Chapter 5

Paying Paper Bonds

Banks and other financial institutions qualified as paying agents for U.S. Savings Bonds are authorized to redeem eligible paper savings bonds of Series A-E, Series EE, Series I bonds, savings stamps, and savings notes presented by owners, co-owners, and other registrants who provide acceptable identification and any additional evidence required.

Timing the Redemption Transaction

Bond owners who need to redeem a number of bonds at one time sometimes ask whether they should cash their oldest bonds first or their newest. They may find it advisable to cash their newest bonds first because these bonds may not be increasing in value as rapidly as older bonds. However, bonds are not eligible for payment until 12 months after their issue date. Bond owners should redeem bonds that are over 30 years old because they are no longer earning interest.

Alert!

Series EE and I bonds redeemed before five years from their issue date are subject to a three-month interest penalty.

Series EE bonds issued in May 1997 or after and all Series I bonds can be redeemed anytime after the first 12 months; however, bonds redeemed before 5 years from their issue date are subject to a 3-month interest penalty. For example, the redemption value of a bond cashed 18 months after the issue date will include the first 15 months of interest. After a Series EE or I bond is 5 years old, there is no penalty.

Redemption values published by Treasury provide for monthly increases in Series EE and I bond values and take the three-month interest penalty into account for bonds held less than five years from the issue date. Each month's table of redemption values for Series I bonds shows one redemption value and one amount of interest for each Series I bond by denomination and issue date. These redemption value tables do not show how much interest was produced by a fixed rate or by an inflation rate.

In most instances, bond owners should redeem bonds on the anniversaries of the issue dates or the midpoint between anniversary dates.

Series E/EE bonds issued in April 1997 or before increase in value every six months, so timing the redemption transaction for these bonds is important. If such a bond increases in value in August and is cashed in July, the presenter will not receive any interest for the five months since the bond's last increase in value, in this example, February. Bond owners should redeem bonds on the anniversaries of the issue dates or the midpoint between anniversary dates. For example, a Series E bond with an issue date of December 1979, should ideally be cashed on June 1 or December 1 to maximize potential earnings.

See Appendix B for exceptions.

When submitting **Series H/HH bonds** for redemption between semiannual interest payment dates, owners should keep in mind that interest ceases on the last interest payment date. For example, if a bond issued in January 1990, which pays interest each January 1 and July 1, is submitted for payment in September, interest ceases on the last interest payment date, July 1. If owners submit Series H/HH bonds for redemption in the month before an interest payment date, the bonds will be held until the next month, unless the presenter specifically requests that the bonds are redeemed immediately. The bond owner should clearly communicate this request in writing to the servicing TRS site when submitting the bonds. If a notice requesting delayed payment is received more than 30 days before the interest payment date, it will not be honored.

See the bond "Redemption Cases Requiring Evidence" Table at the end of this chapter.

Responsibilities of Paying Agents

Alert!

You may be held liable for bonds you pay. It is imperative that you follow the correct procedures to protect against potential losses.

You may be held liable for bonds you pay. It is imperative that you follow the correct procedures to protect against potential losses.

Under the terms of your paying agent agreement, you are required to redeem eligible bonds when the presenter provides satisfactory identification in accordance with Treasury identification guidelines, whether or not the presenter is a customer, account holder, or depositor.

The Guide to Cashing Savings Bonds (PD P 0022) explains acceptable types of identification and provides a step-by-step question and answer approach to cashing bonds. The guide is meant to simplify the redemption process for tellers, and eliminate errors that might result in liability findings against their financial institution. To obtain one copy or multiple copies of *The Guide to Cashing Savings Bonds* (PD P 0022), contact your servicing TRS site or download at http://www.treasurydirect.gov/instit/savbond/guide/guide_cash.htm.

Identification Procedures

If you comply with the Identification Guide, you should be able to avoid losses.

If you comply with *The Guide to Cashing Savings Bonds* (PD P 0022), you should be able to avoid losses. The following sections describe examples of inadequate owner identification that can result in financial loss to your institution.

Customer Identification

Identification through a customer account is adequate if the presenter of the bond (the person requesting payment) is a customer whose name has been on the account for at least six months and whose signature on the "Request for Payment" section compares favorably with the signature on file. If the account has been open for less than six months, you should require the person presenting the bond to provide personal or documentary identification. One cause of loss is relying on an account that has been open for less than six months. Another cause of loss is accepting, without verification, a presenter's statement that he or she has an account at the institution and that the account has been open for at least six months.

Go to the "Identification" tab in *The Guide to Cashing Savings Bonds* (PD P 0022) for step-by-step instructions.

