TELL YOUR CUSTOMERS ABOUT THE SAVINGS BOND CONNECTION

The Bureau of the Public Debt now has a convenient new way for people to buy savings bonds 24 hours a day, 7 days a week—it’s called “The Savings Bond Connection.”

Customers can buy Series EE Bonds or I Bonds over the Internet using their credit cards from Public Debt’s website, www.savingsbonds.gov. They fill out an online form, securely transmit order and payment information, and the bond arrives within two weeks. It’s that simple!

Customers have a choice in level of security used to protect their payment information as it travels over the Internet. They can choose either Secure Sockets Layer (SSL) or Secure Electronic Transaction (SET) technology. SSL is the most common security protocol used on the Internet today. It protects customer information by encrypting it.

The SET protocol takes it one step further by authenticating all parties in the transaction. Customers know they’re sending information to Public Debt for a purchase, they know the payment is going to an authorized location, and Public Debt knows the customers’ identities.

If your customers are looking for a way to buy savings bonds online and you don’t offer bonds through Internet Banking services, tell them about “The Savings Bond Connection.” It takes about 5 - 7 minutes to place an order, depending on the speed of the Internet connection.

Attractive gift certificates are available online for any occasion—birthday, new baby, wedding, or graduation. There are even some “all occasion” gift certificates!

Y2K UPDATE

As January 1, 2000 draws near, you’re probably getting more questions from customers who want to know if their investment in savings bonds is safe.

We began our Year 2000 review over four years ago, and have methodically identified, tested, and verified computer systems in the Bureau of the Public Debt.

While we continue to review our systems to ensure we haven’t missed anything, we feel confident that we are ready for the new millennium.

Please let your customers know that their savings bond investments should be just as safe and secure in the coming millennium as they were in this one. If they need more information, they can write us at Bureau of the Public Debt, 200 Third Street, Room 507, Parkersburg, WV 26106, or they can check out our website at www.savingsbonds.gov/cc/ccy2k.htm.
OLD BONDS MAY BE IN THE ATTIC OR SAFE DEPOSIT BOX

It may surprise you to know that there are over 17 million savings bonds that have reached final maturity but have not been redeemed. That’s about 6 billion dollars in bonds!

Although some bonds were willingly destroyed during World War II patriotic bond burning rallies, it’s a safe bet that most of these matured savings bonds are still in the possession of their owners or their descendants.

In some cases, owners may know about the bonds but have chosen not to redeem them. In other cases, the bonds have been misplaced or forgotten.

These bonds represent money the American public is entitled to, and Treasury wants to see that it is received by the persons entitled.

Our efforts to contact owners of matured bonds are complicated by the fact that we don’t have current addresses for these owners. Savings bonds are inscribed with the owner’s address at the time of issue. We maintain microfilm of paper registration records for matured bonds, but searching the film is a time-consuming and costly manual process, and there’s no guarantee that decades-old addresses are still correct.

We’re asking for your help in getting the word out to your customers about matured and maturing bonds. With a little sleuthing, they may find forgotten older bonds at home or in safe deposit boxes.

There’s no advantage in continuing to hold matured bonds since they’re no longer earning interest. Further, tax liability is incurred in the tax year that the bonds reach final maturity unless they are exchanged. Within the first twelve months after reaching final maturity, Series E bonds and savings notes may be exchanged for Series HH savings bonds with continued tax deferral on the accrued interest. (Unmatured Series E bonds, savings notes, and Series EE bonds at least six months old may be exchanged for Series HH savings bonds with continued tax deferral on the accrued interest. (Continued on page 5)

About ten years ago Public Debt inaugurated a “40-30-20” final maturity schedule that makes it easy to determine when Series E, EE, H, HH, and I bonds, and savings notes stop earning interest.

