

PAN AMERICAN POSTAL UNION: MONEY ORDERS

Convention signed at México November 9, 1926

Ratified and approved by the Postmaster General, excluding articles 8, 11, 20, and 21, May 3, 1927

Approved by the President of the United States, excluding articles 8, 11, 20, and 21, May 5, 1927

*Ratification of the United States deposited at México June 20, 1927*¹

Entered into force July 1, 1927

*Terminated by agreement of November 10, 1931*²

Post Office Department print

CONVENTION FOR THE EXCHANGE OF MONEY ORDERS

Between Argentina, Bolivia, Colombia, Costa Rica, Cuba, Chile, Dominica, Ecuador, El Salvador, Spain, United States, Guatemala, Honduras, Mexico, Panama, Paraguay, Peru and Uruguay.

The undersigned, Plenipotentiaries of the Governments of the countries mentioned above, in the exercise of the authority conferred by article 5 of the Universal Postal Convention of Stockholm,³ convened, and subject to ratification have established Money Order Service in accordance with the following clauses:

ARTICLE 1

Object of the Convention

The exchange of money orders between the contracting countries, whose Administrations agree to the establishment of this service, to be governed by the provisions of this present convention.

ARTICLE 2

Money

The amount of the orders will be expressed in the money of the country of destination; nevertheless, the Administrations have authority to adopt by mutual consent, other money which is more convenient to their uses.

¹ For notice of U.S. ratification, see p. 642.

² *Post*, vol. 3.

³ Convention signed at Stockholm Aug. 28, 1924, *ante*, p. 443.

ARTICLE 3

Conditions for the Exchange of Money Orders

The exchange of money orders between the contracting countries will be carried on by means of lists, conforming to form "A" attached.⁴

Each Administration will designate an office of its country which will be in charge of the making up of said lists and forwarding them to the offices designated for that purpose by the other Administrations.

ARTICLE 4

Maximum Amount

The Administrations of the contracting countries which agree to the establishment of this service, are authorized upon agreement to fix the maximum amount of the money orders exchanged between them.

Nevertheless, orders relative to the Postal Service, sent under frank, free of postage, under the provisions of Article 8 following, may exceed the maximum amount fixed by each Administration.

ARTICLE 5

Fees or Commissions

Each Administration will have the authority to fix, whenever their interests demand it, the schedule of commissions (or fees) which will be collected for the issue of money orders under the terms of this Convention, but will be obliged to communicate said schedule to the other Administrations, as well as any modification made therein.

Barring agreement to the contrary, the fees or commissions collected shall belong in their entirety to the remitting Administration, not allowing, therefore, any sum to the paying Administration as a fee for payment.

ARTICLE 6

Endorsement

Each of the contracting countries is authorized to permit in its territory and in accordance with its domestic regulations, endorsement of money orders originating in any of the other countries.

ARTICLE 7

Responsibility

Subject to the provisions of the foregoing article, there will be responsibility to the remitter for the sum sent by means of money order until it is paid to the payee or endorsee.

⁴Not printed here.

ARTICLE 8

Exemption from Charges

Those money orders pertaining to the Postal Service, exchanged between the Postal Administrations or between the offices dependent upon these Administrations, as well as the orders from Postal Administrations to the International Office at Montevideo and reciprocally, will be exempt from all charges.

ARTICLE 9

Period of Validity of Orders

Barring agreement to the contrary, a money order will be paid in the country of destination during the twelve months following its issue.

The amount of all the orders that have not been paid during that period of time, will be credited in the first account to the Administration of the country of origin, which will proceed in accordance with the regulations of that country.

ARTICLE 10

Change of Address and Repayment of Orders

1. When the remitter desires to correct an error in the address of the payee, or that the amount of a money order be returned, he should apply to the Central Administration of the country in which the order was issued.

2. In no case is a money order to be repaid without obtaining from the Central Administration of the country to which it was sent, assurance that payment has not been effected and that the said Administration expressly authorizes repayment.

ARTICLE 11

Advice of Payment

The remitter of an order will be able to obtain an advice of payment officially given by the Administration of destination, by means of a provision similar to that by which a return receipt is obtained for registered letter, which shall be accepted by the issuing postmaster. This advice will be transmitted directly to the issuing postmaster for delivery to the applicant.

ARTICLE 12

Reissue

The orders are not to be reissued in any other country than the one to which they shall first have been certified.

ARTICLE 13

Domestic Regulations

The money orders which are exchanged between two countries will be subject as regards issue and payment to the regulations in force in the country of origin or the country of payment as the case may be, covering the issue and payment of domestic money orders.

ARTICLE 14

Preparation of the Lists

1. Each Exchange Office will forward to the corresponding Exchange Office, daily or on the date mutually agreed upon, the amounts received in its country for payment in the other, using for that purpose form "A" attached.

2. Any money order noted in these lists shall carry a number, which will be called the international number, commencing each year with No. 1. These lists will likewise be numbered in order commencing with No. 1 the first of each year.

