

S000 Miscellaneous Services

S020 Money Orders and Other Services

Summary S020 describes the standards for issuing and cashing money orders. It also covers nonpostal services such as migratory bird hunting and conservation stamps.

1.0 ISSUING MONEY ORDERS

Availability Domestic money orders may be purchased from:

- 1.1
- a. All post offices, branches, and stations in the United States and its territories and possessions.
 - b. Money order facilities for members of the U.S. Armed Forces.
 - c. Rural route carriers and authorized highway contract route carriers. A customer fills out Form 6387 (available from the carrier) and gives it and the payment to the carrier. Unless the customer provides a preaddressed envelope and pays postage and any required fees for mailing, the carrier delivers the money order on the next trip.

Purchase Restrictions A postal customer may buy multiple money orders at the same time, in the same or differing amounts, subject to these restrictions:

- 1.2
- a. The maximum amount of any single money order is \$1,000.
 - b. *Without exception*, no customer may buy money orders on any 1 day whose total value exceeds \$10,000. This daily limit applies regardless of the number of visits made by a customer to one or more postal facilities.
 - c. Any customer whose daily total of purchased money orders is from \$3,000 to \$10,000 must also complete Form 8105-A and show identification bearing the purchaser's photograph, name, and address.

Purchase Method Money orders must be paid for in one of these ways:

- 1.3
- a. In U.S. currency and coins (in any amount).
 - b. With established traveler's checks payable in U.S. dollars if the purchase is for at least 50% of the value of the traveler's checks.
 - c. With ATM/debit cards at locations approved by USPS Corporate Treasury where the customer's personal identification number must be entered on a keypad connected to a credit/debit terminal.

Purchaser The purchaser must complete the money order and customer's receipt by filling in the names and addresses of the payee and purchaser. Money orders must be made payable to a single identifiable party, which can be the purchaser. The USPS does not guarantee a 100% refund on a stolen money order if the customer's receipt is not presented with the claim for refund.

1.4

Replacement The USPS replaces without charge a defective money order or one that is spoiled during imprinting or customer completion if the customer returns the negotiable portion of the money order and the matching customer receipt.

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2.0 CASHING MONEY ORDERS

Validity and Value Domestic money orders are paid regardless of the time passed since their issue. Money orders are not interest-bearing instruments; they are paid only in the exact

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amount imprinted up to the authorized maximum amount. USPS records serve as the basis for adjudicating claims for payment of money orders.

- Redemption**
2.2 All U.S. money orders, including military, may be cashed at any U.S. post office or bank. Subject to funds availability, money orders may be cashed by rural carriers.
- Identification**
2.3 When presenting a money order for payment, the customer seeking payment must sign in the presence of a USPS employee. If the customer is not known to the employee, suitable identification can be required. The USPS may refuse payment on any money order when the identity of the customer seeking payment is not proved to the satisfaction of the employee.
- Acceptable Signature**
2.4 The paying post office may accept any signature of the payee, purchaser, or endorsee that is not different from the name shown on the money order, subject to these conditions:
- a. A customer who cannot write may sign by using a mark, if a witness (who may not be a USPS employee) is present at the time of cashing.
 - b. All money orders payable to a business firm, an organization, society, institution, or government agency must be signed in the name of the organization by an authorized representative (who must also sign with his or her own name and organizational title). Evidence of the representative's authority may be required.
 - c. If the money order is drawn in favor of an official by name and presented by a successor, the successor must sign accordingly (e.g., "William Jones, treasurer, successor to George Thompson").
 - d. Use of a title (e.g., Mrs., M.D.) is not required in signing a money order for payment, whether such title is used on the face of the money order.
 - e. A stamped signature is an acceptable endorsement on a money order drawn in favor of a firm, corporation, association, society, or individual, when the money order is presented to a bank for payment. A post office accepts a stamped signature only if an agreement is on file specifying the individual responsible for the correctness of such payments.
- More Than One Payee**
2.5 A money order completed by the purchaser to show more than one firm or person as payee is paid to either payee if the conjunction "or" is used to connect the payees. If no conjunction is used, or if the conjunction "and" is used to connect the payees, then all the listed payees must endorse the money order.
- Payment to Another Party**
2.6 Money orders may be paid to another party under these conditions:
- a. Only the payee of a money order may endorse it to any other person or firm. A person with power of attorney may cash money orders for a payee who gave the person that authority. A copy of the power of attorney must be filed at the office of payment. A payee may file a separate written order with the post office authorizing payment to another person. The person must be designated by name as the one to receive payment.
 - b. When a payee (e.g., an individual or firm) makes an assignment and intends that money orders be paid to the assigned person, the payee must file a copy of a power of attorney or a written order with the USPS. The person who is designated to receive payment must sign the money order and write below the signature the capacity in which he or she acts.