Personal Identification

Identification of the person presenting the bond for payment (presenter) by another person (identifier) is adequate if:

- The identifier is a customer as described above, or is personally known to an officer of your institution.
- In response to questions, you determine that the identifier knows the presenter by the name on the bond and that the source and duration of the acquaintance with the presenter are such as to make the identification reliable.
- The identifier signs the back of the bond.

Alert!

You may not pay more than $1,000 at any one time on the basis of documentary identification alone.

Sometimes investigations show that the identifier did not know the presenter very well or by the name appearing on the bonds presented. There have been instances of merchants identifying "customers." The financial interest of the identifier is not sufficient to establish that the identifier really knows the presenter; it may even be the basis for suspicion.

Go to the "Another Person" tab in *The Guide to Cashing Savings Bonds* (PD P 0022) for step-by-step instructions.

Documentary Identification
Caution: The following limitation does **not** apply to a person who is an established customer of your financial institution, or **has been** identified to you by an established customer or officer of your financial institution.

Documents adequate for identifying persons presenting bonds are specified in the PD P 0022. Because of the generally unreliable nature of identification documents, the Treasury considers it a lack of due care if you pay a large amount to a non-customer on the basis of documentary identification. *Therefore, as stated in The Guide to Cashing Savings Bonds (PD P 0022), you may not pay more than $1,000 at any one time on the basis of documentary identification alone. If you pay more than $1,000 to the wrong person on the basis of documentary identification, you will be liable for the entire amount paid, not just the amount in excess of $1,000.*

Every document must be examined to determine that:

- There is nothing that would raise a suspicion about its authenticity.
- The name in which the document is issued is the same as the name on the bond.
- The signature and the picture or physical description compare favorably with those of the presenter.

Few, if any, identification documents (IDs) can be used as reliable identification. Some issuers do not require that a person be positively identified before the document is issued. Frequently, there is no requirement for the issuer to witness the recipient's signature. Other factors that make documentary identification unreliable are the lack of security measures controlling access to unused stock, the relative ease of altering and counterfeiting ID cards, and the absence of a photograph or physical description.

The Guide to Cashing Savings Bonds (PD P 0022) lists examples of acceptable and unacceptable documents. It should be noted, however, that even an "acceptable" document would have little value if it is not examined for authenticity and possible alterations. The name on the bond, the presenter's physical appearance, and presenter's signature on the "Request for Payment" section on the back of the bond must be compared with the name, physical description or photograph, and signature on the document.

Go to the "Document Index" tab in *The Guide to Cashing Savings Bonds* (PD P 0022) for step-by-step instructions.

Agent Liability for Losses on Bonds Paid

By law, you are liable for any loss that results from cashing a savings bond, unless the Treasury is able to determine that the loss was not due to your fault or negligence. Therefore, you should pay only those bonds that are eligible for redemption, and comply with the Treasury's instructions to paying agents, including *The Guide to Cashing Savings Bonds* (PD P 0022). Also ensure that you make notations, preferably on the back of the bonds, that show exactly what identification and evidence you relied on to pay the bonds.

Statute Limiting Agent's Liability for Losses
Under Treasury sponsored legislation, you are automatically relieved of liability for a loss in any case where an erroneous payment has been made ten or more years earlier and the Treasury has not notified you of such payment.

Alert!

You should make notations concerning the identification and supporting documents presented on the back of the bonds or notes.

Notation of Evidence
A common cause of the Treasury's inability to relieve paying agents of losses resulting from their payment of bonds is the agent's failure to make any notation or to make an adequate notation of the identification presented.

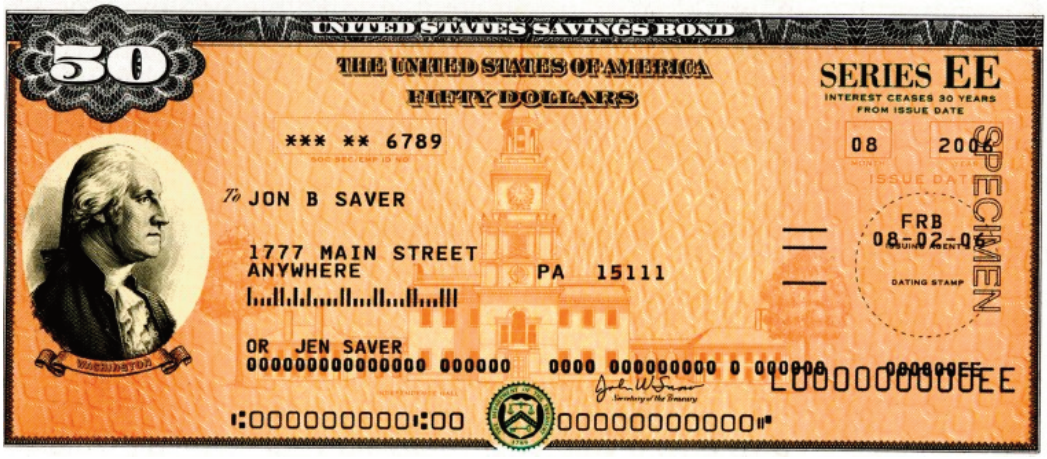
It is very important to make a notation of the identification you accepted. The notation may be on the bond or note, or on a separate record. The notation must be sufficiently detailed to show exactly how identification was established. Examples of adequate notations are set out in the "Document Index" in *The Guide to Cashing Savings Bonds* (PD P 0022).

