

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 2659]
July 24, 1943

INFORMATION REGARDING THE THIRD WAR LOAN

To all Banking Institutions in the
Second Federal Reserve District:

For your information we quote below the text of an announcement by the Treasury Department which was released for publication on July 22, 1943, regarding the Third War Loan Drive.

Secretary of the Treasury Henry Morgenthau, Jr., announced today that the goal set for the Third War Loan Drive, starting September 9, will be \$15 billion.

Mr. Morgenthau said that the entire \$15 billion will be sold to individual investors, corporations, insurance companies and other non-banking sources.

"This goal and the Third War Loan program," he said, "was determined by Treasury officials after receiving recommendations from chairmen of the State War Finance Committees, and officials of the Federal Reserve System and the American Bankers Association. Getting this amount of money will be a huge task, and will represent the largest financing program in the history of the world.

"The job of raising this \$15 billion," he said, "will be handled by War Finance Committees of each state, and the bonds will be sold largely by hundreds of thousands of patriotic volunteer salesmen, who already have made plans to concentrate on house-to-house selling, since a major consideration is increasing the number of people who are buying War Bonds."

The securities to be offered in the Third War Loan, it was pointed out, will be essentially the same types as those sold in the Second War Loan.

The securities to be sold under the direction of the War Finance Committees will consist of:

- | | |
|---------------------------------|------------------------------------|
| 1. Series E Savings Bonds | 4. 2½% Bonds of 1964-69 |
| 2. Series F and G Savings Bonds | 5. 2% Bonds of 1951-53 |
| 3. Series C Savings Notes | 6. ⅞% Certificates of Indebtedness |

The 2½% Bond will be dated September 15, 1943, due December 15, 1969, callable December 15, 1964, and will be issued in coupon or registered form at the option of the buyers in denominations from \$500 to \$1,000,000. Commercial banks, which are defined for this purpose as banks accepting demand deposits, will not be permitted to own these Bonds until September 15, 1953.

The 2% Bond will be dated September 15, 1943, due September 15, 1953, callable September 15, 1951, and will be issued in coupon or registered form at the option of the buyers in denominations from \$500 to \$1,000,000.

The ⅞% Certificates of Indebtedness will be dated September 15, 1943, due September 1, 1944, and will be issued in denominations of \$1,000 to \$1,000,000, and in coupon form only.

None of these securities will be available for subscription by commercial banks for their own account during the period of the Drive. However, shortly after the Drive terminates, a 2 per cent Bond and a ⅞ per cent Certificate of Indebtedness will be offered for subscription by commercial banks for their own account. In order to confine all sales in the Drive to non-banking sources, the Treasury will request commercial banks not to buy in the market, and will request the market not to trade in, either of these securities offered in the Drive until the books for bank subscriptions are closed.

To avoid unnecessary transfers of funds from one locality to another, the Treasury would prefer to have all subscriptions by corporations and firms entered and paid for through the banking institutions where the funds are located.

The attention of commercial banks and other banking institutions in the Second Federal Reserve District is called particularly to the last two paragraphs of the above announcement.

ALLAN SPROUL,
President.

FEDERAL RESERVE BANK
OF NEW YORK

July 24, 1943

AMENDMENT OF REGULATION T
OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

*To Members of National Securities Exchanges
and Brokers and Dealers in Securities in the
Second Federal Reserve District:*

The Board of Governors of the Federal Reserve System has adopted Amendment No. 3 of Regulation T, effective July 24, 1943.

For your information a copy of the above mentioned amendment is sent to you herewith. Additional copies will be furnished upon request.

ALLAN SPROUL,
President.

**BOARD OF GOVERNORS
OF THE FEDERAL RESERVE SYSTEM**

Amendment No. 3 of Regulation T—Effective July 24, 1943.

Section 4(c) (3) of Regulation T is hereby amended by adding at the end thereof a new sentence reading as follows:

“If the security when so purchased is an issued registered security which is to be distributed by a public utility holding company pursuant to a plan provided for by section 11 of the Public Utility Holding Company Act of 1935 and which has been approved by a national securities exchange for trading on a ‘when distributed’ basis, the period applicable to the transaction under subdivision (2) of this section 4(c) shall be 7 days after the date on which the security is so distributed.”

