

**§ 306.22 Exchange of Treasury Bonds, Investment Series B-1975-80.**

Bonds of this series presented for exchange for 1½ percent 5-year Treasury notes must bear duly executed assignments to “The Secretary of the Treasury for exchange for the current series of EA or EO Treasury notes to be delivered to (inserting the name and address of the person to whom the notes are to be delivered).” The notes will bear the April 1 or October 1 date next preceding the date the bonds, duly assigned with supporting evidence, if necessary, are received by the Bureau or a Federal Reserve Bank or Branch. Interest accrued at the rate of 2¾ percent on the bonds surrendered from the next preceding interest payment date to the date of exchange will be credited, and interest at the rate of 1½ percent on the notes for the same period will be charged and the difference will be paid to the owner.

**§ 306.23 Securities eligible to be held in the TREASURY DIRECT Book-entry Securities System.**

(a) *Eligible issues.* The Secretary will, from time to time, cause to be published in the FEDERAL REGISTER a notice describing those series of Treasury issues of bonds and notes issued before August 1, 1986, that will be eligible for conversion to the TREASURY DIRECT Book-entry Securities System. The notice shall specify the period during which requests for conversion will be accepted.

(b) *Establishment of TREASURY DIRECT account.* To convert a bearer or registered security to book-entry form to be held in TREASURY DIRECT, the owner(s) must establish at the time of conversion, or prior thereto, an account in TREASURY DIRECT in accordance with § 357.20 of part 357. Similarly, to transfer to TREASURY DIRECT a security held in book-entry form under subpart O of this part, the owner(s) must establish at the time of transfer, or prior thereto, an account in TREASURY DIRECT in accordance with § 357.20 of part 357.

(c) *Procedure for conversion of bearer security.* To convert a bearer security to TREASURY DIRECT, the owner must present it to the Department of the Treasury, accompanied by a re-

quest for conversion, which must include the information needed for establishing a *TREASURY DIRECT* account, unless such account has been previously established, and is identified by its number in the request.

(d) *Procedures for conversion of registered security.* To convert a registered security to TREASURY DIRECT, the owner(s) thereof must execute an assignment in accordance with subpart F of this part. The assignment must be in substantially the following form: “To the Secretary of the Treasury for conversion to book-entry and deposit in TREASURY DIRECT,”. The security should be accompanied by the information needed for establishing the TREASURY DIRECT account, or where an account has been previously established, the above assignment should be reworded to include the account number.

(e) *Procedure for transfer of book-entry security held under subpart O.* To transfer a book-entry security held under subpart O of this part, the owner(s) must arrange with the bank or other entity where the security is being held to transfer the same to TREASURY DIRECT. No such transfer will be accepted unless a TREASURY DIRECT account has previously been established and the number thereof is shown in the transfer request.

(f) *Terms and conditions of securities held in TREASURY DIRECT.* An eligible security held in TREASURY DIRECT shall be subject to subpart C and other applicable portions of part 357, and the provisions of part 306 shall not apply thereto.

(g) *Re-conversion from TREASURY DIRECT to registered form or to book-entry under subpart O.* The owner(s) of a security converted or transferred to TREASURY DIRECT in the manner herein provided may, by executing an appropriate transaction request, transfer the book-entry security to a book-entry account held under the provisions of subpart O of this part. Thereafter, to the extent that the security was originally eligible for such conversion the book-entry security held under subpart O may be converted to one in registered form. Securities transferred from TREASURY DIRECT

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under this subsection shall be thereupon subject to the provisions of part 306, and part 357 shall no longer apply thereto.

[53 FR 15554, May 2, 1988, as amended at 64 FR 38126, July 15, 1999]

### § 306.24 Collection of fees on definitive securities.

A fee shall be charged for each registered security, as defined in § 306.115 (a), issued as a result of a transfer, exchange, reissue, withdrawal from book-entry, or the granting of relief on account of loss, theft, destruction, mutilation, or defacement. The applicable fee, and the basis for its determination, will be published by notice in the FEDERAL REGISTER.

[60 FR 4377, Jan. 23, 1995, as amended at 64 FR 38126, July 15, 1999]

## Subpart D—Redemption or Payment

### § 306.25 Presentation and surrender.

(a) *General.* Securities, whether in registered or bearer form, are payable in regular course of business at maturity unless called for redemption before maturity in accordance with their terms, in which case they will be payable in regular course of business on the date of call. The Secretary of the Treasury may provide for the exchange of maturing or called securities, or in advance of call or maturity, may afford owners the opportunity of exchanging a security for another security pursuant to a prerefunding or an advance refunding offer. Registered and bearer securities should be presented and surrendered for redemption to the Bureau. No assignments or evidence in support of assignments will be required by or on behalf of the registered owner or assignee for redemption for his or its account, or for redemption-exchange, or exchange pursuant to a prerefunding or an advance refunding offer, if the new securities are to be registered in exactly the same names and forms as appear in the registrations or assignments of the securities surrendered. To the extent appropriate, these rules also apply to securities registered in the title of public officers who are official custodians of public funds.

(b) *“Overdue” securities.* If a bearer security or a registered security assigned in blank, or to bearer, or so assigned as to become in effect payable to bearer, is presented and surrendered for redemption after it has become overdue, the Secretary of the Treasury will ordinarily require satisfactory proof of ownership. (Form PD 1071 may be used.) A security shall be considered to be overdue after the lapse of the following periods of time from its face maturity:

(1) One month for securities issued for a term of 1 year or less.

(2) Three months for securities issued for a term of more than 1 year but not in excess of 7 years.

(3) Six months for securities issued for a term of more than 7 years.

[38 FR 7078, Mar. 15, 1973; 38 FR 8432, Apr. 2, 1973, as amended by 64 FR 38126, July 15, 1999]

### § 306.26 Redemption of registered securities at maturity, upon prior call, or for prerefunding or advance refunding.

Registered securities presented and surrendered for redemption at maturity or pursuant to a call for redemption before maturity need not be assigned, unless the owner desires that payment be made to some other person, in which case assignments should be made to “The Secretary of the Treasury for redemption for the account of (inserting name and address of person to whom payment is to be made). Specific instructions for the issuance and delivery of the redemption check, signed by the owner or his authorized representative, must accompany the securities, unless included in the assignment. (Form PD 3905 may be used.) Payment of the principal will be made by check drawn on the United States Treasury to the order of the persons entitled and mailed in accordance with the instructions received. Securities presented for prerefunding or advance refunding should be assigned as provided in the prerefunding or advance refunding offer.

[64 FR 38126, July 15, 1999]