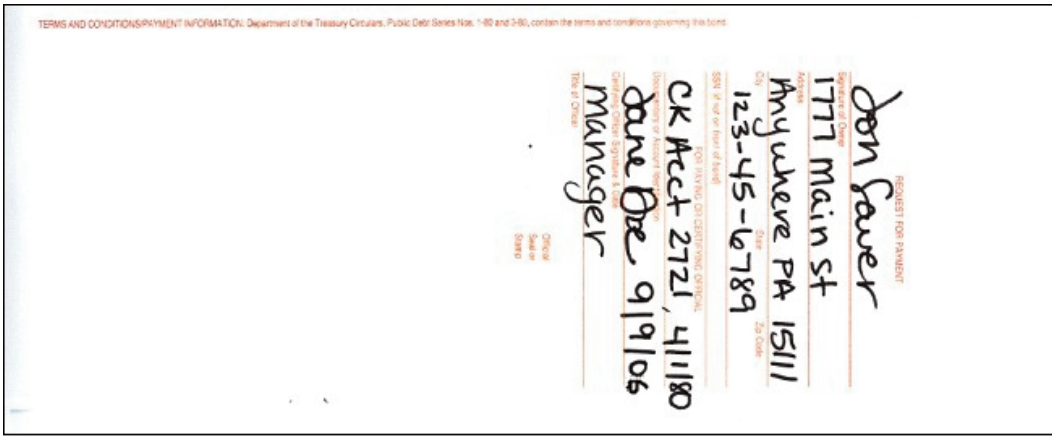
If the Treasury has any questions about the liability of your financial institution as a result of the payment of a bond or note, your financial institution must be able to provide adequate information concerning the identification used. Go to the "Document Index" tab in *The Guide to Cashing Savings Bonds* (PD P 0022) for detailed instructions.

If a notation indicates reliance upon a personal identifier, the notation should include the name, address, and signature of the identifier, and the basis for relying on this person knowing the presenter as the registrant named on the bond. If an erroneous payment is made, the Treasury will expect you to be able to establish that the identifier did know the presenter by the name on the bond and that the source and duration of the identifier's acquaintance with the presenter justified your decision to cash the bond.

In the absence of adequate notation, the Treasury will not consider a paying agent's claim that its usual identification procedure was followed as a sufficient basis for determining that the agent was free from fault or negligence in making a payment.

Example of proper notation of evidence.





Completing the Request for Payment

The presenter must sign the "Request for Payment" section on each bond and provide a current address and social security number (SSN) on at least one of the bonds submitted.

When an owner or other authorized individual presents an eligible savings bond (at least one year old) or savings note for payment, you should instruct the presenter to complete the "Request for Payment" section on the back of the bond. The presenter must sign the "Request for Payment" section on each bond and provide a current address and social security number (SSN) on at least one of the bonds submitted.

If there is a slight error or variation in the spelling of the name, the bond owner should sign the name shown on the bond and follow it with the correct signature. For example, if the owner's name has been changed by marriage, the owner should sign, "Mary T. Jones, changed by marriage to Mary T. Smith."

If the bond is presented with the "Request for Payment" section already completed, ask the bond owner to sign it again immediately above or below the first signature as appropriate.

Special Endorsement
A bond may be paid without the owner's signature if you are specifically qualified by your servicing TRS site to stamp a special endorsement on savings bonds. This authority permits payment without the owner's signature on the "Request for Payment" section on the back of bonds held by known customers. If you would like the authority to use this special endorsement, contact your servicing TRS site and request qualification under Department of the Treasury Circular No. 888. If you use this authority, you are guaranteeing the validity of the transaction and are subject to the same liabilities as previously mentioned.

The 888 stamp cannot be used to redeem Series H/HH savings bonds or when legal documents accompany a transaction. When using the 888 stamp, we suggest that the bond owner sign one of the bonds to show proof of the owner's intent to redeem the bonds. Underline the bond owner's name on the front of the bond, and stamp the remaining bonds with the 888 stamp.

You are not required to verify SSNs, but you must refuse redemption if no number is provided.

