



FEDERAL RESERVE BANK  
OF DALLAS

WILLIAM H. WALLACE  
FIRST VICE PRESIDENT  
AND CHIEF OPERATING OFFICER

December 14, 1987

DALLAS, TEXAS 75222

Circular 87-89

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

**SUBJECT**

**Revisions to Fiscal Agency Operating Circular No. 2 and to Bulletin 7  
Custody of Securities**

**DETAILS**

Fiscal Agency Operating Circular No. 2, Section 3, Limitations of Transfers has been revised to include a statement regarding the \$50 million maximum transaction size limitation on the par value of book-entry Fedwire securities transfers. Appendix A of this Bank's Bulletin 7 has been revised to reflect price changes for the definitive safekeeping service approved by the Board of Governors of the Federal Reserve System which will be effective January 1, 1988. A revised Fiscal Agency Operating Circular No. 2 and Appendix A of Bulletin No. 7 are enclosed. Please substitute the enclosed pages for the corresponding pages in Volume 1 of your Regulations Binders.

**ENCLOSURES**

Enclosed are a revised Fiscal Agency Operating Circular No. 2 and an Appendix A of Bulletin 7.

**MORE INFORMATION**

For further information, please contact Tyrone Gholson (214) 651-6263 at the Dallas office; Luke E. Richards (713) 659-4433 at the Houston office; or Tony G. Valencia (512) 224-2141 at the San Antonio office.

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).

## Appendix A

### FEE SCHEDULE

**Book Entry:****Federal Agency**

Account Switches (on-line institutions)	per transaction	\$ 2.25
Account Switches (off-line institutions)	per transaction	\$ 7.00
Account Maintenance per account	per month	\$15.00
Account Maintenance per issue	per account, per month	\$ .45

**Treasury**

Account Switches (on-line institutions)	per transaction	\$ 2.25
Account Switches (off-line institutions)	per transaction	7.00
Account Maintenance per account	per month	no fee
Account Maintenance per issue	per account	no fee

**Definitive Securities**

Deposits and Withdrawals	per transaction	\$10.00
Account Maintenance	per receipt, per month (1-400) (over 400)	\$ 3.00 2.00
Par value fee assessed per \$1,000 on coupon bearing securities		\$ .01

Fees are not assessed on transactions involving collateral accounts such as Treasury Tax & Loan, Circular 176 (Secretary of the Treasury), and Loans.

# **FISCAL AGENCY OPERATING CIRCULAR NO. 2**

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

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**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.

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**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.

**3.15 \$50 million par value transfer limit**

Transfers are not authorized if the par value of the security exceeds \$50 million. This limitation applies to all secondary market Fedwire book-entry transfers of Treasury, federal and federally sponsored agency securities. In addition, the limit applies to all Fedwire securities transfers for international organizations. Fedwire book-entry transactions with par amounts greater than \$50 million that are received for processing by this Bank will be rejected back to the originating depository institution. Transfers to collateral accounts, e.g., Treasury Tax & Loan, Loan and Discount, are exempt from this limitation.

**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 transaction. 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.

## Appendix A

**REVISED CLOSING HOURS AT FEDERAL RESERVE OFFICES  
FOR CPD TRANSFERS ADDRESSED TO POINTS HAVING THE  
SAME OR A LATER CLOSING HOUR**

BANK OR BRANCH	LOCAL OFFICE TIME	TIME IN OTHER ZONES			
		EST	CST	MST	PST
BOSTON .....	2:30 p.m. EST		1:30	12:30	11:30
NEW YORK .....	2:30 p.m. EST		1:30	12:30	11:30
Buffalo .....	2:30 p.m. EST		1:30	12:30	11:30
PHILADELPHIA .....	2:30 p.m. EST		1:30	12:30	11:30
CLEVELAND .....	2:30 p.m. EST		1:30	12:30	11:30
Cincinnati .....	2:30 p.m. EST		1:30	12:30	11:30
Pittsburgh .....	2:30 p.m. EST		1:30	12:30	11:30
RICHMOND .....	2:30 p.m. EST		1:30	12:30	11:30
Baltimore .....	2:30 p.m. EST		1:30	12:30	11:30
Charlotte .....	2:30 p.m. EST		1:30	12:30	11:30
ATLANTA .....	2:30 p.m. EST		1:30	12:30	11:30
Birmingham .....	2:30 p.m. CST	3:30		1:30	12:30
Jacksonville .....	2:30 p.m. EST		1:30	12:30	11:30
Miami .....	2:30 p.m. EST		1:30	12:30	11:30
Nashville .....	2:30 p.m. CST	3:30		1:30	12:30
New Orleans .....	2:30 p.m. CST	3:30		1:30	12:30
CHICAGO .....	2:30 p.m. CST	3:30		1:30	12:30
Detroit .....	2:30 p.m. EST		1:30	12:30	11:30
ST. LOUIS .....	2:30 p.m. CST	3:30		1:30	12:30
Little Rock .....	2:30 p.m. CST	3:30		1:30	12:30
Louisville .....	2:30 p.m. EST		1:30	12:30	11:30
Memphis .....	2:30 p.m. CST	3:30		1:30	12:30
MINNEAPOLIS .....	2:30 p.m. CST	3:30		1:30	12:30
Helena .....	2:30 p.m. MST	4:30	3:30		1:30
KANSAS CITY .....	2:30 p.m. CST	3:30		1:30	12:30
Denver .....	2:30 p.m. MST	4:30	3:30		1:30
Oklahoma City .....	2:30 p.m. CST	3:30		1:30	12:30
Omaha .....	2:30 p.m. CST	3:30		1:30	12:30
DALLAS .....	2:30 p.m. CST	3:30		1:30	12:30
El Paso .....	2:30 p.m. MST	4:30	3:30		1:30
Houston .....	2:30 p.m. CST	3:30		1:30	12:30
San Antonio .....	2:30 p.m. CST	3:30		1:30	12:30
SAN FRANCISCO .....	2:30 p.m. PST	5:30	4:30	3:30	
Los Angeles .....	2:30 p.m. PST	5:30	4:30	3:30	
Portland .....	2:30 p.m. PST	5:30	4:30	3:30	
Salt Lake City .....	2:30 p.m. MST	4:30	3:30		1:30
Seattle .....	2:30 p.m. PST	5:30	4:30	3:30	

**Appendix B****FEE SCHEDULE****Security transfers:**

Federal Agency		
Originated On-Line	per transaction	\$ 2.25
Originated Off-Line	per transaction	\$ 7.00
Received Off-Line	per transaction	\$ 7.00
Treasury		
Originated On-Line	per transaction	\$ 2.25
Originated Off-Line	per transaction	\$ 7.00
Received Off-Line	per transaction	\$ 7.00