- c. A money order may be paid to an executor or court-appointed administrator of the estate of the deceased person who was entitled to payment, provided that a copy of the appointment as executor or administrator is filed with the local postmaster. Such payments are made pursuant to the law of the state in which the deceased was a resident.
- d. Money orders are paid to the legal representative of a firm, association, or company that has ceased to exist. Appropriate documents proving legal representation must be provided to the USPS.
- e. Money orders are not issued or paid to a ward when declared incompetent by a court. They are paid only to the committee, guardian, or other duly authorized person responsible for the ward. Appropriate proof of authority must be provided to the USPS.
- f. A money order payable to a minor may be paid to the father or mother as natural guardian, unless prohibited by court order. Proof of parenthood may be required.

Second Endorsement 2.7 A money order with more than one endorsement is invalid, except under 2.5.

COD Parcel 2.8 No payment is made when a money order is issued in return for a COD parcel, and is presented by the addressee (purchaser), and the money order is not endorsed by the payee (shipper) or the payee has not authorized payment to the purchaser by written approval.

Payment Inquiry 2.9 A purchaser, payee, or endorsee may, at any time, inquire about payment of a domestic money order by completing, signing, and filing Form 6401 and paying the appropriate fee; a separate form and fee are required for each money order. The fee is not required if Form 6401 is filed by a bank, other financial institution, government agency that processes money orders directly with the Federal Reserve Bank, or postal official engaged in official USPS business.

3.0 FEDERAL RESERVE SYSTEM

- General** 3.1 All money orders are forwarded through the Federal Reserve Banking System, to which commercial banks have access. For this standard:
- a. *Money order* means a U.S. Postal Money Order.
 - b. *Federal Reserve Bank* means a Federal Reserve Bank or branch thereof that presents a money order for payment by the postmaster general.
 - c. *Presenting bank* means a bank that presents a money order to and receives credit for the money order from a Federal Reserve Bank.
 - d. *Reclamation* means the action taken by the postmaster general to obtain refund of the amounts of paid money orders.
 - e. *Examination* includes examination of money orders for indicia of theft, forged endorsements, forged signatures or initials of issuing employees, raised amounts, and other material defects by electronic methods and visual inspection for defects that cannot be discovered electronically.
 - f. *Stolen money order* means a U.S. Postal Money Order stolen from a post office, classified or contract station or branch, or USPS employee before it is officially issued by the post office, classified or contract station or branch, or by a USPS employee discharging his or her official duties.

Payment
3.2 The postmaster general has the usual right of a drawee to examine money orders presented for payment by banks through the Federal Reserve System and to refuse payment of money orders, and has a reasonable time after presentation to make each examination. Provisional credit is given to the Federal Reserve Bank when it furnishes the money orders for payment by the postmaster general. Money orders are deemed paid only after examination is completed, subject to the postmaster general's right to make reclamation under 3.4.

Endorsement
3.3 The presenting bank and the endorser of a money order presented for payment are deemed to guarantee to the postmaster general that all prior endorsements are genuine, whether an express guarantee to that effect is placed on the money order. When an endorsement is made by a person other than the payee personally, the presenting bank and the endorser are deemed to guarantee to the postmaster general, in addition to other warranties, that the person who so endorsed had capacity and authority to endorse the money order for the payee.

Reclamation
3.4 The postmaster general has the right to demand refund from the presenting bank of the amount of a paid money order if, after payment, the money order is found to be stolen, or to have a forged or unauthorized endorsement, or to contain any material defect or alteration not discovered on examination. Such right includes, but is not limited to, the right to make reclamation of the amount by which a genuine money order with a proper and authorized endorsement has been raised. Such right must be exercised within a reasonable time after the postmaster general discovers that the money order is stolen, bears a forged or unauthorized endorsement, or is otherwise defective. If refund is not made by the presenting bank within 60 days after demand, the postmaster general takes such actions as may be necessary to protect the interests of the United States.

4.0 NONPOSTAL SERVICES

Bird Hunting Stamps
4.1 [1-22-04] Migratory bird hunting and conservation stamps ("bird stamps") are required by federal law for the hunting of migratory birds, such as ducks and geese. As a public convenience, these stamps are sold at all post offices in CAGs A through J and, based on demand, at designated offices in CAGs K and L. These post offices act as agents of the federal government for this function. Migratory bird stamps are nonredeemable and all sales are final.

U.S. Savings Stamps
4.2 Post offices no longer redeem U.S. savings stamps posted in albums, previously acceptable as postal funds. Customers should contact a Federal Reserve Bank or branch, or mail albums at their own risk to the Bureau of the Public Debt, U.S. Department of the Treasury.

U.S. Savings Bonds
4.3 The USPS discontinued over-the-counter sales of U.S. savings bonds on March 26, 1977, at the request of the Treasury Department. Inquiries should be made to local financial institutions or the Treasury Department.

Postal Savings
4.4 The Postal Savings System was discontinued by Public Law 89-377, approved March 28, 1966. The effective date for closing the system was April 27, 1966. The final expiration date was July 13, 1985, for inquiries that could lead to recovery of money invested in Postal Savings Accounts and/or Postal Savings Certificates.