Signature by Mark
A signature by mark ("X") must be witnessed by at least one disinterested person and an officer or other employee of your institution authorized to certify or guarantee signatures on requests for payment on savings bonds. The witness must attest to the signature by mark by writing "Witness to signature by mark," followed by the witness' signature and current address.

Social Security Number
You are not required to verify SSNs, but you must refuse redemption if no number is provided. The number and the payee's current address are needed for federal income tax reporting purposes. If the SSN shown in the registration is accurate, you should underline it; otherwise, the presenter must record the correct SSN in ink either in the "Request for Payment" section or on the lower left side of the face of at least one of the bonds presented. Go to the "Request Payment" tab in *The Guide to Cashing Savings Bonds* (PD P 0022) for step-by-step instructions.

Determining the Redemption Value

The redemption value of a bond is determined by the period of time it has been outstanding. To determine this value, check the bond's issue date in the upper right-hand section on the face of the bond. (Do not confuse this date with the date in the issuing agent's validating stamp.) If the issue date of a bond or note is missing or illegible, send it to your servicing TRS site for payment.

You can determine the current redemption value and interest earned by using a redemption pricing system provided by your financial institution or available through the Treasury's Savings Bond Pro®[1] pricing software, which can be ordered at no cost from the Bureau of the Public Debt. The redemption value reflects any necessary penalty due to an early redemption.

[1] "Savings Bond Pro" is a registered trademark of the Department of the Treasury.

(Series I bonds and Series EE bonds issued May 1997 or later are subject to a three-month penalty if cashed within the first five years of purchase.)

Agents can use free PC software to price Series E/EE savings bonds, Series I savings bonds, and savings notes quickly. The software is updated every six months. Agents can order the software at no charge from:

Bureau of the Public Debt
PO Box 1213
Parkersburg, WV 26102-1213
304-480-6888 (phone)
Email at: BondPro@bpd.treas.gov

Individual bond owners can use the Savings Bond Calculator to price their bonds or download the Savings Bond Wizard to price and keep an inventory of their bonds and values. Both programs are available free of charge from the Bureau of the Public Debt's website:
http://www.treasurydirect.gov/indiv/tools/tools.htm.

Paying the Presenter

After you have determined that you can make payment of a bond and have established the proper redemption value, carefully imprint your payment stamp on the front of the bond in the unused space immediately to the left of the issue date and the issuing agent's validating stamp. Stamp the bond as near to the issue and validating dates as possible without over imprinting. Legibly record in the stamp the correct redemption value, date of payment (month, day, and year), and sign or initial the stamp. Black ink must be used to imprint the payment stamp on paid bonds and to record the other required data. Contact your servicing TRS site about size specifications for payment stamps and procuring new stamps.

You may pay the presenter in cash, issue a credit to the presenter's checking or savings account, or issue a check or similar instrument payable to the presenter.

Interest Reporting

Savings bonds are exempt from state and local income tax.

The amount of interest to be reported is determined by adding all of the interest-earned amounts for bonds presented for payment in the transaction. If $10 or more in savings bond interest is paid to one person, you must furnish an Internal Revenue Service (IRS) form 1099-INT or an IRS approved substitute to the payee and report the payment to the IRS. The IRS form 1099-INT, or an approved substitute, must provide the following:

If payment is made to a parent on behalf of a minor owner or co-owner, the SSN of the minor must be provided.

- Payee's name, address, and taxpayer identification number (TIN)
- Payer's (your institution's) name, address, and TIN
- Amount of interest earned

If payment is made to…	Then the TIN of the following must be provided…
Owner or co-owner	Person to whom payment is made
Parent on behalf of a minor owner or co-owner	The minor (if the minor does not have a SSN, one must be obtained through the Social Security Administration)
Legal representative	Person or estate on whose behalf the representative is acting

IRS regulations permit the option of either transaction reporting or annual reporting. You must report interest to the IRS no later than February 28 of the year following the transaction.

Transaction reporting requires the payer to report the interest at the time of the transaction for all bonds cashed. A 1099-INT statement is prepared *each* time a redemption transaction involves $10 or more in interest. If the total interest paid in a single transaction is less than $10, no reporting is required. For purposes of determining the $10 cut-off, each transaction is treated separately. A copy of the statement may be presented to the payee at the time the transaction occurs or later, but the statement must be provided no later than January 31 of the year following the transaction. Transaction reporting eliminates the need to generate aggregate year-end statements of the total interest paid on transactions during the year to a single individual. When using the pricing system Savings Bond Pro®, a receipt and record of interest will be generated.

Annual reporting, on the other hand, requires the payer to total the amount of savings bond interest paid throughout the year to a payee and, if that amount equals or exceeds $10, to generate a single year-end statement to the payee. The statement must be provided to the payee by January 31 and also reported to the IRS by February 28 of the year following the transaction.

