

Treasury Retail Securities

Federal Reserve Bank of Cleveland
Pittsburgh Branch

Fiscal Agent of the United States

P.O. Box 299
Pittsburgh, PA 15230-0299
1-800-245-2804

Effective: January 1, 2011

**Subject: Important Notice: Paper Payroll Savings Bond Program to be Discontinued;
Electronic Payroll Savings available through TreasuryDirect®**

To: Payroll Savings Bond Plan Administrators

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The U.S. Department of the Treasury has announced it will stop issuing paper savings bonds through employer-sponsored payroll savings plans as of **January 1, 2011**. This change will reduce the costs associated with the U.S. Savings Bond Program and supports the Treasury's long-term plan to issue all securities electronically.

As your organization currently offers a paper payroll savings plan, we ask that you take the necessary steps to discontinue your paper program to coincide with this change. After **December 2010**, orders for paper payroll savings bonds will no longer be accepted and any remaining funds will be returned to you for redistribution to your employees.

While paper payroll savings bonds will no longer be available, your employees will still have the opportunity to invest in savings bonds and other Treasury securities through **TreasuryDirect**. This convenient and secure web-based system allows your employees to purchase, manage, and redeem electronic (paperless) savings bonds 24/7, at work or from home. Using TreasuryDirect, your employees can also purchase Treasury marketable securities (bills, notes, bonds, and TIPS) to expand their savings portfolios.

For your convenience, we've enclosed a booklet containing the following materials to assist with the transition:

- For you as the employer:
 - Frequently asked questions (FAQs) about this change
 - A checklist providing the necessary steps to discontinue your paper payroll savings plan
 - Information for Employers (PD P 0073) brochure
 - Information about assisting your employees with setting up TreasuryDirect accounts and providing a direct deposit to fund their accounts

The materials are also available online at www.frbservices.org/Payroll

- For distribution to your employees:
 - An employee announcement letter about this change
 - FAQs about this change
 - Employee Information on Electronic Payroll Savings with TreasuryDirect (PD P 0072)
 - Instructions for establishing a TreasuryDirect account

These materials are also available online for your participants at www.frbservices.org/PayrollSavings

In addition, enclosed you will find a Response Form which we ask you to **complete and return by May 21, 2010**, to confirm that you've received this notice. If you choose, you may also indicate on this form if you'd like us to contact you regarding these changes and transitioning your employees to TreasuryDirect.

If you have any questions, please contact your Treasury Retail Securities site at 800-245-2804 (select Menu Option 5, then Option 2). To learn more about electronic payroll savings through TreasuryDirect, you may also visit www.treasurydirect.gov

Your organization has been a valued partner with the Treasury in offering payroll savings plans to your employees, and we appreciate your continued support of the U.S. Savings Bond Program.

Sincerely,

A handwritten signature in cursive script, appearing to read "Amy J. Heintz".

Amy J. Heintz
Vice President
Treasury Retail Securities
Federal Reserve Bank of Cleveland – Pittsburgh Branch

Treasury Retail Securities

TreasuryDirect® Response Form

(Please respond by May 21, 2010)

Our last paper savings bond order will be the payroll period dated _____.

_____ **Yes**, we plan to offer **TreasuryDirect** for our employees.

_____ **No**, our payroll system doesn't allow direct deposit or multiple direct deposit destinations.

_____ **No**, at this time our organization is not planning to transition our employees to **TreasuryDirect** because _____.

_____ We would like to have a customer service representative contact us about transitioning our employees to TreasuryDirect.

Please complete the payroll customer information section and return this form to the Pittsburgh Treasury Retail Securities site using one of the options provided below.

Payroll Customer Information		
Customer Name		Customer ID Number
Primary Address		Contact Name
		Phone Number (10 digits)
City		Fax Number
State	Zip Code	E-mail Address

Fax 412-261-7898 Attention: Payroll Savings Bonds
E-mail Pitpay@clev.frb.org
Mail Federal Reserve Bank of Cleveland Pittsburgh Branch Payroll Savings Bonds PO Box 299 Pittsburgh, PA 15230-0299

If you have any questions, please contact your Treasury Retail Securities site at 800-245-2804 (select Menu Option 5, then Option 2).