

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. 4545]
[December 23, 1957]

**Informal Closing Hour For Receipt at Head Office
of Certain Immediate-Credit Items**

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

Our Operating Circular No. 5, entitled "New York Head Office Time Schedule", provides that immediate credit will be given for separately sorted cash items drawn on or payable at New York Clearing House Association banks, certain other New York City banks, and Northern New Jersey Clearing House Association banks, when received in time for presentment through clearing houses or special collection arrangements on the day of receipt. However, as a matter of convenient operation to this Bank and to the member and nonmember clearing banks in the Second Federal Reserve District, we have been giving immediate credit for all such items received by this Bank by 9 a.m.

The substantial increase in the number of checks issued, delays in transit, changes in transportation schedules, and other factors over which we have no control, have resulted in an increasing volume of such items being received by us in the hours immediately prior to 9 a.m. The final hour for the presentment of such items through clearing houses or special collection arrangements is 10 a.m. Consequently, we frequently have been unable to present all such items received by 9 a.m. A careful study of the matter indicates that our informal closing hour of 9 a.m. has become unrealistic and should be changed to 6 a.m.

Accordingly, effective January 2, 1958, we will normally give immediate credit for separately sorted cash items drawn on or payable at New York Clearing House Association banks, certain other New York City banks, and Northern New Jersey Clearing House Association banks received by 6 a.m. We shall continue, of course, our present practice of processing and presenting such items up to the latest possible hour, but we will give immediate credit for items received after 6 a.m. only if we are able to present the items through clearing houses or special collection arrangements on the day of receipt.

Member and nonmember clearing banks which send immediate credit items to us should dispatch such items at the earliest possible hour and by the most expeditious means of transportation available.

ALFRED HAYES,
President.