Records of Payment

You should maintain a complete record of each paid bond (serial number and amount paid) sent to the TRS site so that if the shipment is lost or some other discrepancy occurs, settlement may be made. You can microfilm, scan, or copy the front and back for this purpose. You should maintain the records, in whatever form, for one year as provided in Department of the Treasury Circular No. 750.

Bonds that Agents Can Pay

To be eligible for redemption, savings bonds must be held for at least 12 months. For example, a Series EE bond bearing a February 2006 issue date is eligible for redemption on February 1, 2007. Once the presenter has provided the appropriate identification, you are authorized to redeem eligible savings bonds of Series A-E, Series EE and Series I, savings stamps, and savings notes in the following cases. Redeemed bonds and notes must be processed through the EZ Clear Program, as explained in Chapter 6.

Payment to Owners

Single Ownership	Co-ownership	Beneficiary
Bonds in one person's name alone.	Bonds in two names, such as "John R. Doe or Mary S. Doe."	Bonds in two names, such as "John R. Doe payable on death [POD] Mary S. Doe."
You may pay the owner.	You may pay either co-owner; the signature of only one co-owner is required.	You may pay the owner. The beneficiary is not entitled to payment during the owner's lifetime. You may pay the beneficiary with acceptable proof of the owner's death.

Payment to Beneficiaries

When savings bonds are presented for cashing by a beneficiary named on the bonds and the owner is deceased, you may cash the bonds for the presenter provided the presenter furnishes adequate identification and an acceptable copy of the death certificate for the person named as the bond owner. The copy of the owner's death certificate must be certified under the seal of the Registrar of Vital Statistics or similar official. The decedent's name on the death certificate must be the same as that of the owner named on the bonds. Go to the "Beneficiary" tab in *The Guide to Cashing Savings Bonds* (PD P 0022) for step-by-step instructions.

Payment to a Legal Representative of a Last Deceased Registrant's Estate
You may cash bonds for the legal (court-appointed) representative of a deceased bond owner's estate upon presentation of evidence of appointment. If the bonds bear the names of two persons as co-owners or as owner and beneficiary and both are deceased, you may cash those bonds for the legal representative of the estate of the last deceased person named on the bonds. In this case, in addition to the evidence of the representative's appointment certified to be true and correct by the court clerk or other authorized court official, the representative should present certified copies of the death certificates of both persons named on the bonds. Evidence of appointment is current if (1) received within one year after the date of appointment or (2) the evidence bears a full force and effect statement issued within one year of the presentation of the bonds. The representative of the estate should sign the bonds and include their fiduciary title (for example, Richard Roe, executor of the estate of John Doe, deceased). You should obtain an appropriate TIN for federal income tax reporting purposes. Transactions involving independent, special, temporary, or foreign representatives should be forwarded to the Bureau of the Public Debt. Go to the "Rep Not Named" tab in *The Guide to Cashing Savings Bonds* (PD P 0022) for step-by-step instructions.

Payment to Legal Representatives Designated on Bonds by Both Name and Title
You may cash bonds or notes for any legal representative (e.g., trustee, executor, guardian, and conservator) named in the registration of bonds, provided the presenter furnishes appropriate identification. When signing each bond, the presenter should indicate his or her title, and if the legal representative is a corporate entity, the full corporate name and signer's title (for example, vice president) as well. You should ensure that each request for payment corresponds with the bond's registration and obtain an appropriate TIN for federal income tax reporting purposes. Go to the "Legal Rep" tab in *The Guide to Cashing Savings Bonds* (PD P 0022) for step-by-step instructions.

Notation of Evidence
For the agent's protection, it is recommended that a notation be made, either on the back of bonds or notes, or in a separate record, concerning the death certificate(s) and/or letters of appointment. This notation might include the document or case number on the owner's death certificate and/or the letters of appointment, the date of death, and the name and location of the issuing authority. The notation should be sufficient to permit the agent to produce a copy of the evidence if the transaction is later questioned. Otherwise, the agent runs the risk that no evidence can be developed to show that it acted with due care, and it could not be relieved of liability should a loss occur.

Payment to Minor
If the owner or co-owner of a savings bond is a minor, and the form of registration does not indicate a guardian or other representative has been appointed by the court or similar authority for the minor's estate, you can pay the minor, provided the minor is of sufficient competency to sign the request for payment and to understand the nature of the transaction. The minor's SSN must be furnished for federal income tax reporting purposes.

The minor's SSN must be furnished for federal income tax reporting purposes.

