

FEDERAL RESERVE BANK
OF NEW YORK

Lucas Phillips

Check Department

[Circular No. 731, July 31, 1926]
Reference to Circular 728]

Collection of Checks
Return of Unpaid Items

To All Member Banks in the Second Federal Reserve District:

The New York Clearing House Association has amended its constitution with reference to the return of unpaid items by banks in certain sections of New York City. An excerpt from its constitution is quoted below:

"New York City divided into zones. In connection with the return of 'not good' items, the City of New York is hereby divided into two zones to be known as the Central Zone and the Outlying Zone. The Central Zone shall include 72nd Street in the Borough of Manhattan and all of that Borough lying south thereof, together with Flatbush and Atlantic Avenues in the Borough of Brooklyn from their junction to the East River, and that part of the Borough of Brooklyn bounded by Flatbush Avenue, Atlantic Avenue and the East River. All of the City of New York not included in the Central Zone shall constitute the Outlying Zone."

Effective August 2, 1926, banks located in the Outlying Zone will be permitted to return unpaid items through the following day's exchanges. Such unpaid items as we may handle, returned by banks in the outlying zone, will therefore be received by you from us one day later than at present.

This will not affect unpaid items returned by banks in the Central Zone.

Very truly yours,

BENJ. STRONG,

Governor.