FEDERAL RESERVE BANK
OF NEW YORK

July 20, 1943.

Gentlemen:

You are one of the banks in New York City which have heretofore entered into arrangements with us for the presentation by us, by delivery at our office to messengers of such banks, of items drawn on or payable at such banks, which type of arrangement is commonly known as the "Manhattan, Bronx, and Brooklyn collection arrangement". In response to the requests of the banks with which we have such arrangements, we are willing to modify the terms of such arrangements with respect to the time within which certain items may be returned to us. We are writing this letter to set forth the terms of our arrangement with you as so modified, effective upon receipt by us of your agreement thereto. In order to indicate your agreement please sign the endorsement on the enclosed copy of this letter and return the copy of letter to us.

(1) You will send an authorized messenger to our office each business day, at an hour prescribed by us, who in your behalf will call for and receive, and will sign and deliver a receipt or receipts for, such items drawn on or payable at your main or any branch office as we may deliver to such messenger. We enclose two signature cards which we request you to fill out, sign, and return to us, for the purpose of listing with us the names, and of furnishing us with specimen signatures, of your messengers who have been designated and authorized for this purpose.

(2) It is agreed that the delivery of items to such messenger shall constitute, and shall be deemed to constitute, due presentment by us of such items to you for payment, with the same force and effect as though such items were presented by us to you for payment at your counter at the time of such delivery.

(3) You authorize us, upon delivery of items to such messenger, to charge to your account on our books the total amount of the items so delivered.

(4) You will return unpaid (including missent) items to us not later than 3 p.m. on the day of presentment, or not later than 2 p.m. on the day of presentment when presented on Saturday; except that you may return to us not later than 11 p.m. on the day of presentment, or not later than 8 p.m. on the day of presentment when presented on Saturday, (a) dishonored checks and other demand drafts for less than \$500 and (b) checks and other demand drafts for not in excess of \$5,000 returned for endorsement or to correct other formal irregularity. Items referred to in (b) of \$100 and over which were received by us from a New York Clearing House bank and which are returned to us after 3 p.m., or after 2 p.m. on Saturday, should be certified so as to be eligible (under Rule 10 of the Clearing House "Rules and Rulings on Items for the Exchanges" adopted July 15, 1943) for return by us to such banks by delivery to the Clearing House not later than 2 a.m. on the next business day following the day of presentment.



(5) Items returned as provided in paragraph (4) shall be and be deemed to be unpaid; and we will credit the amount thereof (plus protest fees) to your account on our books as follows:

We will credit on the day of presentment the amount of the items which are so returned not later than 3 p.m. on the day of presentment, or not later than 2 p.m. on the day of presentment when presented on Saturday; and

We will credit on the next business day following the day of presentment the amount of the items which are so returned after 3 p.m. on the day of presentment, or after 2 p.m. on the day of presentment when presented on Saturday, plus the amount of the statutory protest fees charged for the protesting of any such items in accordance with our instructions.

(6) Items which are drawn on you, or are payable at your main or any branch office, and which are properly endorsed, shall be and be deemed to be paid if not returned as provided in paragraph (4).

(7) You will return unpaid items to us sorted, packaged and listed, and will cause dishonored items to be duly protested, in accordance with such instructions as we may give you from time to time. We enclose a memorandum dated July 20, 1943, containing such instructions now in effect.

(8) Any item which you deposit with us and which is not paid, and any notice or certificate of dishonor or protest thereof, may be returned by us to you by delivering it to a messenger sent by you to our office to deposit items with us, to return dishonored items to us, or to receive items delivered by us to such messenger, and will, upon such delivery, be and be deemed to be so returned with the same force and effect as though such item were returned to and received by you at your counter, or were mailed to you, at the time of such delivery.

Upon receipt by us of your agreement to the collection arrangement as herein set forth, this letter will supersede any previous letter, notice or other communication, from us to you or from you to us, with reference to the arrangement between us for the presentment of items to you by delivery thereof to your messenger sent to our office.

Very truly yours,

FEDERAL RESERVE BANK OF NEW YORK.

By

Valentine Willis,
Assistant Vice President.

