

converted bond to the TreasuryDirect® account of the registered owner.

§ 363.171 How do I redeem a converted savings bond?

(a) *Before final maturity*—(1) *Savings bond of any series registered in the single owner, owner with beneficiary, or entity form of registration.* You may redeem your converted savings bond of any series registered either in the single owner, owner with beneficiary, or entity form of registration any time prior to final maturity after the minimum holding period through your TreasuryDirect® account.

(2) *Savings bond of any series registered in the coowner form of registration.* The converting coowner may redeem the converted savings bond of any series registered in the coowner form of registration at any time prior to final maturity after the minimum holding period through his or her TreasuryDirect account. The non-converting coowner may redeem the converted savings bond at any time prior to final maturity after the minimum holding period provided that he or she has been granted transaction rights in the converted bond by the converting coowner.

(b) *Upon final maturity*—(1) *Savings bond of any series registered in the single owner, owner with beneficiary, coowner, or entity forms of registration.* If you have not previously redeemed or transferred your converted savings bond of any series registered in the single owner, owner with beneficiary, coowner, or entity forms of registration, it will be automatically redeemed for you at final maturity.

(2) The redemption proceeds will be automatically used to purchase a zero-percent certificate of indebtedness registered in your name and held in your TreasuryDirect account.

[70 FR 14943, Mar. 23, 2005, as amended at 74 FR 19420, Apr. 29, 2009]

§§ 363.172–363.175 [Reserved]

§ 363.176 May a converted savings bond be pledged or used as collateral?

A converted savings bond may not be pledged or used as collateral for the performance of an obligation.

§§ 363.177–363.178 [Reserved]

§ 363.179 Does Fiscal Service make any reservations as to the conversion of an eligible savings bond?

We may reject any application for conversion or refuse to convert a savings bond in any case or class of cases, if we deem the action to be in the public interest. Our action in any such respect is final.

§§ 363.180–363.199 [Reserved]

Subpart F—Marketable Treasury Securities

SOURCE: 70 FR 57444, Sept. 30, 2005, unless otherwise noted.

§ 363.200 What Treasury securities does this subpart govern?

This subpart provides the rules for holding marketable Treasury bills, notes, and bonds in book-entry form in TreasuryDirect®.

§ 363.201 What other regulations govern book-entry marketable book-entry Treasury bills, notes, and bonds?

(a) 31 CFR part 356 governs the sale and issue of marketable book-entry Treasury securities on or after March 1, 1993, whether held in TreasuryDirect®, Legacy Treasury Direct, or the commercial book-entry system.

(b) 31 CFR part 357 governs holding marketable book-entry Treasury bills, notes, and bonds in the Legacy Treasury Direct system and in the commercial book-entry system.

§ 363.202 What marketable Treasury securities may I purchase and hold through my TreasuryDirect® account?

(a) *Purchase.* (1) *Advance purchase.* You may purchase any marketable Treasury security that is available for purchase through the TreasuryDirect® website. One day each week, marketable securities that are scheduled for auction within 8 weeks will be made available on the TreasuryDirect

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website for scheduling an advance purchase, and are the only marketable securities that you can schedule for advance purchase.

(2) *Purchases scheduled prior to May 15, 2010, with an effective issue date on or after May 15, 2010.* (i) Any marketable security purchase scheduled prior to May 15, 2010, and with an effective issue date of May 15, 2010, through July 9, 2010, will be treated as a new purchase, even if the transaction would have been treated as a reinvestment under the rules in effect prior to May 15, 2010.

(ii) Any marketable security purchase scheduled prior to May 15, 2010, with an effective issue date after July 9, 2010, will be canceled.

(b) *Hold.* You may transfer into the system and maintain in your TreasuryDirect account any eligible marketable book-entry Treasury bill, note, or bond.

[70 FR 57444, Sept. 30, 2005, as amended at 75 FR 26090, May 11, 2010]

§ 363.203 After I purchase my marketable Treasury security in TreasuryDirect®, is there a period of time during which I may not transfer the security?

Once you purchase a marketable Treasury security in TreasuryDirect, you may not transfer that security for a period of 45 calendar days after the issue date of the security, or the term of the security, whichever is less.

§ 363.204 What registrations are available for my marketable Treasury securities held in TreasuryDirect®?

You may register your marketable Treasury securities in any form of registration permitted by § 363.20 of this part.

§ 363.205 How do I reinvest the proceeds of a maturing security held in TreasuryDirect®?

(a) *Method for reinvesting a maturing security.* The only method of reinvesting a maturing marketable security in TreasuryDirect® is through the automatic reinvestment option available in your TreasuryDirect account. Purchasing a security by directing that the proceeds of a maturing security be used to purchase a zero-percent certifi-

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cate of indebtedness, and then scheduling the purchase of a new security using the redemption proceeds of the zero-percent certificate of indebtedness, is not a reinvestment.

(b) *When a reinvestment can be scheduled, edited, or canceled.* You can schedule your reinvestment either at the time of purchase or after the security is issued into your TreasuryDirect account. You cannot schedule, edit, or cancel a reinvestment when the maturing security goes into a closed book period, or when a noncompetitive bid for the replacement security is no longer accepted, whichever comes first.

(c) *What securities can be reinvested.* Any marketable security can be reinvested.

(d) *Limits on scheduling reinvestments.* Reinvestments will be limited at any one time to 25 times for a 4-week bill, 7 times for a 13-week bill, 3 times for a 26-week bill, and once for all other marketable security types.

(e) *Canceling reinvestments.* If there is no security available for reinvestment with an issue date that coincides with the maturity date or call date, if invoked, of the maturing security, and with the same type and term, the scheduled reinvestment will be canceled and the proceeds of the maturing security will be returned to the customer.

(f) *Procedure if there are insufficient funds from the maturing security to pay the full purchase price of the replacement security.* If there are insufficient funds from the maturing security to pay the full purchase price of the replacement security, we will either debit your primary account at a financial institution or pay the additional funds using the redemption proceeds of your zero-percent certificate of indebtedness.

(1) *Debit from primary account at financial institution.* If the maturing security is purchased on or after May 15, 2010, we will pay the additional funds by a debit from your primary account at a financial institution if the maturing security was purchased within TreasuryDirect by a debit from a financial institution account or if the maturing security was received through a