



Worn and Damaged Coin Handling Guide

Introduction

This guide is provided to assist members of the public, businesses and other organisations, authorised deposit-taking institutions (for example, banks) and cash-in-transit businesses (such as armoured cash carriers) in dealings with coins.

It should be read together with the Royal Australian Mint's "Worn and Damaged Coin Policy".

The intention of that policy is to maintain the high quality of Australia's coinage by facilitating the removal from circulation of worn and damaged coins, and at the same time, minimising the risk of fraud or counterfeiting.

Coins which can be redeemed for face value

Only worn or accidentally damaged coins can be redeemed for face value.

The Royal Australian Mint (the Mint) will accept coins from authorised deposit-taking institutions (ADIs) and cash-in-transit businesses where they are detected and removed from circulation as a normal part of cash handling activities.

The Mint does not accept coins directly from individuals, businesses or other organisations.

Anyone with coins that are worn or damaged through normal use or accident should deposit these coins with their bank.

Coins which cannot be redeemed at face value

Coins other than those worn or damaged through normal use or accident cannot be redeemed at face value.

Coins damaged in any industrial process (including scrap metal processing), melted coins, coins that are attached to another object, have been drilled or punctured by any means and objects which may have been coins, but are no longer identifiable as coins, cannot be redeemed at face value.

This is a special class of coins generally referred to as "mutilated coins".

The Mint will not accept melted coins, coins that are attached to another object or objects that may have been coins but are no longer recognisable as coins.

The Mint will pay scrap value for other mutilated coins subject to the conditions set out below

How to make a deposit of mutilated coins

The Mint will accept mutilated coins from individuals, businesses, and other organisations only after they have been deposited with an ADI.

Depositors must have an account with the ADI where they deposit mutilated coins.

Depositors will be required to complete a Royal Australian Mint Mutilated Coin Claim Form.

The completed claim form must identify the depositor, state the cause of damage and carry a signed declaration from the depositor about the accuracy of their claim, their title to the deposited coins and to provide indemnity to the Mint against further claims.

The receiving ADI must provide their identifying details and certify that the customer is an account holder.

If these details are not provided the Mint will reject the claim and return the coins to the ADI.

Claims Processing

The Mint will not reimburse face value for deposits of mutilated coin.

Deposits of mutilated coin will be paid for by the Mint at scrap value.

The scrap value payable by the Mint is based on the lesser of face value and the average London Metals Exchange price, for metal components in the coin's alloy, over the calendar month preceding the claim less a fee reflecting losses, handling and administration fees incurred by the Mint.

Deposits of mutilated coin to be returned to the Mint must be sorted by denomination. Unsorted deposits will be returned to the ADI where the deposit was made.

Because the value of reimbursement cannot be determined until the deposit is weighed, assessed, accepted by the Mint and the value calculated from the weight and scrap value, ADIs are not required to credit the depositing customer's account.

After the Mint has accepted a deposit of mutilated coin the depositing customer and the ADI will be advised in writing of the outcome and the payment of funds from the deposit will be made by the Mint to the head office of the ADI.