

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. 5392]
September 24, 1963]

**Shipments of Coin to This Bank
to Relieve Shortages**

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

In view of the current coin shortage, all Federal Reserve Banks have adopted similar temporary changes in the terms and conditions of their operating circulars governing coin shipments to them. The purpose of the changes is to assist you in disposing of any excess accumulations of coin, either wrapped or loose. This Bank's changes are set forth below. Those provisions of our Operating Circular No. 3, Revised April 4, 1956 (copies of which have been previously sent to you), that are affected by the changes are hereby suspended for the periods specified.

Changes for member banks

Effective for the three-month period October 1, 1963 to December 31, 1963, we will accept wrapped coin in deposits from member banks and their branches.

Changes for nonmember banks

Effective October 1, 1963, and during that month only, we will accept for deposit coin shipments from all nonmember banks and their branches and will pay the transportation costs of such shipments only from nonmember banks and their branches located outside of New York City and Buffalo. Credit for coin deposits, subject to verification, will be made to a nonmember bank's clearing account, if one is carried, or to the account of a member bank correspondent designated by the nonmember bank. Reimbursement for shipping charges on shipments made to us during the month of October 1963 will be made as follows:

- (1) If shipment is by express, it should be sent charges collect.
- (2) If shipment is by fourth-class insured mail, credit for the postage costs will be made in the same way that credit is made for deposits. The amount of coin contained in each bag shipped in this manner should not exceed \$200, and the address tag attached to each such bag should be endorsed "Examined at mailing office—Contains only fourth-class mail."
- (3) If shipment is to be made by armored car carrier, it will be subject to prior approval and appropriate arrangements by us. (In this connection, we should like to point out that a large percentage of our member banks are served by our Head Office or our Buffalo Branch by means of armored carrier. Therefore, if a nonmember bank has surplus coin and is located near a member bank receiving such service, we can probably arrange to have the coin picked up by the carrier if we are notified.)

We will assume the risk of loss on incoming coin shipments from nonmember banks and their branches outside New York City and Buffalo during October 1963 to the same extent that we assume the risk of loss on shipments from member banks, as set forth in our Operating Circular No. 3.

General

Your cooperation in returning any coin, wrapped or loose, in excess of your reasonable needs will constitute a public service and help the banking system meet the coin needs of its customers.

Additional copies of this circular will be furnished upon request.

ALFRED HAYES,
President.