Final maturities are as follows:

<table>
<thead>
<tr>
<th>SERIES</th>
<th>ISSUE DATES</th>
<th>LIFE OF BOND</th>
<th>MATURITY DATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td>May 1941—November 1965</td>
<td>40 Years</td>
<td>May 1981—November 2005</td>
</tr>
<tr>
<td>E</td>
<td>December 1965—June 1980</td>
<td>30 Years</td>
<td>December 1995—June 2010</td>
</tr>
<tr>
<td>EE</td>
<td>January 1980—</td>
<td>30 Years</td>
<td>January 2010—</td>
</tr>
<tr>
<td>H</td>
<td>February 1957—December 1979</td>
<td>30 Years</td>
<td>February 1987—December 2009</td>
</tr>
<tr>
<td>HH</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

All other Savings Bonds reached final maturity before this schedule was announced. Their maturities are as follows:

<table>
<thead>
<tr>
<th>SERIES</th>
<th>ISSUE DATES</th>
<th>LIFE OF BOND</th>
<th>MATURITY DATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>March 1935—December 1935</td>
<td>10 Years</td>
<td>March 1945—December 1945</td>
</tr>
<tr>
<td>B</td>
<td>January 1936—December 1936</td>
<td>10 Years</td>
<td>January 1946—December 1946</td>
</tr>
<tr>
<td>C</td>
<td>January 1937—December 1938</td>
<td>10 Years</td>
<td>January 1947—December 1948</td>
</tr>
<tr>
<td>D</td>
<td>January 1939—April 1941</td>
<td>10 Years</td>
<td>January 1949—April 1951</td>
</tr>
<tr>
<td>F</td>
<td>May 1941—May 1952</td>
<td>12 Years</td>
<td>May 1953—May 1964</td>
</tr>
<tr>
<td>G</td>
<td>May 1941—May 1952</td>
<td>12 Years</td>
<td>May 1953—May 1964</td>
</tr>
<tr>
<td>J</td>
<td>June 1952—April 1957</td>
<td>12 Years</td>
<td>June 1964—April 1969</td>
</tr>
<tr>
<td>K</td>
<td>June 1952—April 1957</td>
<td>12 Years</td>
<td>June 1964—April 1969</td>
</tr>
<tr>
<td>H</td>
<td>June 1952—January 1957</td>
<td>29 Yrs. 8 Mos.</td>
<td>February 1982—September 1986</td>
</tr>
</tbody>
</table>
MAKE A GOOD IMPRESSION: STAMP THAT BOND HARD!

Why is it important for a teller to impress a legible payment stamp on a bond when making payment?

A legible payment stamp on the face of a bond: cancels the bond and establishes that it has been processed for payment, provides detailed payment information for customers who request information or a bond photograph from the Bureau of the Public Debt’s Customer Service Branch, and enables the Bureau of the Public Debt to easily identify the paying agent if information is needed about a payment.

We want to provide good customer service to savings bond investors. When the Bureau receives an inquiry concerning a bond shown as paid, a photograph of the bond is sometimes sent to the owner. Information shown in the payment stamp is often all the owner needs to help him remember the transaction.

The agent must cancel a paid bond by imprinting a “PAID” stamp on the bond in the open space immediately to the left of the issue date. The stamp must include the agent’s name, location, and four-digit code number assigned by the Federal Reserve Bank. The amount paid and the actual date of payment must be inserted, as well as the initials, signature, code or symbols of the officer or employee who approves or makes payment. See the current revision of Department Circular No. 750 for specific instructions for procuring payment stamps and recording payment data on bonds.

GET REDEMPTION TABLES ONLINE

The familiar paper redemption tables for savings bonds are now available in electronic format from Public Debt’s website. It’s simple to view and print all or part of the 6-month table of savings bond values. The electronic version provides a menu of links to help you jump directly to the information you’re looking for—fast! You can download it at www.savingsbonds.gov/sav/savrdtbl.htm. It usually takes less than 2 minutes to download, depending on the speed of your Internet connection.

The tables are in “pdf” format, so you’ll need the Adobe Acrobat Reader to view the file. It’s available free from Adobe’s website, www.adobe.com.

Public Debt will eventually stop printing paper redemption tables, as agents begin using electronic pricing tools such as BondPro and CRV. But there’s good news for those who prefer paper tables to electronic pricing...you can still download and print redemption tables from our website!

COULD YOU USE SOME HELP?

If you don’t have access to our website (www.savingsbonds.gov), you need the “Savings Bond Resource Guide” an easy-to-use guide book just for savings bonds agents. It’s full of useful information, including what form to use and how to fill it out, answers to questions about savings bond interest, and much more.

