

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. 2962]
June 14, 1945]

**Collection of Cash Items Drawn on
Banks Not Open for Business on Saturdays**

*To the Member and Nonmember Clearing Banks
of the Second Federal Reserve District:*

We are informed that, with some exceptions, banks located in the State of New Jersey will not be open for business on Saturdays from June 16, 1945, to September 15, 1945, both inclusive, which have been made public holidays for the purposes described in section 36:1-1 of the Revised Statutes of New Jersey. In the circumstances, therefore, our head office will defer, until the next business day, credit for cash items drawn on or payable at members of the Northern New Jersey Clearing House Association for which credit would be given on such Saturdays if they were not public holidays; and our head office and Buffalo branch will defer for an additional day, i.e., for three business days after receipt, credit for cash items drawn on or payable at other New Jersey banks located in the Second Federal Reserve District which are received on Fridays to and including September 14, 1945.

While we are further informed that certain banks located in the State of New York will not be open for business on Saturdays from June 30, 1945, to September 1, 1945, both inclusive, we contemplate no changes in the current practices of our head office and Buffalo branch with respect to giving credit for cash items drawn on or payable at New York banks which will not be open for business on Saturdays during such period.

It should be remembered, however, that there will be a delay of one business day in returning cash items that may be dishonored by drawee banks which are not open for business on Saturdays during the periods mentioned above and in advising you of the fate of such items.

ALLAN SPROUL,
President.

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

June 18, 1945.

UNITED STATES SAVINGS BONDS

Exchange of Matured Bonds of Series A for Bonds of Series E

*To all Incorporated Banks and Trust Companies in the
Second Federal Reserve District Qualified to Make Payments
in Connection with the Redemption of United States Savings Bonds:*

In our printed letter dated February 26, 1945, we advised you that individuals (natural persons) owning maturing Savings Bonds of Series A would have the option of exchanging their bonds for Series E War Savings Bonds. In this connection, we pointed out that Series E bonds, the entire issue price of which is paid with the proceeds of maturing Series A bonds *during the month in which the latter mature*, will not be subject to the limitation on holdings of Series E bonds acquired on original issue.

The Treasury Department has advised us of a modification of the rule requiring the exchange to be made in the month in which the Series A bonds mature. Under the new rule, Series E bonds issued by you against payment out of the proceeds of redemption of Series A bonds, *during and after the month in which the latter mature*, will be exempt from the limitation on holdings of Series E bonds acquired on original issue, provided that (1) the redemption and purchase are concurrent, (2) the Series A bonds are presented by an individual owner in his own right, and (3) the Series E bonds are registered in his name in any authorized form. All Series E bonds issued in exchange for Series A bonds must be dated as of the first day of the month in which the Series A bonds are presented, and the prescribed notation (EX-A35) must be made on the original registration stubs of the Series E bonds issued.

The Treasury Department has also made special provision for the exchange of Series A bonds of which a member of the armed forces serving outside the continental United States is the owner, coowner or surviving beneficiary. Generally speaking, Series E bonds issued in exchange for Series A bonds owned by a member of the armed forces serving outside the continental United States will be issued as of the first day of the month in which the Series A bonds mature, regardless of when such bonds are presented for exchange. Exchanges under these circumstances may be made only at the Federal Reserve Banks, and each case should be referred to a Federal Reserve Bank with a full statement of the facts.

ALLAN SPROUL,
President.