Payment to Parent of a Minor
If the owner or co-owner of a savings bond is a minor, and the form of registration does not indicate that there is a court-appointed representative of the minor's estate, and if such minor owner is not of sufficient competency to sign the bond and to understand the nature of the transaction, you can pay either parent with whom the minor resides. The following endorsement must be typed or imprinted on the back of the bond:

"I certify that I am the [father or mother] of [minor's name] and the person [with whom he/she resides] **or** [to whom legal custody has been granted]. He/she is [age] years of age and is not of sufficient understanding to make this request."

The minor's SSN must be furnished for federal income tax reporting purposes. No legal documentation, such as a birth certificate, is required in these types of transactions. If the minor does not reside with either parent, the person who furnishes the minor's chief support may be paid. Forward these transactions to your servicing TRS site for processing. Go to the "Parent" tab in *The Guide to Cashing Savings Bonds* (PD P 0022) for step-by-step instructions.

Bonds that Agents Cannot Pay

In certain cases, paying agents are not authorized to pay bonds and notes. You should forward such bonds and any supporting documentation to the Bureau of the Public Debt or your servicing TRS site. The individual requesting redemption must sign the "Request for Payment" section on the back of the bonds. You must establish the identity of this person as if your institution were cashing the bonds. Use the guidelines in PD P 0022 for information on identifying customers. An officer or designated employee of your institution must then certify the presenter's signature on the bonds by signing his or her name and title and placing your institution's seal or agent stamp on the back of the bonds. Send the certified copies of evidence supporting payment with the bonds. Any required court evidence of a representative's appointment that is more than one year old must be updated by the court within the last year and should include the court clerk's or other official's statement that the appointment is in full force and effect.

Your servicing TRS site will either credit your reserve/correspondent account for the redemption value of the bonds, issue a check to the individual requesting payment, or directly deposit proceeds via ACH to the individual's account.

You may request a credit to your reserve/ correspondent account for the redemption value of bonds.

If you request a credit, your servicing TRS site will credit your account within ten business days from the date the transaction is approved for payment. It is your responsibility to monitor your reserve/correspondent statement and pass the credit to your customer upon receipt. (A reserve account credit is not an ACH credit so it will not automatically credit your customer's account.)

If you request a check, it can be mailed to your institution or directly to the individual requesting payment. Checks are generally mailed from the Philadelphia Federal Reserve Bank ten business days from the date the transaction is approved for payment. Remind your customers to allow several more days for mail delivery.

If you request payment by ACH credit, the customer's account will be credited within ten business days from the date the transaction is approved for payment. ACH credit is the quickest method of delivery. It is the customer's responsibility to monitor his or her account for receipt of the funds. The customer must complete a *Direct Deposit Sign-Up Form* (PD F 5396) and submit the form with the transaction to receive ACH credit. *Note: ACH credit must be made to an account naming the bond registrant. Credits to third-party accounts are not permitted.*

You are not authorized to pay the following transactions:

- Bonds that have not been held for 12 months since the issue date, except for cases where you have been granted a waiver from the Treasury Department to redeem bonds due to hardship. Such waivers generally cover a specific region of the country for a specific period of time; Treasury will provide a special announcement about this condition, located at http://www.treasurydirect.gov.
- Bonds of Series F, G, J, K, H, and HH; Individual Retirement Bonds; and Retirement Plan Bonds.
- Bonds presented by an attorney-in-fact (power of attorney). These transactions should be forwarded to the Bureau of the Public Debt.
- Bonds issued in the name of a corporation, partnership, association, or other type of company or institution in its own right.
- Supporting evidence is required, except for qualified beneficiaries and court-appointed representatives of decedents' estates.
- The payee will not furnish a SSN.
- A presenter requests a partial payment. These transactions should be forwarded to the Bureau of the Public Debt.

- Bonds that are mutilated, altered, defaced, or irregular.

- Bonds that are being redeemed for a non-citizen or foreign redemption. These transactions should be forwarded to your Treasury Retail Securities Site.

Series H/HH
Series H/HH bonds may be redeemed any time after six months from issue date through your servicing TRS site. Depository financial institutions cannot redeem Series H/HH bonds since they do not have access to the system needed to verify H/HH account information, such as whether correct amounts are displayed in tax-deferral legends on bonds presented for redemption. When submitting Series H/HH bonds for redemption between the months in which interest is paid, owners should keep in mind that interest ceases as of the last interest payment. For example, if a bond issued in January 2000, which pays interest each January 1 and July 1, is submitted for payment in September, the last interest payment is the July 1 payment. If owners submit Series H/HH bonds for redemption in the month prior to an interest payment date, the bonds will be held until that date, unless the presenter specifically requests immediate payment. The bond owner should clearly communicate this fact in writing to the servicing TRS site when submitting the bonds. However, if a notice requesting delayed payment is received more than 30 days before the interest payment date, it will not be honored.

Series I bonds are not eligible for partial payment.

