

FEDERAL RESERVE BANK
OF NEW YORK

Discount Department

[Circular No. 417]
[November 9, 1921]

Maturity and Interest on Paper Falling Due on Friday,
November 11, 1921

*To all Member Banks
in the Second Federal Reserve District :*

As you are aware, Friday, November 11, 1921, has been declared a legal holiday throughout this district. In this connection your attention is directed to Section 85 of the Uniform Negotiable Instruments Law (Section 145 New York Law), which reads as follows:

"Sec. 85. *Time of Maturity.*—Every negotiable instrument is payable at the time fixed therein without grace. When the day of maturity falls upon Sunday, or a holiday, the instrument is payable on the next succeeding business day. Instruments falling due or becoming payable on Saturday are to be presented for payment on the next succeeding business day, except that instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday when that entire day is not a holiday."

It appears that under the foregoing provision the maturity of obligations falling due on Friday, November 11, a legal holiday, is extended to Monday, November 14, and it follows that interest or discount runs to the latter day. Therefore, on all rediscounts and advances made by this bank which fall due on November 11, unless prepayment is made before November 14, additional discount for the days after November 11 will be charged at our current rate of $4\frac{1}{2}$ per cent. per annum.

Very truly yours,

BENJ. STRONG,
Governor