

FEDERAL RESERVE BANK  
OF NEW YORK

Circular 7159  
June 5, 1973

*To All Banks, and Others Concerned,  
in the Second Federal Reserve District:*

On June 1, 1973, a chartered airplane carrying checks and other cash items deposited for collection by banks in the territory served by this Bank's Buffalo Branch crashed shortly after leaving the Buffalo Airport. About 83,500 checks drawn on banks in the Eastern and Central United States were on the plane, and many of them were totally or partially destroyed. Most of the checks were drawn on banks in the territory served by this Bank's Head Office. Checks drawn on banks in the Buffalo Branch territory were not involved.

As a consequence of this occurrence, there will be delays in the presentment of the checks involved to the banks on which they are drawn. The return of unpaid items will also be delayed.

In addition, the destruction of a large number of the checks drawn on banks in the Head Office territory (and on banks in other Federal Reserve Districts) will result in the presentment to those banks of numerous photographic copies for payment as cash items. In this connection, your attention is called to paragraph 41 of this Bank's Operating Circular No. 4, which sets forth the terms and conditions under which this Bank processes for collection

(Over)

photographic copies of lost or destroyed cash items. We would appreciate the cooperation of payor banks in handling photographic copies of the original instruments for payment as cash items.

The destroyed items that had been deposited with the Buffalo Branch for collection will be charged back to the depositing banks as they are identified. The process of indentifying and tracing the destroyed items is expected to be a lengthy one. Buffalo Branch territory banks are urged to retain appropriate records concerning items deposited with the Branch on May 31 and June 1.

Alfred Hayes,  
*President.*