This notebook guide was designed to help you help your customers. Because it’s a notebook, you can make it even more useful by inserting your own tabs for the parts you look at most frequently. To get a copy contact your Federal Reserve Bank savings bond processing site: Buffalo, New York; Pittsburgh, Pennsylvania; Richmond, Virginia; Kansas City, Missouri; and Minneapolis, Minnesota. Each site has a toll-free telephone number (listed in the Guide) for the exclusive use of institutions that serve as savings bond agents:

Buffalo ..........1-800-234-2931
Pittsburgh (RDS Transactions) .1-800-521-7569
(Other Transactions) .1-800-245-2804
Richmond ..........1-800-322-1909
Kansas City ..........1-800-333-2919
Minneapolis ..........1-800-553-2663

CORRECTION

A Bond Teller article on Savings Bonds seminars given at the Federal Reserve savings bonds processing sites gave a wrong number for the Kansas City Federal Reserve Bank. The correct number is 1-800-333-2919.

RATE INFORMATION

Current interest rates on savings bonds can be obtained by calling the toll-free recording 1-800-4US-BOND (1-800-487-2663).
Change of Address

Editor: Please change the mailing address

From: (Recipient please affix old label here or provide the identification number printed above the address on the label.)

To: __________________________________________________________
    __________________________________________________________
    __________________________________________________________

Please change the number of copies I receive

from _______ to _______

_______ I no longer wish to receive “The Bond Teller.”

Savings Bond Seminars

Coming soon to a city near you are Savings Bond Seminars, a must for the well-informed teller or customer service representative.

The Federal Reserve savings bond offices are setting up next year’s schedule for these informative sessions in convenient locations across the country.

Here are just a few of the topics offered: Advantages of Savings Bonds; Tax Treatments, including the Savings Bond Education Program; Comparing Bonds: Series E, EE, H, HH, and I; Purchasing Bonds and the Regional Delivery System; Interest Rates; and Redemption, Reissue, and Exchange. If you’re interested in other topics, contact your servicing Federal Reserve Office.

To find the seminar schedule call your Federal Reserve servicing site or go to www.frbservices.org/Treasury/SavingsBondsSeminarSchedule.cfm. In addition to the seminar schedule you’ll also find contact names and phone numbers.

(Continued on page 5)
OLD BONDS

(Continued from page 2)

exchanged for Series HH bonds at any
time; however, Series I bonds are not
eligible for exchange.)

As an authorized paying agent, you
may cash matured Series A-E bonds
and savings notes as long as the
presenter provides proof of identity
and entitlement as set out in the
Identification Guide for Cashing
United States Savings Bonds,
PD F 3900.

If your customers present matured
bonds that you are not authorized to
cash, for example, an H bond, you
should forward them to your
servicing Federal Reserve Bank with
any required supporting evidence as
outlined in the Savings Bond
Resource Guide. The person
requesting payment must sign the
back of each bond, and you must
establish that person’s identity as if
you were cashing the bonds.

Some of your customers may come
across records that indicate bonds
were purchased (old payroll
deduction records or a serial number
list, for example), but not the bonds
themselves. If this is the case they
should contact the Division of
Transactions and Rulings, Savings
Bond Operations Office, Bureau of
the Public Debt, Parkersburg, WV
26106-1328. The Savings Bonds
Resource Guide details the
information that should be supplied
to support a claim for lost, stolen, or
destroyed bonds. If we identify
matured unredeemed bonds on our
records, and are satisfied that the
claimant is entitled, a check for their
redemption value will be issued to
the claimant.

JUST ASK US!

(Continued from page 4)

address in box 3 under “ADDRESS
WHERE BONDS ARE TO BE
MAILED.”

The bond can then be mailed to the
purchaser so that he or she may
either mail the bond to the intended
recipient or present it in person. This
way a personal message may be
included on a card or in a letter. In
addition, although the purchaser’s
name on the bond immediately
below the owner’s or first-named
coowner’s name does not give any
ownership rights, it does serve as a
reminder of who bought the bond.

CUSTOMER
INFORMATION

Your customers may receive
information on bond earnings
and values by sending a post

card to the Bureau of Public Debt,
200 Third Street, Parkersburg, WV
26106-1328. Ask for Savings Bonds
Earnings Report, Savings Bonds
Investment Yield Tables and/or
PD F 3600, an abbreviated version of
the Tables of Redemption Values.