3. The Exchange Offices will acknowledge mutually the receipt of each list by means of the first list following, sent in the opposite direction.

4. Any list that is lacking should be asked for immediately by the office that should have received it. The remitting Exchange Office in that case will send as soon as possible to the office making request a duplicate of the list asked for, duly authenticated.

ARTICLE 15

Verification and Correction of Lists

These lists should be carefully examined by the receiving Exchange Office and corrected when they contain minor errors.

These corrections should be communicated to the remitting Exchange Office upon acknowledgment of receipt of the list on which corrections have been made.

When these lists contain other irregularities, the receiving Exchange Office should ask for an explanation from the dispatching Exchange Office, which should give this information with the least possible delay. In the meantime, the reissue of inland orders corresponding to those about which irregularities have been noted, will be suspended.

ARTICLE 16

Conversion of International Orders to Inland Orders

1. Upon receipt in an Exchange Office of a list of orders, in accordance with the provisions of the foregoing article, said office shall proceed to issue

in favor of the payees inland orders in the money of the country of payment, for the amounts which appear in the list, sending immediately these money orders (inland) to the payees or to the paying offices in accordance with the regulations governing the payment of orders in each country.

2. Duplicates of money orders shall be issued only by the Postal Administration of the paying country, in accordance with its internal regulations and previous proof that the order has not been nor will be paid to the payee or returned to the office of origin.

ARTICLE 17

Rendering and Settling Accounts

1. Barring agreement to the contrary, at the end of each quarter one of the two corresponding Administrations, designated by mutual agreement, shall render an account in which shall be entered in detail: (a) the totals of the lists that contained the particulars of the orders issued in both countries during the quarter; (b) the totals of the orders which have been returned to the remitter, and (c) the totals of those orders which have become invalid during the quarter.

2. The credit of each Administration will be expressed in its own money.

3. The smaller amount will be converted into the money of the creditor country, at the average rate of exchange prevailing during the quarter covered by the account.

4. These accounts are to be rendered in duplicate and forwarded by the accounting Administration to the corresponding Administration.

If a balance appears in favor of this Administration, it shall be paid by means of a sight draft in favor of the creditor country attached to the account.

If a balance appears in favor of the Administration which renders the account, payment will be made by the head of the debtor Administration in the manner indicated in the preceding paragraph, upon return of the accepted account.

5. Forms "B," "C," "D" and "E" attached to this Convention ⁵ will be used in rendering these quarterly accounts.

6. Also the Administrations may agree not to effect conversions, but to make settlements unilaterally, that is to say, for each Administration to credit to the other the total amount of the orders paid on its account. In this case each Administration would have to render a quarterly account.

ARTICLE 18

Advance Payments on Account

When it is ascertained that one of the corresponding Administrations owes the other on money order account a balance in excess of \$5000.00 or the

⁵ Not printed here.

approximate equivalent of that amount in its own money, the debtor Administration will send with as little delay as possible to the other, and as an advance payment on account, an amount approximating the balance of the accounts for the quarterly settlement referred to in the article above.

ARTICLE 19

Suspension of the Service

The Administrations of the contracting countries may under extraordinary circumstances suspend temporarily the issue of money orders, and may adopt such provisions as may be deemed necessary to safeguard the interests of the Administrations and to avoid speculation through the money order service by commercial institutions.

The Administration that adopts any of the measures referred to in the foregoing paragraph, should communicate that fact immediately to the Administrations with which it exchanges money orders.

ARTICLE 20

Telegraphic Orders

The contracting Administrations may establish the exchange of orders by telegraph in accordance with the provisions of the Stockholm Agreement relating to money order service.

ARTICLE 21

Application of the Provisions of the Agreement of the Universal Postal Union

The provisions of the Agreement of the Universal Postal Union relating to the exchange of money orders, as well as its rules of execution, will be applicable to the exchange of money orders under this convention, in so far as their stipulations do not conflict.

ARTICLE 22

Proposals During the Interval Between Assemblies

This Convention may be modified during the interval between Congresses, in the manner provided for in Chapter III of the Stockholm Postal Convention. In order to give these modifications executory strength it will be necessary to procure:

1. Unanimous vote if it is desired to introduce a new provision or to modify this article or articles 1, 2, 4, 5, 7, 8, 13, 17, 18, 19, 21, and 23.
2. Two thirds of the votes to modify the other provisions.

ARTICLE 23

Standing and Duration of the Convention

1. This Convention will become effective on July 1, 1927, and will remain in force without limitation of time, reserving to each of the contracting parties the right of withdrawal by giving notice thereof through its Government to that of the Oriental Republic of Uruguay one year in advance.

2. The ratifications should be deposited in the City of Mexico in the shortest time possible; a resolution was adopted relative to the deposit of the ratifications of each country, and the Government of Mexico will remit through diplomatic channels a copy of the said resolution to the Governments of the other countries signing.

