

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. 4955]
October 31, 1960]

COLLECTION OF CASH ITEMS

Revision of Operating Circular No. 5

*To the Member and Nonmember Clearing Banks of the
Second Federal Reserve District (except Banks in
the Territory assigned to the Buffalo Branch):*

Enclosed is a copy of our Operating Circular No. 5, New York Head Office Time Schedule, Revised effective October 31, 1960. The revised circular incorporates the outstanding supplement to the superseded edition of the circular and contains changes in credit availability for certain deferred-credit items payable in other Federal Reserve Districts, as follows:

Paragraph 6(b) of the revised circular provides that credit will be given for items payable in the following Federal Reserve Branch cities two calendar days after receipt by us, instead of one calendar day after receipt, if received within the applicable closing time:

Denver Oklahoma City Omaha Salt Lake City

The changes in credit availability have been made because suitable airline flights to the above cities are not now available to permit arrival of our check shipments at such Federal Reserve offices in time for presentment of the items and credit to this Bank on the day after dispatch.

Additional copies of the revised operating circular will be furnished upon request.

ALFRED HAYES,
President.

FEDERAL RESERVE BANK
OF NEW YORK

[Operating Circular No. 5
Revised effective October 31, 1960]

NEW YORK HEAD OFFICE TIME SCHEDULE

To the Member and Nonmember Clearing Banks of the Second Federal Reserve District (except Banks in the Territory assigned to the Buffalo Branch):

1. This circular applies only to member and nonmember clearing banks located in the territory assigned to our Head Office in New York City. Our Head Office territory includes all of the Second Federal Reserve District except the following counties in the State of New York, which are in the territory assigned to our Buffalo Branch: Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Steuben, Wayne, Wyoming, and Yates. Our Operating Circular No. 6, entitled "Buffalo Branch Time Schedule," applies to member and nonmember clearing banks in the territory assigned to such Branch.

2. As heretofore, cash items sent to us by member and nonmember clearing banks in the territory assigned to our Head Office in New York City should be sent to such Head Office, except that such banks may at their option send cash items payable in the territory assigned to our Buffalo Branch either to our Head Office in New York City or to our Buffalo Branch.

3. Subject to the terms and conditions of Regulation J of the Board of Governors of the Federal Reserve System, of our Operating Circular No. 4 relating to collection of cash items, and of this circular, we will give credit on our books to such member and nonmember clearing banks at the times indicated herein for cash items (a) received and accepted at our Head Office; (b) payable in the territory assigned to our Buffalo Branch and sent direct to the Branch; and (c) payable in other Federal Reserve Districts and sent, with our permission, direct to the Federal Reserve Banks of such other Districts for our account. We act only as agent of the banks from which we receive such cash items, or which send such cash items direct to Federal Reserve Banks of other Districts for our account, and we do not act as agent or subagent of any prior owners or holders of such items.

Credit for cash items received and accepted at Head Office

4. Credit is subject to applicable closing times and to sorting requirements as shown herein; credit for transfer drafts referred to in paragraph 14 is subject to the provisions of that paragraph. Credit for items received after the applicable closing times will be computed from the following business day. When items for which there are different closing times are not sorted and listed in accordance with requirements, credit for all such items may be deferred for the longest time for which credit may be deferred for any of such items as herein provided.

Immediate Credit

5. Immediate credit will be given for the following items when received within the applicable closing time:

(a) When received in time for presentment through clearing houses or special collection arrangements on the day of receipt—

Items drawn on or payable at

New York Clearing House Association banks
Certain other New York City banks
Northern New Jersey Clearing House Association banks

Lists of banks referred to
will be furnished
upon request.

(b) When received by 10 a.m. (1:30 p.m., if deposited with a separate cash letter and total for each class)—

Checks on the Treasurer of the United States

Postal Money Orders

(c) When received by 3 p.m.—

Checks on Federal Reserve Bank of New York (including Buffalo Branch)

Officers' checks of other Federal Reserve Banks (only when deposited in a separate cash letter)

Deferred Credit

6. Credit for all items other than those specified in paragraph 5 and transfer drafts (see paragraph 14), when received within the following applicable closing times, will be given as specified below:

(a) Items payable in the Second Federal Reserve District—

When received by 1:30 p.m. (items \$500 and over deposited in a separate cash letter, 2:30 p.m.)

When received by 10:00 a.m. on Saturdays (not otherwise public holidays), items of \$500 and over deposited in a separate cash letter

(b) Items payable in other Federal Reserve Districts—

When received by 12:30 p.m. (items \$500 and over deposited in a separate cash letter, 2:30 p.m.)

