

*Superseded by 258.*FEDERAL RESERVE BANK  
OF NEW YORK

March 5, 1919

## REMITTANCE FOR CHECKS DRAWN UPON YOUR BANK.

## TO NON-REMITTING BANKS IN DISTRICT No. 2:

Since the inauguration of our present check collecting system, it has been our endeavor to adjust our accounting to whatever mode of settlement our member banks individually preferred, and the various methods adopted have unavoidably developed much confusion of record, and resulted in inconvenience to both our member banks and ourselves. It now seems desirable and for our mutual advantage that a **uniform method should be adopted.**

After careful consideration it seems to us that a remittance, complete in itself, for each letter is more satisfactory than a charge to the reserve account, and is best suited to our work with its great number of items.

Our suggestion, therefore, is that you should remit at par for the checks we send you on day of receipt by you, and that we should not charge them to your reserve account as at present.

You may remit either

- (a) Your draft on your reserve account with us, or
- (b) New York Clearing House funds.

## UNPAID ITEMS.

The various methods of handling items returned unpaid have added much to our difficulties, and we are anxious that they should be handled in a uniform manner. We now ask that any unpaid items, sent in any of our letters, unless held for protest, be returned with the remittance for such letter, the total unpaid items to be deducted from the footing of such letter and net amount remitted, so that in each instance, the remittance, **plus** unpaid items returned therewith, **plus** items, if any, held for notary, will equal the amount of our letter. Items held over for protest should be returned with your draft in payment of the next succeeding letter, the amount of the protest fees being deducted from that letter.

For your convenience in remitting there will be enclosed with each outgoing letter, a pink remittance sheet which you are requested to use in making your remittance and to show thereon in detail, any addition to or deduction from the amount of our letter and in case of error in listing or in footing, a brief explanation which will enable us promptly to adjust the matter.

The above plan will become effective beginning with our outgoing letter dated March 10th, 1919.

We are confident that the handling of all these accounts in a uniform manner will eliminate in a large degree, the confusion and difficulties in accounting which we realize have embarrassed our member banks as well as ourselves.

We shall much appreciate your cooperation in the successful operation of the new plan.

Very truly yours,

L. H. HENDRICKS,

*Cashier.*