

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK, N. Y. 10045

AREA CODE 212 RE 2-5700

July 8, 1966

AIRLINE STRIKE TO CAUSE DELAYS IN COLLECTIONS

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

The nationwide strike against five major airlines, which commenced this morning, will cause delays in the presentment of cash items handled by the Federal Reserve Banks, in the receipt of remittances and advices of nonpayment, and in the return of unpaid items.

For the present, we are making no changes in our schedules showing availability of credit for cash items which we handle. However, in the event of a protracted strike, we may have to make changes in those schedules; should this step become necessary, we shall advise you as promptly as we can.

As you know, we reserve the right to charge back to any sending bank the amount of any cash item for which payment in actually and finally collected funds is not received, regardless of whether or not the item itself can be returned.

ALFRED HAYES
President