When received by 10:30 a.m. on Saturdays (not otherwise public holidays)

ONE CALENDAR DAY AFTER RECEIPT

Items payable in the following Federal Reserve Bank or Branch cities:*

Atlanta	Cincinnati	Kansas City, Mo.	Pittsburgh
Baltimore	Cleveland	Louisville	Portland, Ore.
Birmingham	Dallas	Memphis	Richmond
Boston	Detroit	Minneapolis	St. Louis
Buffalo	Houston	Nashville	St. Paul
Charlotte	Jacksonville	New Orleans	San Antonio
Chicago	Kansas City, Kan.	Philadelphia	Seattle

TWO CALENDAR DAYS AFTER RECEIPT

Items payable in the following Federal Reserve Bank or Branch cities:

Denver	Helena	Oklahoma City	Salt Lake City
El Paso	Little Rock	Omaha	

TWO BUSINESS DAYS AFTER RECEIPT

Items payable in the following Federal Reserve Bank or Branch cities:

Los Angeles	San Francisco
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and items drawn on or payable at (a) banks on the Par List in all localities outside of Federal Reserve Bank or Branch cities, and (b) banks in New York City other than those mentioned in paragraph 5(a).

Sorting requirements

7. Any member or nonmember clearing bank which has for collection a daily average of not more than 300 immediate-credit and deferred-credit items payable outside of the city or town in which such bank is located may, upon

* For purposes of this circular, the term "Federal Reserve Bank or Branch cities" includes Kansas City, Kan., and St. Paul.

application, be permitted to send its cash items to our Head Office unsorted with one cash letter. Credit for items so sent, when received by 1:30 p.m., will be given one business day after receipt.

8. Member banks and nonmember clearing banks, other than those permitted to send their cash items to our Head Office with one cash letter pursuant to paragraph 7, may be required, if volume warrants, to sort the cash items they send to our Head Office into some or all of the following classes and send them with a separate letter and total for each class:

Immediate-credit items subdivided into

- (1) Checks on the Treasurer of the United States
- (2) Postal Money Orders
- (3) All other immediate-credit items

Deferred-credit items subdivided into

- (1) Items payable in the State of New York
- (2) Items payable in Puerto Rico, the Virgin Islands, and in those counties of New Jersey and Connecticut that are included in the Second Federal Reserve District, namely:
New Jersey—Counties of Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Passaic, Somerset, Sussex, Union, and Warren
Connecticut—County of Fairfield
- (3) Items payable in other Federal Reserve Districts, which may be subdivided into classes according to the credit availability as provided in paragraph 6 for such items.

Credit for cash items sent direct to Buffalo Branch

9. Member and nonmember clearing banks that send cash items payable in the territory assigned to our Buffalo Branch direct to that Branch will be given credit for such items received at the Branch as specified below:

(a) Items payable in the City of Buffalo—

One calendar day from the dispatch thereof; provided, however, that this Bank may, by giving notice to such effect to any member or nonmember clearing bank, prescribe how, and the time or times before which, all items or certain items must be dispatched by such bank in order to obtain such credit.

(b) Items payable in localities outside of the City of Buffalo—

As indicated in Operating Circular No. 6 entitled "Buffalo Branch Time Schedule."

Credit for cash items sent direct to other Federal Reserve Banks

10. Member and nonmember clearing banks that have received permission to send cash items payable in other Federal Reserve Districts direct to other Federal Reserve Banks for account of this Bank (Head Office) will be given credit for items so sent as specified below:

(a) Items payable in Federal Reserve Bank or Branch cities—

Based on the time (not in excess of two business days) normally required for the collection thereof as indicated in separate availability schedules furnished to the respective direct-sending banks;

- (b) Items payable in localities outside of Federal Reserve Bank or Branch cities—

Two business days from the dispatch thereof;

provided, however, that this Bank may, by giving notice to such effect to any member or nonmember clearing bank, prescribe how, and the time or times before which, all items or certain items must be dispatched by such bank in order to obtain such credit.

General provisions

Time of presentment

11. We do not by this circular, or otherwise, agree to present any item, or to cause any item to be presented, earlier than such item is required to be presented, in the exercise of ordinary care, under the provisions of the Negotiable Instruments Law of New York.

Effect of Saturday closing and holidays upon availability

12. Operating Circular No. 7 specifies the Federal Reserve Banks and Branches that are normally closed on Saturday, and the extent to which Saturday will not constitute a business day in determining the time when, pursuant to this circular, credit will be given for deferred-credit items drawn on, or payable at, banks located in the areas served by such Federal Reserve Banks or Branches.

13. When the day on which credit would otherwise be given, pursuant to this circular, is a Sunday or a Saturday or other holiday for this Bank, credit will be given on the following business day.

Credit for transfer drafts

14. Credit will be given for transfer drafts drawn by member or nonmember clearing banks on their commercial bank correspondents based on actual transit time, whether received at our Head Office or our Buffalo Branch or sent for our account direct to the Federal Reserve Bank in the District where such draft is payable. Such drafts should be sent with separate cash letters; when sent direct to other Federal Reserve Banks, separate advices (marked "Transfer Drafts") of such direct sendings should be sent to the Head Office.

Revision of this circular

15. We reserve the right at any time, with or without notice, to revoke, modify, amend, or add to this circular or any provision thereof, effective as to all or any particular member banks and nonmember clearing banks.

Effect of this circular on previous circular

16. This circular supersedes our Operating Circular No. 5, Revised effective July 1, 1959, and the First Supplement thereto, dated August 13, 1959.

ALFRED HAYES,
President.