Partial Payment
Any Series EE bond denomination above $75 (above $25, if Series E) is eligible for partial redemption at current redemption values. However, the remaining portion to be reissued (as of the original issue date) must equal an authorized denomination or combination of denominations. For example, if an owner requests partial redemption of a $100 bond to the extent of $50 (face amount), the owner would receive a $50 bond, a check representing the redemption value of a $50 bond having the same issue date as the $100 bond being presented, and a 1099-INT for the amount of interest included in the redemption value of the redeemed $50 bond.

On the "Request for Payment" section on the back of the bond, and above the signature, the following statement should be added to the first sentence of the request, "Redeem to the extent of $50 (face amount) and reissue the remainder." The payee's SSN must be furnished for federal income tax reporting purposes.

Series H/HH denominations eligible for partial redemption include $1,000, $5,000, and $10,000. The procedures for handling partial payments on Series E/EE bonds also apply to Series H/HH bonds.

These transactions should be forwarded to the Bureau of the Public Debt; see Appendix M.

Payment to Voluntary Guardian for Adult
You are not authorized to redeem bonds for voluntary guardians. You should send the bonds, application form PD F 2513, and supporting evidence to the address indicated on the form.

If the adult owner of a bond becomes mentally incapacitated and no other person is legally qualified to act on the owner's behalf, the person responsible for the owner's support and care may submit an application form PD F 2513 to request (1) the redemption of any series of bonds with a total redemption value of no more than $20,000 or (2) that interest payments on Series H/HH bonds be re-directed so that the funds are available to pay the bond owner's expenses. The application must be accompanied by a statement from the owner's physician indicating that the owner is no longer mentally competent to request payment.

Payment to Persons Acting Under Powers of Attorney
You are not authorized to redeem bonds presented by persons acting under a power of attorney. In such cases, forward the bonds and supporting evidence to the Bureau of the Public Debt.

Payment to Creditors
You are not authorized to redeem bonds for creditors. In such cases, forward these bonds to the Division of Customer Assistance, Office of Investor Services, Bureau of the Public Debt for payment.

The Treasury will recognize claims against owners of savings bonds when such claims are established by valid judicial proceedings. For example, in the case of creditors, a savings bond will be paid, but not reissued, to the purchaser at a sale under a levy or to the officer authorized to levy upon the property of the registered owner or co-owners, under appropriate process to satisfy a money judgment. A judgment against one co-owner will be recognized only to the extent that this co-owner's interest in the bond is established, whether by agreement of both co-owners or through court proceedings to which both co-owners are parties.

In the case of bankruptcy, payment of a savings bond will be made to a trustee in bankruptcy, a receiver of an insolvent's estate, a receiver in equity, or a similar officer of the court.

The Treasury will not accept notices of adverse claims or of pending judicial proceedings. Further, it will not undertake to protect the interests of litigants who do not have possession of a bond.

Redemption Transactions to Forward

Redemption transactions that cannot be processed by agents are processed by both Treasury Retail Securities (TRS) sites and the Bureau of the Public Debt (BPD). Use the chart below to determine where a transaction should be mailed.

Redemption Transactions to Forward		
Transaction Type	**TRS**	**BPD**
Includes death certificate*	X	
Includes letters of appointment for decedent's estate*	X	
Includes trust agreement		X
Includes corporate resolution		X
Includes will		X
Includes closed estate papers		X
No legal representative was assigned for decedent's estate		X
Includes divorce decree		X
Includes guardianship papers		X
Name change other than marriage		X
Includes power of attorney papers		X
Other	X	

** The majority of transactions with this evidence can be processed by agents and does not require mailing to the TRS site or BPD.*

Forwarding Addresses	
Treasury Retail Securities Sites	**BPD**
Federal Reserve Bank of Minneapolis PO Box 214 Minneapolis, MN 55480-0214 1-800-553-2663 Pittsburgh Branch Federal Reserve Bank of Cleveland PO Box 299 Pittsburgh, PA 15230-0299 1-800-245-2804	*For Series E, EE, and I Bonds:* Department of the Treasury Bureau of the Public Debt PO Box 7012 Parkersburg, WV 26106-7012 *For Series H/HH Bonds:* Department of the Treasury Bureau of the Public Debt PO Box 2186 Parkersburg, WV 26106-2186