Enclosures

The undersigned, to which the above letter is addressed, hereby agrees to the collection arrangement set forth in said letter, and to each of the provisions of said letter.

Dated July , 1943

By _____

(Title)

FEDERAL RESERVE BANK
OF NEW YORK

July 20, 1943.

Gentlemen:

You are one of the banks in New York City which have heretofore entered into arrangements with us for the presentation by us, by delivery at our office to messengers of such banks, of items drawn on or payable at such banks, which type of arrangement is commonly known as the "Manhattan, Bronx, and Brooklyn collection arrangement". In response to the requests of the banks with which we have such arrangements, we are willing to modify the terms of such arrangements with respect to the time within which certain items may be returned to us. We are writing this letter to set forth the terms of our arrangement with you as so modified, effective upon receipt by us of your agreement thereto. In order to indicate your agreement please sign the endorsement on the enclosed copy of this letter and return the copy of letter to us.

(1) You will send an authorized messenger to our office each business day, at an hour prescribed by us, who in your behalf will call for and receive, and will sign and deliver a receipt or receipts for, such items drawn on or payable at your main or any branch office as we may deliver to such messenger. We enclose two signature cards which we request you to fill out, sign, and return to us, for the purpose of listing with us the names, and of furnishing us with specimen signatures, of your messengers who have been designated and authorized for this purpose.

(2) It is agreed that the delivery of items to such messenger shall constitute, and shall be deemed to constitute, due presentment by us of such items to you for payment, with the same force and effect as though such items were presented by us to you for payment at your counter at the time of such delivery.

(3) You authorize us, and agree to arrange with a member bank to authorize us, upon delivery of items to such messenger, to charge to the account of such member bank on our books the total amount of the items so delivered.

(4) You will return unpaid (including missent) items to us not later than 3 p.m. on the day of presentment, or not later than 2 p.m. on the day of presentment when presented on Saturday; except that you may return to us not later than 11 p.m. on the day of presentment, or not later than 8 p.m. on the day of presentment when presented on Saturday, (a) dishonored checks and other demand drafts for less than \$500 and (b) checks and other demand drafts for not in excess of \$5,000 returned for endorsement or to correct other formal irregularity. Items referred to in (b) of \$100 and over which were received by us from a New York Clearing House bank and which are returned to us after 3 p.m., or after 2 p.m. on Saturday, should be certified so as to be eligible (under Rule 10 of the Clearing House "Rules and Rulings on Items for the Exchanges" adopted July 15, 1943) for return by us to such banks by delivery to the Clearing House not later than 2 a.m. on the next business day following the day of presentment.



(5) Items returned as provided in paragraph (4) shall be and be deemed to be unpaid; you authorize us, and agree to arrange with such member bank to authorize us, to credit the amount of the items so returned (plus protest fees) to the account of the member bank to which such items were charged as provided in paragraph (3); and when so authorized by such member bank we will credit the amount of such items (plus protest fees) to its said account as follows:

We will credit on the day of presentment the amount of the items which are so returned not later than 3 p.m. on the day of presentment, or not later than 2 p.m. on the day of presentment when presented on Saturday; and

We will credit on the next business day following the day of presentment the amount of the items which are so returned after 3 p.m. on the day of presentment or after 2 p.m. on the day of presentment when presented on Saturday, plus the amount of the statutory protest fees charged for the protesting of any such items in accordance with our instructions.

(6) Items which are drawn on you, or are payable at your main or any branch office, and which are properly endorsed, shall be and be deemed to be paid if not returned as provided in paragraph (4).

(7) You will return unpaid items to us sorted, packaged and listed, and will cause dishonored items to be duly protested, in accordance with such instructions as we may give you from time to time. We enclose a memorandum dated July 20, 1943, containing such instructions now in effect.

Upon receipt by us of your agreement to the collection arrangement as herein set forth, this letter will supersede any previous letter, notice or other communication, from us to you or from you to us, with reference to the arrangement between us for the presentment of items to you by delivery thereof to your messenger sent to our office.

Very truly yours,

FEDERAL RESERVE BANK OF NEW YORK.

By

Valentine Willis,
Assistant Vice President.

Enclosures

The undersigned, to which the above letter is addressed, hereby agrees to the collection arrangement set forth in said letter, and to each of the provisions of said letter.

