The U.S. Department of the Treasury

Quick Start Supplement to
The Guide to Cashing Savings Bonds

Click to begin
Determine if the Savings Bond can be Cashed

1. Is the bond AUTHENTIC and REDEEMABLE?
   - Is the bond a Series E, Savings Note, Series EE, or Series I?
     - YES
       - GO
     - NO
       - STOP
         - Don’t cash the bond. Forward the bond to the Treasury Securities Processing site at FRB Minneapolis for processing. (*Don’t cash or redeem Series F, G, J, K, H, and HH or Individual Retirement Bonds or Retirement Plan Bonds.*)

   - Has information printed on the savings bond been altered in any way?
     - NO
       - GO
     - YES
       - STOP
         - Don’t cash the bond if there’s any indication that someone has changed the names, addresses, issue dates, or any other information. For example: the person added a name to the front; there appear to be erasures; someone changed or tried to change the issue date.

       **HINT:** Check for variations in the font and type size. There should be none.

       **HINT:** Check to be sure the printed area of the bond (the inscription on the face of the bond) is aligned LEFT. Any variance in alignment indicates changes.

   - Is the bond a photocopy or some other kind of copy?
     - NO
       - GO
     - YES
       - STOP
         - Don’t accept or cash any bond that appears to be copied. Is it printed on bond stock? Is it black and white? (Color copies are no guarantee – printers are getting more sophisticated.) Check the back of the bond for two things: (1) reference to regulations and (2) signature lines printed on the bond. Finally, make sure everything lines up correctly – check for any slight slants or off-kilter printing or graphics.

       **HINT:** Check for serrated edges on newer bonds (where they were printed, perforated, and separated). Be aware that many older bonds do not have serrated edges, however.

   **HINT:** Does your institution use **Savings Bond Pro**? If a presenter actually asks you if the bond is good, that’s a tip that he or she knows it may not be. Savings Bond Pro allows you to verify bonds’ serial numbers against a Treasury file of bonds reported lost, stolen, or never received. It’s updated about every six months, so there’s always a chance the information is not complete. In this case, check the bond’s status through FRB Minneapolis. [Click here](http://www.treasurydirect.gov/instit/savbond/price/bondpro/bondpro_features.htm) to find out more.
2 Identify WHO is Seeking Payment

→ Does the person presenting the bond have an account with your financial institution?
→ Is the account at least six months old?
→ Does the presenter's signature on the bonds match that person's signature on file at your institution?

Is the answer YES to ALL questions?

→ Do you have any reason to think the person requesting payment might not be the actual owner, co-owner, or other person named on the bonds, even though he or she seems to have the same name as one of those printed on the bonds?

NO

YES

STOP

Don't cash the bonds. This might happen if two people in the same family have the same name. For example, the presenter is a Jr., Sr., I, II, III but there is no suffix on the bond (or vice versa). The names are the same with the exception of the bond showing either a different or no middle initial.

STOP

GO

YES

STOP

GO


→ Is the person presenting the bond listed on the bond as owner, co-owner, beneficiary (POD), or legal representative?

YES

STOP


NO

STOP

GO

HINT: If there is a “Mail To:” name printed on the bond, that person is NOT a registered owner and is NOT entitled to payment.

STEP 3
Cashing the Savings Bond

If the criteria in steps 1 and 2 have been met, follow this process to cash the bond.

3 Witness and Verify Signatures

➔ Has the person signed the Requests for Payment on the backs of the bonds in your presence?

YES [GO]

NO [STOP] Don’t cash the bond unless the person signs in your presence. They may re-sign as you watch.

➔ Does the SIGNATURE and NAME match the name on the bond exactly?

YES [GO]

NO [WAIT] Use caution. Is it an obvious difference, like a shortened first name, a maiden or married name? Have them re-sign, note the explanation, and proceed. If it’s not obvious or the explanation doesn’t satisfy you, don’t cash the bond.

HINT: If the names don’t match, remember that it could be a situation where family members share names or suffixes are different.

➔ Does the Issue Date match the bond’s Printed Date?

YES [GO]

NO [WAIT] Use caution. Some bonds may have legitimate variation in dates, generally when the bonds were reissued as a result of a claim or reissue transaction.

If you are at all unsure, STOP Forward the bonds to the Treasury Securities Processing Site (FRB Minneapolis) for processing.

HINT: Price bonds using the Issue Date, NOT the Validation Date. Be sure to compare the Issue Date with the Validation Date for obvious errors on bonds that were issued Over the Counter (OTC). For example, an Issue Date may show 1/02 while the Validation Date shows 1/2/03, or vice versa.
4 Make Clear and Complete Notes

➜ Have you made clear and complete notes describing the identification documents used to verify the customer? That's important because image quality and readability is necessary when considering liability for any future losses resulting from improperly cashed savings bonds. So here's a guide:

For Existing Customers ➜ Show the complete account number and type of account as well as the date the account was established. (Ck Acct 3421, 4/1/80)

For All Customers ➜ Write on the backs of the bonds with readable, clear notes. Up to 10 years later, your notes must be clear enough so we know what identification and documents were accepted and how you established the person's eligibility.

   It’s the same for notes about legal documents – make them complete and clear so we can easily retrieve documents from a court or agency.

   You may keep notations in separate records, but remember that your institution must have those records easily accessible for 10 years.

➜ Have you noted the correct financial information? When paying the bond, be sure to pay and show the Current Redemption Value (CRV) of the bond, not just the Interest Paid amount.

Stamp each bond with a “PAID STAMP.” The stamp must show:

- The full Current Redemption Value (CRV)
- Initials of the employee cashing the bonds
- The transaction date
- Name and location of your branch or office.

Be sure the PAID STAMP does not cover up or print over information already on the bonds, such as:

- Serial Numbers
- Addresses
- Names
- Issue dates

5 Final Steps For Internal Processing

Remove images of any bonds that WERE NOT PAID BUT WERE FORWARDED FOR PROCESSING from the images/bonds your institution paid and are submitting for credit. This will avoid duplicate submissions.

Make sure each bond has a unique serial number whenever you submit more than one bond for credit.

When encoding bonds for submission, be sure to MICR encode the Current Redemption Value (CRV), NOT the Interest Paid, to avoid errors.

When imaging bonds for Check 21 submission, be sure the bond is not folded to obscure essential information (stamps, requests for payment, serial numbers, signatures, etc.). Be especially careful when imaging the larger Series E half-sheet bonds to ensure no information is obscured.

For more detailed procedures, click below to go to:

THE GUIDE TO CASHING SAVINGS BONDS