

its proceeds. We may rely on information provided by the person who requests payment or transfer, and are not liable for any action taken in reliance on the information furnished.

**§ 363.173 What are the rules for judicial and administrative actions involving a converted savings bond held in New Treasury Direct?**

(a) *Notice of adverse claim or pending judicial proceedings.* We are not subject to and will not accept a notice of an adverse claim or notice of pending judicial proceedings involving a converted savings bond held in New Treasury Direct.

(b) *Competing claims to a converted savings bond.* Treasury, Public Debt, and the Federal Reserve Banks are not proper defendants in a judicial proceeding involving competing claims to a converted savings bond held in New Treasury Direct.

(c) *Divorce decree.* We will recognize a divorce decree that either disposes of a converted savings bond held in New Treasury Direct or ratifies a property settlement agreement disposing of the converted savings bond of either of the parties. If the divorce decree does not set out the terms of the property settlement agreement, we will require a certified copy of the agreement.

(d) *Final court order.* We will recognize a final order entered by a court that affects ownership rights in a converted savings bond held in New Treasury Direct only to the extent that the order is consistent with the provisions of this part. The owner of the converted savings bond must be a party to the proceedings.

(e) *Levy to satisfy money judgment.* We will honor a payment request submitted by a person appointed by a court and having authority under an order of a court to dispose of a converted savings bond held in New Treasury Direct pursuant to a money judgment against the owner of the converted savings bond, as owner is defined in section 363.6 of this part. We will only make payment to the extent of the money judgment; we will not transfer the bond.

(f) *IRS administrative levy.* We will honor an IRS administrative levy under section 6331 of the Internal Rev-

enue Code with respect to the owner, as owner is defined in section 363.6 of this part.

(g) *Trustee in bankruptcy, a receiver of an insolvent's estate, a receiver in equity, or a similar court officer.* We will honor a payment request submitted by a trustee in bankruptcy, a receiver of an insolvent's estate, a receiver in equity, or a similar court officer, if the original court order is against the owner, as owner is defined in section 363.6 of this part; we will not transfer the bond.

(h) *Court order that attempts to defeat or impair survivorship rights.* We will not recognize a judicial determination that attempts to defeat or impair the survivorship rights of a beneficiary, secondary owner, coowner, or the registered owner(s) of an undelivered gift that is a converted savings bond held in New Treasury Direct.

**§ 363.174 What evidence is required to establish the validity of judicial proceedings involving a converted savings bond?**

(a) We will require certified copies of the final judgment, decree, or court order, and any necessary supplementary proceedings.

(b) A payment request by a trustee in bankruptcy or a receiver of an insolvent's estate must be supported by evidence of appointment and qualification.

(c) A payment request by a receiver in equity or a similar court officer (other than a receiver of an insolvent's estate) must be supported by a copy of an order that authorizes the receiver or similar court officer to dispose of the converted savings bond.

**§ 363.175 Will Public Debt pay a converted savings bond pursuant to a forfeiture proceeding?**

(a) *General.* We will honor a judicial or administrative forfeiture order submitted by a federal agency. We will rely exclusively upon the information provided by the forfeiting agency and will not make any independent evaluation of the validity of the forfeiture order, the request for payment, or the authority of the individual signing the payment request. The amount to be paid is limited to the redemption value of the converted savings bond as of the date of forfeiture.

**§ 363.176**

(b) *Definition of special terms relating to forfeitures.*

*Contact point* means the individual designated by the Federal investigative agency, United States Attorney's Office, or forfeiting agency, to receive referrals from Public Debt.

*Forfeiting agency* means the Federal law enforcement agency responsible for the forfeiture.

*Forfeiture* means the process by which property may be forfeited by a Federal agency. Administrative forfeiture is forfeiture by a Federal agency without judicial proceedings; judicial forfeiture is a forfeiture through either a civil or criminal proceeding in a United States District Court resulting in a final judgment and order of forfeiture.

(c) *Procedures for a forfeiting agency to request forfeiture of Treasury securities.* A forfeiting agency must request forfeiture. An individual authorized by the forfeiting agency must sign the transaction request. The request must be mailed to the Department of the Treasury, Bureau of the Public Debt, Parkersburg, WV 26106-1328.

(d) *Public Debt procedures upon receipt of forfeiture request.* Upon receipt and review of the transaction request, we will make payment to the forfeiture fund specified. We will record the forfeiture, the forfeiture fund into which the proceeds were paid, the contact point, and any related information.

(e) *Inquiries from previous owner.* All inquiries or claims from the previous owner will be referred to the contact point of the forfeiting agency. We will tell the person who inquired that we referred his or her inquiry to the contact point. We will not investigate the inquiry. We will defer to the forfeiting agency's determination of the appropriate course of action, including settlement where appropriate. Any settlement will be paid from the forfeiture fund into which the proceeds were deposited.

**§ 363.176 May a converted savings bond be pledged or used as collateral?**

A converted savings bond may not be pledged or used as collateral for the performance of an obligation.

**31 CFR Ch. II (7-1-05 Edition)**

**§ 363.177 Does Public Debt reserve the right to require that any transaction in a converted savings bond be conducted in paper form?**

We reserve the right to require any transaction to be conducted in paper form. Signatures on paper transactions must be certified or guaranteed as provided in § 363.43.

**§ 363.178 Does Treasury reserve the right to suspend transactions in a converted savings bond?**

We reserve the right to suspend transactions in a converted savings bond held in New Treasury Direct if we deem it to be in the best interests of the United States.

**§ 363.179 Does Public Debt make any reservations as to the conversion of an eligible savings bond?**

We may reject any application for conversion or refuse to convert a savings bond in any case or class of cases, if we deem the action to be in the public interest. Our action in any such respect is final.

**§§ 363.180-363.199 [Reserved]**

**Subpart F Miscellaneous**

**§ 363.200 May Public Debt waive these regulations?**

We may waive or modify any provision of the regulations in this part. We may do so in any particular case or class of cases for the convenience of the United States or in order to relieve any person or persons of unnecessary hardship:

- (a) If the waiver would not be inconsistent with law or equity;
- (b) If the waiver does not impair any material existing rights; and
- (c) If we are satisfied that the waiver would not subject the United States to any substantial expense or liability.

[67 FR 64286, Oct. 17, 2002. Redesignated at 70 FR 14943, Mar. 23, 2005]

**§ 363.201 Can I be required to provide additional evidence to support a transaction?**

We may require additional evidence and/or a bond of indemnity, with or without surety, in any case where we