Dated July , 1943

By _____

(Title)

(See postscript to above letter on next page)

P. S. In connection with paragraphs (3) and (5) of the above letter, we enclose for your information a copy of the letter from The Chase National Bank of the City of New York to us, dated July 6, 1942, with reference to charging to its account on our books the amount of items delivered to you and crediting to its account the amount of returned items.

You will note that the letter from The Chase National Bank of the City of New York contains the following sentence:

You are to credit our account the total amount for all return items received from the Hellenic Bank Trust Company, this city, up to 3:00 P. M. each day.

This sentence will not be appropriate after the above letter becomes effective, since thereafter certain items may be returned up to 11 p.m. of the day of presentment, or up to 8 p. m. on the day of presentment when presented on Saturday

We assume that you will arrange to have The Chase National Bank of the City of New York deliver to us a letter superseding its previous letter of July 6, 1942; and in such superseding letter we suggest that in lieu of the sentence quoted above a paragraph be inserted reading as follows:

The total amount (plus protest fees) of all items returned to you by the Hellenic Bank Trust Company in accordance with the so-called Manhattan, Bronx, and Brooklyn collection arrangement between it and you will be credited by you to our account as follows:

You will credit on the day of presentment the amount of the items which are so returned not later than 3 p.m. on the day of presentment, or not later than 2 p.m. on the day of presentment when presented on Saturday; and

You will credit on the next business day following the day of presentment the amount of the items which are so returned after 3 p.m. on the day of presentment, or after 2 p.m. on the day of presentment when presented on Saturday, plus the amount of the statutory protest fees charged for the protesting of any such items in accordance with your instructions.

FEDERAL RESERVE BANK OF NEW YORK

By _____
Assistant Vice President

C
O
P
Y

THE CHASE NATIONAL BANK

NEW YORK

July 6, 1942.

Federal Reserve Bank of New York,
33 Liberty Street,
New York, N. Y.

Gentlemen:

This is in reference to our letter to you of February 19, 1930, in which we advised that we had entered into an agreement with the Hellenic Bank Trust Company, New York City, regarding the payment of all items delivered daily to their authorized messenger, or to their office.

We desire at this time to amend the original instructions. You may consider this letter your authority to charge our account with the amount of all items delivered each day to the Hellenic Bank Trust Company, provided the amount is not in excess of \$300,000., you to notify us by telephone each morning the exact amount delivered. Should the amount of the items at any time exceed this amount, you are to notify us by telephone before making such delivery and before charging the amount to our account. It is also understood that our instructions to you by telephone will be sufficient authority for you either to make or not to make such charge in accordance with our instructions. Later in the day you will present to us your usual debit advice for an official signature.

You are to credit our account the total amount for all return items received from the Hellenic Bank Trust Company, this city, up to 3:00 P. M. each day. This arrangement is to be effective beginning July 8, 1942, and is subject to termination upon written notice to you.

It is understood that you will incur no liability or responsibility to us for having acted, or attempted to act, or for any failure or refusal to act pursuant to this authority, except for your own negligence.

Yours very truly,

(Signed) S. O. Kerr,
Assistant Cashier.

FEDERAL RESERVE BANK
OF NEW YORK

July 20, 1943.

Gentlemen:

You are one of the banks in New York City which have heretofore entered into arrangements with us for the presentation by us, by delivery at our office to messengers of such banks, of items drawn on or payable at such banks, which type of arrangement is commonly known as the "Manhattan, Bronx, and Brooklyn collection arrangement". In response to the requests of the banks with which we have such arrangements, we are willing to modify the terms of such arrangements with respect to the time within which certain items may be returned to us. We are writing this letter to set forth the terms of our arrangement with you as so modified, effective upon receipt by us of your agreement thereto. In order to indicate your agreement please sign the endorsement on the enclosed copy of this letter and return the copy of letter to us.

(1) You will send an authorized messenger to our office each business day, at an hour prescribed by us, who in your behalf will call for and receive, and will sign and deliver a receipt or receipts for, such items drawn on or payable at your main or any branch office as we may deliver to such messenger. We enclose two signature cards which we request you to fill out, sign, and return to us, for the purpose of listing with us the names, and of furnishing us with specimen signatures, of your messengers who have been designated and authorized for this purpose.

