

§ 344.10

31 CFR Ch. II (7-1-02 Edition)

(b) *Can I request partial redemption of a security balance?* You may request partial redemptions in any amount. If your account balance is less than \$1,000, it must be redeemed in total.

(c) *Do I have to submit a notice of redemption?* Yes. An official authorized to redeem the securities must submit an electronic or paper Treasury form PD F 5238, "Request for Redemption of U.S. Treasury Securities State and Local Government Series One-Day Certificate of Indebtedness Demand Deposit." The notice must show the Taxpayer Identification Number of the issuer, the Treasury case number, the security number and the dollar amount of the securities to be redeemed. DSI must receive the notice by 3:00 p.m., Eastern time on the required day. You cannot cancel the notice.

Subpart D—Special Zero Interest Securities

§ 344.10 What are Special Zero Interest securities?

Special zero interest securities were issued as certificates of indebtedness

and notes. Provisions of subpart B of this part (Time Deposit Securities) apply except as specified in subpart D of this part. Special zero interest securities were discontinued on October 28, 1996. The only zero interest securities available after October 28, 1996, are zero interest time deposit securities that are subject to subpart B of this part.

§ 344.11 How do I redeem a Special Zero Interest Security before maturity?

Follow the provisions of § 344.6(a)-(g) except that no market charge or penalty will apply when you redeem a special zero interest security before maturity.

APPENDIX A TO PART 344—EARLY REDEMPTION MARKET CHARGE FORMULAS AND EXAMPLES FOR SUBSCRIPTIONS FROM DECEMBER 28, 1976, THROUGH OCTOBER 27, 1996

(a) The amount of the market charge for bonds and notes subscribed for before October 28, 1996 can be determined by the following formula: