

FEDERAL RESERVE BANK OF DALLAS
DALLAS, TEXAS 75222

Circular No. 68-12
January 12, 1968

REVISED FISCAL AGENCY
OPERATING CIRCULAR NO. 2

**To All Banking Institutions and Others Concerned
in the Eleventh Federal Reserve District:**

There is enclosed a revision of Fiscal Agency Operating Circular No. 2, dated January 1, 1968, entitled "Telegraphic Transfers of Unmatured Marketable Bearer Securities of the United States." The circular dated March 1, 1966, should be destroyed.

The authority previously in effect under which securities pledged on original issue as collateral to Treasury Tax and Loan Accounts could be transferred without imposition of a fee has been deleted from the attached revision.

Additional copies of the circular will be furnished upon request.

Yours very truly,

Watrous H. Irons
President

Enclosure

**TELEGRAPHIC TRANSFERS OF UNMATURED MARKETABLE
BEARER SECURITIES OF THE UNITED STATES**

*To All Banking Institutions and Others Concerned
in the Eleventh Federal Reserve District:*

This circular contains information concerning the telegraphic transfers of unmatured marketable bearer securities of the United States by the Federal Reserve Banks.

TRANSFERS AUTHORIZED

1. Federal Reserve Banks, as Fiscal Agents of the United States, are authorized to make telegraphic transfers of outstanding, unmatured, marketable bearer securities of the United States (Treasury Bonds, Treasury Notes, Treasury Certificates of Indebtedness, and Treasury Bills) for the owners of such securities, between Federal Reserve Banks and Branches under the following conditions:

- a. Where it is shown that an actual bona fide sale or a sale and repurchase agreement has been made at the time the securities are presented for transfer and that delivery to the purchaser or return to the seller by another Federal Reserve Bank is necessary to consummate the transaction; or
- b. The securities have been borrowed by a primary dealer in such securities and delivery or redelivery thereof by another Federal Reserve Bank is necessary to consummate the transaction.
- c. The minimum face amount of securities that may be transferred under the above conditions is \$5,000.

Telegraphic transfers for other purposes such as transfers of securities as collateral and for the convenience of holders or owners are not authorized.

2. The telegraphic transfers of securities are provided as a privilege and not as a right conferred on the holders of securities, and all such transfers are conditioned on the availability of facilities of the Federal

Reserve Banks and Branches, without responsibility on their part for delays in effecting deliveries for any reason.

LIMITATIONS OF TRANSFERS

3. Transfers may be conducted on any business day prior to the date on which the security has been called for redemption or the maturity date of the security involved in the transfer.

4. Whenever a Federal Reserve Bank or Branch, located in the city in which securities are to be delivered in accordance with a transfer by wire, is unable to deliver the securities before the close of business on a day that is, for that Bank or Branch, either the last business day of a calendar month, or the last business day preceding an interest payment date for the securities involved, the securities will not be delivered until new instruction are received from the transferor.

Whenever a Federal Reserve Bank or Branch is unable to deliver the securities before the close of business on the last business day preceding either the date of maturity or the date on which the securities involved have been called for redemption, the transfer will be canceled.

5. Securities of two or more different issues may not be combined in a single transfer, nor may securities to be delivered to two or more recipients be combined in a single transfer.

SUBMISSION OF REQUESTS AND SECURITIES

6. A written request from a designated official directing the transfer of the securities will be required in all cases and this request should accompany the deposit of the securities, unless the securities are already on deposit with an office of this bank. The request should be submitted on the day preceding the date upon which delivery is desired. The request should set forth the following information:

- a. Description of the issue and amount of securities to be transferred;
- b. Name and address of transferee;
- c. Date on which delivery is to be consummated;
- d. Statement as to whether delivery is to be made against payment or against receipt, and, if against payment, the specific amount of money to be paid; and
- e. Statement as to the nature of the transaction as provided in paragraph No. 1.

7. Securities deposited for telegraphic transfer should have all unmatured coupons attached. If securities are presented with unmatured coupons missing, the securities will be accepted for telegraphic transfer provided the face amount of the unmatured missing coupons is paid to this bank with the deposit of such securities. Upon payment for unmatured missing coupons, securities with a full complement of unmatured coupons attached will be delivered.

TRANSFER FEES

8. A fee of \$3 will be charged for each transfer transaction conducted. One transaction shall be construed to consist of securities of one issue surrendered for one account against delivery for one account.

A remittance for the amount of the fee should accompany the request for transfer, except in the case of a member bank, its reserve account will be charged for the fee unless other instructions are received.

9. The right is reserved to withdraw, add to, or amend at any time, any of the provisions of this circular.

FEDERAL RESERVE BANK OF DALLAS
Fiscal Agent of the United States