(2) It is agreed that the delivery of items to such messenger shall constitute, and shall be deemed to constitute, due presentment by us of such items to you for payment, with the same force and effect as though such items were presented by us to you for payment at your counter at the time of such delivery.

(3) You authorize us, and agree to arrange with a member bank to authorize us, upon delivery of items to such messenger, to charge to the account of such member bank on our books the total amount of the items so delivered.

(4) You will return unpaid (including missent) items to us not later than 3 p.m. on the day of presentment, or not later than 2 p.m. on the day of presentment when presented on Saturday; except that you may return to us not later than 11 p.m. on the day of presentment, or not later than 8 p.m. on the day of presentment when presented on Saturday, (a) dishonored checks and other demand drafts for less than \$500 and (b) checks and other demand drafts for not in excess of \$5,000 returned for endorsement or to correct other formal irregularity. Items referred to in (b) of \$100 and over which were received by us from a New York Clearing House bank and which are returned to us after 3 p.m., or after 2 p.m. on Saturday, should be certified so as to be eligible (under Rule 10 of the Clearing House "Rules and Rulings on Items for the Exchanges" adopted July 15, 1943) for return by us to such banks by delivery to the Clearing House not later than 2 a.m. on the next business day following the day of presentment.



(5) Items returned as provided in paragraph (4) shall be and be deemed to be unpaid; you authorize us, and agree to arrange with such member bank to authorize us, to credit the amount of the items so returned (plus protest fees) to the account of the member bank to which such items were charged as provided in paragraph (3); and when so authorized by such member bank we will credit the amount of such items (plus protest fees) to its said account as follows:

We will credit on the day of presentment the amount of the items which are so returned not later than 3 p.m. on the day of presentment, or not later than 2 p.m. on the day of presentment when presented on Saturday; and

We will credit on the next business day following the day of presentment the amount of the items which are so returned after 3 p.m. on the day of presentment, or after 2 p.m. on the day of presentment when presented on Saturday, plus the amount of the statutory protest fees charged for the protesting of any such items in accordance with our instructions.

(6) Items which are drawn on you, or are payable at your main or any branch office, and which are properly endorsed, shall be and be deemed to be paid if not returned as provided in paragraph (4).

(7) You will return unpaid items to us sorted, packaged and listed, and will cause dishonored items to be duly protested, in accordance with such instructions as we may give you from time to time. We enclose a memorandum dated July 20, 1943, containing such instructions now in effect.

(8) Any item which you deposit with us and which is not paid, and any notice or certificate of dishonor or protest thereof, may be returned by us to you by delivering it to a messenger sent by you to our office to deposit items with us, to return dishonored items to us, or to receive items delivered by us to such messenger, and will, upon such delivery, be and be deemed to be so returned with the same force and effect as though such item were returned to and received by you at your counter, or were mailed to you, at the time of such delivery.

Upon receipt by us of your agreement to the collection arrangement as herein set forth, this letter will supersede any previous letter, notice or other communication, from us to you or from you to us, with reference to the arrangement between us for the presentment of items to you by delivery thereof to your messenger sent to our office.

Very truly yours,

FEDERAL RESERVE BANK OF NEW YORK.

By

Valentine Willis,
Assistant Vice President.

Enclosures

The undersigned, to which the above letter is addressed, hereby agrees to the collection arrangement set forth in said letter, and to each of the provisions of said letter.

Dated July , 1943

By _____

(Title)

(See postscript to above letter on next page)

P. S. In connection with paragraphs (3) and (5) of the above letter, we enclose for your information a copy of the letter from the Brooklyn Trust Company to us, dated July 6, 1939, with reference to charging to its account on our books the amount of items delivered to you and crediting to its account the amount of returned items.

You will note that the letter from the Brooklyn Trust Company contains the following paragraph:

You are to credit our account the total amount of all returned items received from the Modern Industrial Bank up to 3 p.m. each day.

This paragraph will not be appropriate after the above letter becomes effective, since thereafter certain items may be returned up to 11 p.m. of the day of presentment, or up to 8 p.m. on the day of presentment when presented on Saturday.