3. The stipulations of the Money Order Convention adopted at Buenos Aires on September 15, 1921, will be repealed from the date this Convention goes into effect.

4. In case one of the contracting countries fails to ratify this Convention, that fact will not affect the validity for those that shall ratify it.

In testimony whereof, the Plenipotentiaries of the countries named, have signed this Convention at Mexico, D. F., on the ninth day of November 1926.

For Argentina:

RAÚL D. LÓPEZ

For Bolivia:

GABRIEL A. PARRODI
LUIS ARCE LAGAZE

For Colombia:

CARLOS ALBERTO RODRÍGUEZ

For Costa Rica:

ANGEL J. LAGARDA
LINO B. ROCHÍN

For Cuba:

JOSÉ D. MORALES DÍAZ
PEDRO I. PÉREZ Y GIL
CÉSAR CARVALLO Y MIYERES

For Chile:

ENRIQUE BERMÚDEZ

For the Dominican Republic:

FRANCISCO GARCÍA DE CASTAÑEDA

For Ecuador:

ARMANDO E. ASPIAZU
RODOLFO BECERRA SOTO

For El Salvador:

HÉCTOR REYES
EUDORO URDANETA

For Spain:

PEDRO DE IGUAL Y MARTÍNEZ DABÁN
ANTONIO CAMACHO SAN JURJO

For the United States of America:

JOSEPH STEWART
EUGENE R. WHITE

For Guatemala:

EMILIO ARROYAVE L.

For Honduras:

MIGUEL CARIAS ANDINO
OTTO REINBECK

For Mexico:

EDUARDO ORTIZ
COSME HINOJOSA
JOSÉ V. CHÁVEZ

For Panama:

JOSÉ IGNACIO ICAZA

For Paraguay:

CARLOS MELÉNDEZ

For Peru:

AUGUSTO S. SALAZAR
WALTER F. FORD

For Uruguay:

CÉSAR MIRANDA

NOTICE OF U.S. RATIFICATION

JUNE 20, 1927.

The Honorable,

The DIRECTOR GENERAL OF POSTS,

Mexico, D. F., Mexico.

SIR: I have the honor hereby to give formal notice of the ratification by this Postal Administration of the Pan-American Money Order Convention formulated and signed November 9, 1926, during the sessions of the Pan-American Postal Congress held in Mexico City.

Because of the laws and regulations governing postal money order business in the United States, this Department is forced to exclude from its ratification of the instrument, Articles VIII, XI, XX and XXI.

With reference to Article VIII, I am pleased to say that while there is no authority of law by which money orders pertaining to the Postal Service may be issued in the United States without exaction of a fee, this Administration will be very glad to honor promptly such orders issued in other countries for payment in this without making any charge for the service.

This Postal Service has no provision by which the remitter, on the payment of a fee when the order is issued, may be notified of its payment as contemplated by Article XI, and cannot therefore ratify that article of the convention. In any instance where an allegation of non-payment or wrong payment is made, however, this Department will gladly conduct an investigation, and, if possible, satisfactorily adjust the dispute, informing the issuing Postal Administration fully of the result of the inquiry, and for this service no fee is exacted.

As the telegraph service in this Republic is not controlled by the Federal Government, it is not possible to arrange for the exchange of orders by telegraph as provided by Article XX, and therefore ratification of that article by this Administration cannot be made.

The provisions of the agreement of the Universal Postal Union relating to the exchange of money orders in certain details are so entirely different from the principles on which the money order system of the United States is based that this Administration has never found it practicable or desirable to adhere to that portion of the Universal Postal Union Agreement. We cannot therefore ratify Article XXI of the Pan-American Money Order Convention.

With reference to the various postal administrations signatory to the convention this Department is entirely willing to begin the exchange of money orders at once with those countries with which it does not now transact such business. Of course, before the actual transaction of business may begin, it will be necessary to determine through correspondence, the post offices, to be designated as Exchange Offices, the maximum amount of orders, which administration shall render accounts, the manner of effecting conversions and

whether the alternative provided in Article II, relative to the use of money other than that of the country of destination shall be adopted.

For the countries with which an exchange is now conducted under the terms of existing conventions, it is to be definitely understood that business shall continue to be transacted in accordance with the terms of such conventions until satisfactory agreements are made under the terms of Articles II and XVII relative to the currency to be used.

The Republic of Cuba and the United States of America now have a money order convention which permits either country to pay money orders issued in the other on the ordinary domestic form. The advantages of this plan to the patrons and the respective postal administrations are so great that it is thought best to continue as heretofore, the two countries, being at liberty by mutual agreement to avail themselves of the procedure prescribed by the Pan-American Convention at a later date should they so desire.

It will be very much appreciated if you will be good enough to cause the postal administrations of the countries whose representatives signed this money order convention to be informed of its ratification by the United States of America, and of the Articles which this Department has found it necessary to except from ratification.

Respectfully,

HARRY S. NEW,
Postmaster General.