School, selected payee for Beth R. Weber 123–45–6789, a Civil Service annuitant, pursuant to 5 U.S.C. 8345(e). John F. Green or Mary B. Doe, Trustees of the Estate of Moe Green 123–45–6789. Thomas J. White and Tenth National Bank, Trustees under the Will of Robert J. Benjamin, deceased 12–3456789. Tenth National Bank, Trustee under Agreement with Mark S. Dunston, dated 2/1/98, 12–3456789. Ruth B. Grace and Pat A. Banks, Trustees under Agreement with Susan L. Chambers, dated 7/30/97, 12–3456789. Dennis R. Adams, Trustee under Declaration of Trust, dated 5/1/98, 12–3456789.

(3) *Employee thrift, savings, vacation and similar plans.* Bonds may be registered in the name and title, or title alone, of the trustee of an eligible employee thrift, savings, vacation, 401(k) or similar plan, as defined in § 360.13. If the instrument creating the trust provides that the trustees shall serve for a limited term, their names may be omitted.

Examples: Tenth National Bank, trustee of Pension Fund of Safety Manufacturing Company, U/A with the company, dated March 31, 1996, 12–3456789.

Trustees of Retirement Fund of Safety Manufacturing Company, under directors' resolution adopted March 31, 1996, 12–3456789.

County Trust Company, trustee of the Employee Savings Plan of Jones Company, Inc., U/A dated January 17, 1996, 12–3456789.

Trustees of the Employee Savings Plan of Brown Brothers, Inc., U/A dated January 20, 1996, 12–3456789.

(c) *The United States Treasury.* A person who desires to have a bond become the property of the United States upon his or her death may designate the United States Treasury as beneficiary.

Example: George T. Jones 123–45–6789 P.O.D. the United States Treasury.

[63 FR 38049, July 14, 1998, as amended at 71 FR 46858, Aug. 15, 2006]

§ 360.7 Chain letters prohibited.

The issuance of bonds in the furtherance of a chain letter, pyramid, or similar scheme is against the public interest and is prohibited.

Subpart C—Limitations on Annual Purchases

§ 360.10 Amounts which may be purchased.

The amount of savings bonds of Series I which may be purchased and held, in the name of any one person in any one calendar year, is computed according to the provisions of § 360.11 and is limited as follows:

(a) General annual limitation, $5,000 (par value).

(b) Special limitation, $4,000 (par value) multiplied by the highest number of employees participating in an eligible employee plan, as defined in

§ 360.13, at any time during the calendar year in which the bonds are issued.

[63 FR 38049, July 14, 1998, as amended at 72 FR 67854, Dec. 3, 2007]

§ 360.11 Computation of amount.

(a) *General.* The purchases of bonds in the name of any person in an individual capacity are computed separately from purchases in a fiduciary capacity, e.g., as representative for the estate of an individual.

(b) *Bonds included in computation.* In computing the purchases for each person, the following outstanding bonds are included:

(1) All bonds registered in the name and bearing the taxpayer identifying number of that person alone;

(2) All bonds registered in the name of the representative of the estate of that person and bearing that person's taxpayer identifying number; and

(3) All bonds registered in the name of that person as coowner that also bear that person's taxpayer identifying number.

(c) *Bonds excluded from computation.* In computing the purchases for each person, the following are excluded:

(1) Bonds on which that person is named beneficiary;

(2) Bonds to which that person has become entitled—

(i) Under § 360.70 as surviving beneficiary upon the death of the registered owner;

(ii) As an heir or a legatee of the deceased owner;

(iii) By virtue of the termination of a trust or the happening of a similar event; and

(3) Bonds that are purchased and redeemed within the same calendar year.

§ 360.12 Disposition of excess.

If any person at any time has savings bonds issued during any one calendar year in excess of the prescribed amount, instructions should be obtained from the Bureau of the Fiscal Service, Parkersburg, WV 26106–1328, for appropriate adjustment of the excess. Under the conditions specified in § 360.90, the Commissioner of the Fiscal Service may permit excess purchases to stand in any particular case or class of cases.

§ 360.13 Employee plans—Conditions of eligibility.

(a) *Definition of plan.* Employee thrift, savings, vacation, 401(k), and similar plans are contributory plans established by the employer for the exclusive and irrevocable benefit of its employees or their beneficiaries. Each plan must afford employees the means of making regular savings from their wages through payroll deductions and provide for employer contributions to be added to these savings.

(b) *Definition of terms used in this section.* (1) The term *assets* means all the employees' contributions and assets purchased with them and the employer's contributions and assets purchased with them, as well as accretions, such as dividends on stock, the increment in value on bonds and all other income; but, notwithstanding any other provision of this section, the right to demand and receive all assets credited to the account of an employee shall not be construed to require the distribution of assets in kind when it would not be possible or practicable to make such a distribution; for example, Series I bonds may not be reissued in unauthorized denominations.

(2) The word *beneficiary* means:

(i) The person or persons, if any, designated by the employee in accordance with the terms of the plan to receive the benefits of the plan upon the employee's death; or

(ii) The estate of the employee.

(c) *Conditions of eligibility.* An employee plan must conform to the following rules in order to be eligible for the special limitation provided in § 360.10.

(1) *Crediting of assets.* All assets of a plan must be credited to the individual accounts of participating employees and may be distributed only to them or their beneficiaries, except as provided in paragraph (c)(3) of this section.

(2) *Purchase of bonds.* Bonds may be purchased only with assets credited to the accounts of participating employees and only if the amount taken from any account at any time for that purpose is equal to the purchase price of a $50 bond or bonds in an authorized denomination or denominations, and shares in the bonds are credited to the accounts of the individuals from which