



FEDERAL RESERVE BANK
OF DALLAS

WILLIAM H. WALLACE
FIRST VICE PRESIDENT

DALLAS, TEXAS 75222

January 18, 1985

Circular 85-8

TO: The Chief Executive Officer of all depository institutions and other concerned in the Eleventh Federal Reserve District

SUBJECT

**Revisions to Fiscal Agency Operating Circular No. 2 --
Section 1, General and Section 4, Time Limitations**

DETAILS

Sections 1 and 4 of our Operating Circular No. 2 have been revised and the revisions are effective immediately. Revisions to Section 1 define this Bank's liability with respect to the receipt of transfers by on-line transferees when a communications link is not available. Revisions to Section 4 include this Bank's policy regarding transfers of securities received during a time extension. Please substitute the enclosed pages for those in the March 1982 version in Volume 1 of your Regulations Binders.

ATTACHMENTS

The new Operating Circular No. 2 inserts containing the revisions are attached.

MORE INFORMATION

For further information, please contact Lynn Vick at (214) 651-6263 at the Head Office, Robert Schultz at (915) 544-4730 at the El Paso Branch, Luke Richards at (713) 659-4433 at the Houston Branch, or Tony Valencia at (512) 224-2141 at the San Antonio Branch.

Sincerely yours,

A handwritten signature in cursive script that reads "William H. Wallace".

For additional copies of any circular please contact the Public Affairs Department at (214) 651-6289. Banks and others are encouraged to use the following incoming WATS numbers in contacting this Bank (800) 442-7140 (intrastate) and (800) 527-9200 (interstate).

FISCAL AGENCY OPERATING CIRCULAR NO. 2

**TELEGRAPHIC TRANSFERS OF MARKETABLE
TREASURY AND AGENCY SECURITIES IN BEARER
OR BOOK-ENTRY FORM BETWEEN
FEDERAL RESERVE BANKS**



**FEDERAL RESERVE BANK OF DALLAS
FISCAL AGENT OF THE UNITED STATES**

SCOPE

This circular contains information concerning the telegraphic transfers of unmatured marketable bearer or book-entry securities of the United States and of certain eligible Agencies by the Federal Reserve Banks.

TABLE OF CONTENTS

Section 1, GENERAL

- 1.00 Right to alter circular
- 1.05 Reference to Federal Reserve office
- 1.10 References to this bank
- 1.15 Privilege not a right
- 1.20 Communications link

Section 2, TRANSFERS AUTHORIZED

- 2.00 Types
- 2.05 Times

Section 3, LIMITATIONS OF TRANSFERS

- 3.00 New instructions needed
- 3.05 Transfer cancelled
- 3.10 No combining of transfers

Section 4, TIME LIMITATIONS

- 4.00 Closing hour
- 4.05 Supplement

Section 5, SUBMISSION OF REQUESTS AND SECURITIES

- 5.00 Requirements
- 5.05 Coupons

Section 6, FEES

Appendix A — Time Schedule

Appendix B — Fee Schedule

Section 1, GENERAL**1.00 Right to alter circular**

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

1.05 Reference to Federal Reserve office

"Federal Reserve office" means a Federal Reserve Bank or Branch.

1.10 References to this Bank

Unless otherwise stated, all references to the Federal Reserve Bank of Dallas, or "this bank" include the Head Office and the Houston, San Antonio, and El Paso Branches.

1.15 Privilege not a right

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 offices, without responsibility on their part for delays in effecting deliveries for any reason.

1.20 Communications link

A transferee that arranges with the Federal Reserve Bank of Dallas to receive securities transfers by electronic means must manage its communications link so as to permit this Bank to send transfers to it on a timely basis during this day. This Bank is not responsible for any delay in sending a securities transfer or other message to such a transferee, if the delay results from the transferee's failure to so manage its link. In addition, the transferee's failure to manage its link shall not affect the authority of this Bank to (i) credit the securities as designated by the transferor or (ii) debit the account of the transferee for the dollar amount specified by the transferor.

Section 2, TRANSFERS AUTHORIZED**2.00 Types**

Approved "on-line" institutions and this bank, as fiscal agent of the United States, are authorized to

make telegraphic transfers of outstanding, unmatured, marketable bearer or book-entry 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 offices. Such authorization is also applicable to certain agency securities identified in Appendix B of this bank's Bulletin 14 entitled "Book-Entry Securities".

2.05 Times

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.

Section 3, LIMITATIONS OF TRANSFERS**3.00 New instructions needed**

Whenever a Federal Reserve office, which is 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 Federal Reserve office, 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 instructions are received from the transferor.

3.05 Transfer canceled

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

3.10 No combining of transfers

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.

Section 4, TIME LIMITATIONS**4.00 Closing Hour**

The closing hour for receiving requests for such transfers of securities is 2:30 p.m. local time of the Federal Reserve offices to which the transfers are to be made, but not later than 2:30 p.m. local time of the Federal Reserve office from which the transfers are to be dispatched.

Under certain circumstances the closing hour for transfer of securities may be extended. If an "on-line" institution elects to terminate its own processing prior to the completion of an extension to the closing hour, any securities and their related accounting entries received at this Bank will be processed to the receiving institution's account.

4.05 Supplement

A table of closing hours of Federal Reserve offices may be found in Appendix A of this circular.

Section 5, SUBMISSION OF REQUESTS AND SECURITIES**5.00 Requirements**

A written request from a designated official directing the transfer of the securities should accompany the deposit of the securities, unless the securities are already on deposit with this bank. Instructions by telephone will be recorded as will the callback for verification of the transac-

tion. 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 (include not only bank to which delivery is to be made but also indicate whose account);
- (c) Date on which delivery is to be consummated; and
- (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.

5.05 Coupons

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.

Section 6, FEES

Fees will be charged according to the fee schedule in Appendix B. We reserve the right to change these fees from time to time.