We assume that you will arrange to have the Brooklyn Trust Company deliver to us a letter superseding its previous letter of July 6, 1939; and in such superseding letter we suggest that in lieu of the paragraph quoted above a paragraph be inserted reading as follows:

The total amount (plus protest fees) of all items returned to you by the Modern Industrial Bank in accordance with the so-called Manhattan, Bronx, and Brooklyn collection arrangement between it and you will be credited by you to our account as follows:

You will credit on the day of presentment the amount of the items which are so returned not later than 3 p.m. on the day of presentment, or not later than 2 p.m. on the day of presentment when presented on Saturday; and

You will credit on the next business day following the day of presentment the amount of the items which are so returned after 3 p.m. on the day of presentment, or after 2 p.m. on the day of presentment when presented on Saturday, plus the amount of the statutory protest fees charged for the protesting of any such items in accordance with your instructions.

FEDERAL RESERVE BANK OF NEW YORK

By _____
Assistant Vice President

C
O
P
Y

BROOKLYN TRUST COMPANY

BROOKLYN, N. Y.

July 6, 1939.

Federal Reserve Bank,
New York City.

Gentlemen:

In accordance with an arrangement entered into by this Bank and the Modern Industrial Bank, we have arranged to pay you for all items delivered daily to their authorized messenger or to their office.

You are authorized to charge our account with the amount of all items delivered to their authorized messenger or to their office, when the amount of such items is not greater than \$300,000 in any one day. Should the amount of the items at any time exceed this amount, you are to notify us by telephone before making such delivery and before charging the amount to our account. It is also understood that our instructions to you by telephone will be sufficient authority for you either to make or not to make such charge in accordance with our instructions. Later in the day you will present to us your usual debit advice for an official signature.

You are to credit our account the total amount of all returned items received from the Modern Industrial Bank up to 3 p.m. each day.

In consideration of your recognizing and acting in accordance with this letter, we will indemnify the Federal Reserve Bank of New York and hold it harmless from any loss it may incur under this arrangement, except for its own negligence,

Very truly yours,

(Signed) G. A. Barnewall,
Vice-President.

(Signed) U. Wells,
Assistant Secretary.

**FEDERAL RESERVE BANK
OF NEW YORK**

July 20, 1943.

Instructions to banks which have entered into so-called "Manhattan, Bronx, and Brooklyn collection arrangement" with us:

**SORTING, PACKAGING, AND LISTING
UNPAID ITEMS, AND PROTESTING
DISHONORED ITEMS.**

(1) All unpaid items returned to us pursuant to the terms of the so-called Manhattan, Bronx, and Brooklyn collection arrangements between us and the banks to which these instructions are addressed, shall be enclosed in sealed envelopes bearing the names of the respective banks from which we received the items therein contained, except that all such items which we received from banks other than (a) New York Clearing House banks and (b) banks to which these instructions are addressed shall be returned to us in sealed envelopes bearing our name. Envelopes containing unpaid items so returned will hereinafter be referred to as return item envelopes. The total amount of the items* therein contained shall be indicated on the face of each return item envelope.

(2) When a return item envelope is delivered to us at or before 3 p.m., or at or before 2 p.m. on Saturday, the total amount of the items therein contained shall be listed on the regular "Return Item Packages" form which should accompany return item envelopes so delivered.

(3) When a return item envelope is delivered to us after 3 p.m., or after 2 p.m. on Saturday, the total amount of the items therein contained shall be listed as follows:

(a) If such return item envelope contains items which we received from a New York Clearing House bank, or from a bank to which these instructions are addressed, the total amount of the items therein contained, or (if delivered to us with cash items which are being deposited with us drawn on the bank from which we received the items contained in such return item envelope) the sum of the total amount of the items contained in such return item envelope plus the total amount of such cash items being deposited, shall be listed opposite the name of such bank on the accompanying form.

(b) If such return item envelope contains items other than or in addition to those referred to in (3) (a) above, the total amount of all items therein contained, or (if delivered to us with cash items which are being deposited with us drawn on us or on the Treasurer of the United States) the sum of the total amount of all items contained in such return item envelope plus the total amount of such cash items being deposited, shall be listed opposite our name on the accompanying form.