Redemption Cases Requiring Evidence			
You are not authorized to redeem bonds in these cases. Bonds and supporting evidence should be sent to the Bureau of the Public Debt. See Appendix M.			
Bond Registration and Circumstances	**Content of "Request for Payment" Section**	**Evidence Normally Required**	**TIN Required**
Single owner form; owner deceased; after settlement of estate through court proceedings.	None; Use PD F 5394 – Follow instructions on form; it is to be signed by the persons entitled to the estate.	After settlement of estate through court proceedings, request a certified copy of the Decree of Distribution or Final Account for the estate. Death certificate for decedent named on the bonds certified by the Registrar of Vital Statistics, or similar official.	SSN(s) of person(s) receiving bond proceeds.
Single owner form; owner deceased; after settlement of estate in accordance with State statute, for example, summary administration or small estate affidavit.	None; Use PD F 5394 – Follow instructions on form; it is to be signed by the persons entitled to the estate.	After settlement of estate by summary administration; request a certified copy of the order of summary administration; or, Small estate affidavit signed in accordance with State law; and, Death certificate for decedent named on the bonds certified by the Registrar of Vital Statistics, or similar official.	SSN(s) of person(s) receiving bond proceeds.
Co-owner or beneficiary form; both persons deceased and estate of last-deceased person named on bonds has been settled and closed; after settlement of estate through court proceedings.	None; Use PD F 5394 – follow instructions on form; it is to be signed by the persons entitled to the estate.	After settlement of estate through court proceedings, request a certified copy of the Decree of Distribution or Final Account for the estate of the last-deceased. Death certificates for decedents named on the bonds certified by the Registrar of Vital Statistics, or similar official.	SSN(s) of person(s) receiving bond proceeds.
Co-owner or beneficiary form; both persons deceased and estate of last-deceased person named on bonds has been settled and closed; after settlement of estate in accordance with State statute, for example, summary administration or small estate affidavit.	None; Use PD F 5394 – follow instructions on form; it is to be signed by the persons entitled to the estate.	After settlement of estate by summary administration; request a certified copy of the order of summary administration; or, Small estate affidavit signed in accordance with State law; and, Death certificates for decedents named on the bonds certified by the Registrar of Vital Statistics, or similar official.	SSN(s) of person(s) receiving bond proceeds.

Redemption Cases Requiring Evidence			
You are not authorized to redeem bonds in these cases. **Bonds and supporting evidence should be sent to the Bureau of the Public Debt. See Appendix M.** *Continued*			
Bond Registration and Circumstances	**Content of "Request for Payment" Section**	**Evidence Normally Required**	**TIN Required**
Single owner or co-owner or beneficiary form; all persons deceased; estate of last-deceased person will not be administered through court proceedings. See the Non-administered Estates packet for details.	None; Use PD F 5336 – Follow instructions on form; it is to be signed by the person acting as voluntary representative.*	Death certificates for decedents named on the bonds certified by the Registrar of Vital Statistics, or similar official.	SSN(s) of either the person acting as voluntary representative or the person(s) receiving bond proceeds.
John Doe, an incompetent, under legal guardianship of Henry Doe; payment requested by former ward whose disability is removed.	John Doe should sign name as it appears on bond; omit words referring to disability.	Certified copy of court order showing termination of guardianship by reason of restoration to competency.	Owner's SSN.
John Doe, a minor (or incompetent) under custodianship of Henry Doe by designation of Veterans Administration; payment requested by former minor or incompetent whose disability has been removed.	Former ward should sign name as it appears on bond; omit words referring to custodianship.	Former minor needs either a letter from VA or a certified copy of birth certificate; former incompetent needs a letter from a Veterans Services Officer of VA stating that disability has been removed.	Owner's SSN.
Name of the individual changed by court order, divorce, remarriage, or naturalization.	Miss Mary Roe, changed by (show reason for change) from Mrs. Mary Doe.	If name change by remarriage, signed and certified PD F 4000 with statement above signature line completed. Certified copy of court order, divorce decree, or naturalization papers.	Owner's SSN.
First Baptist Church.*	First Baptist Church, by John Doe, Pastor.	No evidence if the payment is requested by recognized officer. **	Employer Identification Number (EIN) assigned to the church.
XYZ Company, a corporation.*	XYZ Company, by John Doe, Treasurer.	No evidence if the payment is requested by recognized officer. **	EIN assigned to the corporation.
Deer Bear Lodge, an unincorporated association.*	Deer Bear Lodge, an unincorporated association, by John Doe, Grandmaster.	No evidence if the payment is requested by recognized officer. **	EIN assigned to the unincorporated association.
Smith and Jones, a partnership.*	Smith and Jones, a partnership by John B Smith, a general partner.	No evidence if the payment is requested by general partner. **	EIN assigned to the partnership.
John Jones DBA (doing business as) Jones Roofing Company.*	John Jones DBA Jones Roofing Company.	No evidence if the payment is requested by the proprietor. **	SSN of proprietor.

** Series I bonds cannot be registered in the name of a corporation or organization.*
*** If payment is requested by any other representative, a certified or sworn copy of resolution or excerpt from bylaws.*