I-BONDS CATCH ON

The idea of an inflation-indexed
bond seems to have caught the
imagination of many Americans.
Sales for the bond reached $400
million in just 11 months, September,

REGISTERED MAIL

Since Savings Bonds are registered
by name and by Serial Number,
your customers really don’t need
to mail bonds by Registered Mail.
Keep a good record of bonds owned
and postage money can be saved to
buy more bonds.

HELP WANTED!

We need a few paying
agents to help test a new,
expanded version of
BondPro. BondPro is our
newest tool for pricing
savings bonds.

BondPro Version 2.0 has
features you asked for,
like reprinting receipts
and editing customer
transactions. And, Version
2.0 will let you select your
database from: Microsoft
Access or SQL Server, IBM
UDB (DB2), or Oracle.

If you’re interested in
helping us make BondPro
2.0 available as soon as
possible, please call Becky
Wright at (304) 480-6319
to find out more.

ANY QUESTIONS? LET US KNOW

Do you have any questions? Let us know.

Questions may also be sent to: Sheila E. Nelson, Editor, The Bond Teller, Bureau of the Public Debt, 999 E St., NW Washington, DC 20239.
HOME BANKING BOND SALES ARE GROWING! IS YOUR INSTITUTION ONLINE?

PARTNERS: Scott Ludrick (left), Regional Director, Savings Bonds Marketing Office, Dallas, Texas, presents a “Partners for the Future” certificate to Dan Martin, President Q-UP Systems, Inc.

The United States Department of Treasury recently presented a “Partners for the Future” certificate of recognition to Q-UP Systems, Inc. of Austin, Texas. Q-UP is a leading provider of web-based financial products.

The certificate recognized the company for providing for the purchase of Savings Bonds through their Internet banking system product.

U.S. Series EE and I Savings Bonds of up to $10,000 may be purchased via Q-UP Internet Banking System. The Savings Bonds module is a standard feature of their home banking system.

The traditional method of purchasing Savings Bonds requires a good bit of paperwork. Now, with the automated online service, purchasers simply fill out their personal identification information online, select the type, denomination, and number of bonds they want and submit their purchase to their financial institution. The institution then charges the customer’s selected account for the bonds and sends the order electronically to the savings bonds processing center at the Federal Reserve. In the past, consumers would receive their bonds approximately three weeks after filling out the paperwork at the bank.

With the Internet banking purchase of savings bonds, consumers receive their bonds by mail in about one week.

“We want to make it easier for customers to purchase U.S. Savings Bonds and through our partnerships with Q-UP Systems and their financial institution customers we are providing another avenue for this to happen,” said Van Zeck, Commissioner of Public Debt. “Q-UP’s large customer base across the country significantly increases the number of financial institutions that will now offer this convenient new way to save.” Other companies who have been providing home banking bond sales are Digital Insight, Calabasas, California; and SBS Corporation, Birmingham, Alabama.

More vendors are planning to provide bond sales in the future. The Bureau of the Public Debt expects more than 100 financial institutions to be selling bonds online by the end of the year. To learn more about selling bonds online:

- Visit: www.savingsbonds.gov/sav/savhb.htm
- Call: 304-480-3600
- E-mail: Homebank@bpd.treas.gov

REGULAR SAVINGS THE EASY WAY

The U.S. Savings Bonds EasySaver™ Plan was specifically designed for customers who want to participate in a systematic, recurring savings bond purchase plan. It is another way to sign up to buy bonds, filling in the gap for people who don’t have payroll savings plans where they work, or whose banks don’t offer a Bond-A-Month plan.

EasySaver uses ACH debits to the purchaser’s account to automatically issue savings bonds, at least two a year, and so is not suitable for every purchase.

Your customers come to you for a full range of financial services, so if they ask about the EasySaver plan keep this toll-free number, website, and address handy to tell them where they can obtain more information, an enrollment form and even a return envelope:

Call 1-877-811-SAVE (7283), or visit the EasySaver website, www.easysaver.gov, or write to:
U.S. SAVINGS BONDS EASYSAVER PLAN,
P.O. BOX 802,
PARKERSBURG, WV 26102-0802.

The Bond Teller is a publication of The Department of the Treasury Bureau of the Public Debt
Washington, D.C. 20239
Editor: Sheila E. Nelson

SB 2330