*For the purposes of these instructions the amount of the items contained in a return item envelope shall be deemed to include the amount of the statutory protest fees charged for the protesting of any such items in accordance with our instructions.



(4) Each dishonored check or demand draft of \$50.01 or over returned to us after 3 p.m. on the day of presentment (or after 2 p.m. on the day of presentment when presented on Saturday), as permitted under our agreements with the banks to which these instructions are addressed, must be duly protested before it is so returned, if it bears an out-of-town endorsement or appears to have been drawn outside this state; except that an item shall not be protested if it bears on its face the A.B.A. no protest symbol of a bank endorser or if it appears from the item that all parties have waived protest.

(5) As provided in our agreements with the banks to which these instructions are addressed, such banks may return to us not later than 11 p.m. on the day of presentment, or not later than 8 p.m. on the day of presentment when presented on Saturday, (a) dishonored checks and other demand drafts for less than \$500 and (b) checks and other demand drafts for not in excess of \$5,000 returned for endorsement or to correct other formal irregularity. Items referred to in (b) of \$100 and over which we received from a New York Clearing House bank and which are returned to us after 3 p.m., or after 2 p.m. on Saturday, should be certified so as to be eligible (under Rule 10 of the Clearing House "Rules and Rulings on Items for the Exchanges" adopted July 15, 1943) for return by us to such banks by delivery to the Clearing House not later than 2 a.m. on the next business day following the day of presentment.

(6) It is requested that information regarding the return of any item of \$500 or over be telephoned before 3 p.m., or before 2 p.m. on Saturday, direct to the banks from which we received such item, if such bank is located in New York City.

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK CLEARING HOUSE

77-83 CEDAR STREET
New York, July 15, 1943

EDWARD L. BECK,
MANAGER

G. RUSSELL CLARK,
CHARLES A. HINRICHS,
ASST. MANAGERS

RETURN ITEMS
FEDERAL RESERVE BANK OF NEW YORK
MANHATTAN, BRONX AND BROOKLYN COLLECTION ARRANGEMENT

Dear Sir:

RULE 10
(ITEMS FOR THE EXCHANGES)

In accordance with the authority contained in ARTICLE X, Section 1 (A) of the Clearing House Constitution, and in compliance with requests received from each of the members of the Association, the Clearing House Committee approves of the arrangement under which the Federal Reserve Bank of New York is permitted to return not later than 2 A. M. at the Clearing House each business day unpaid items within the limits undermentioned which the Clearing House member banks have deposited with the Federal Reserve Bank and which were presented by the Federal Reserve Bank on the preceding business day to the banks which have the so-called Manhattan, Bronx and Brooklyn Collection Arrangement with the Federal Reserve Bank.

These items will consist of -

- (a) Unpaid checks and other demand drafts for less than \$500.
- (b) Unpaid checks and other demand drafts up to \$5,000 returned for bank stamp, endorsement, etc., provided that all such items of \$100 and over are certified by the drawee banks.

The items returned are to be enclosed in envelopes and delivered by the drawee banks to the Federal Reserve Bank within the time specified in the so-called Manhattan, Bronx and Brooklyn Collection Arrangement between such banks and the Federal Reserve Bank.

...

The above rule becomes effective with respect to items deposited by the member banks with the Federal Reserve Bank of New York on and after July 19, 1943.

Very truly yours,

EUGENE W. STETSON

Chairman
Clearing House Committee

EDWARD L. BECK

Manager

to the Federal Reserve Bank of New York

Each of the _____ persons listed hereon is an employee of the undersigned bank, and is an authorized messenger, referred to in the so-called Manhattan, Bronx, and Brooklyn collection arrangement between you and the undersigned bank, and is authorized by and in behalf of the undersigned bank to call for and receive, and to sign and deliver receipts for, such items as you may deliver to such messenger. The specimen signatures of such messengers appear opposite their names hereon. The authority of each such messenger will continue in effect until you receive from the undersigned bank notice in writing of the revocation thereof.

(Name of bank)

Dated _____

By _____

Name (typewritten)

Signature

Mr.	Will sign
Mr.	"
Mr.	"
Mr.	"
Mr.	"
Mr.	"

(Continue list on reverse side if necessary)

Specimen signatures of messengers of