

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. 7186]
July 18, 1973]

Procedures in the Event of a Postal Strike

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

In the event of a strike by U. S. Postal Service employees, it is possible that mail service to and from this Bank's offices in New York City and Buffalo will be suspended. If such suspension occurs, you are requested to use other means of transportation and communication to this Bank. In this connection, please note the following:

Collection matters and other correspondence

1. There may be delays in the presentment of cash items and noncash items, the return of dishonored items, and the forwarding of advices of nonpayment of items payable in this District.

2. We will continue to give credit for cash items in accordance with our time schedules from the date of actual receipt of such items (when received by applicable closing hours) at the Head Office and the Buffalo Branch, but we reserve the right to charge back any unpaid items at any time.

3. Provided that appropriate arrangements can be made, cash letters of this Bank (other than the non-machineable cash letters described in paragraph 4 below) that are normally sent by mail will be sent by courier to a central point where paying banks can pick them up. In addition, sending banks may leave at such point cash letters for delivery to this Bank or to their New York City correspondents; such cash letters may be accompanied by any return items, noncash items sent for collection, related advices, and other correspondence that the sending banks may wish to send to this Bank and to their New York City correspondents. Banks will be individually notified of their pickup and dropoff points. If more convenient, cash letters and other correspondence that would normally be sent by first-class mail to the Head Office may be delivered by banks to the Buffalo Branch for forwarding to the Head Office.

4. In cases where we normally send, within the Second Federal Reserve District, non-machineable cash letters and machineable cash letters, the former by mail directly to the bank and the latter by courier to a processing center or another bank, the non-machineable cash letters (and other correspondence normally sent by mail) will be sent together with the machineable cash letters to the processing center or other bank, where they may be picked up by the paying banks.

5. Our consolidated check shipments to Federal Reserve offices (including RCPCs) in other districts will continue to be made in accordance with the schedules in effect at the beginning of the strike.

Interdistrict shipments

6. In addition to such consolidated check shipments, we will provide for the transportation of return items and first-class mail addressed to banks and brokers in other Federal Reserve Districts. Such material should be enclosed in individually addressed, sealed envelopes that bear the correct amount of first-class postage. Such envelopes should then be sorted according to receiving Federal Reserve office and consolidated in individual containers; both the envelopes and the containers should be identified as to (1) sending bank and (2) destination (Reserve Bank office). Such material received at our Head Office by midnight or at our Buffalo Branch by 8 p.m. will be dispatched shortly thereafter. Valuables (e.g., currency, securities, or coupons) will *not* be accepted for shipment under this arrangement. While each office of this Bank will exercise the same diligence regarding such shipments with which it handles its own shipments and will make every effort to expedite delivery, this Bank cannot assume liability for the contents of such shipments nor for the timely receipt thereof by the addressees.

7. It is likely that other Federal Reserve offices will provide for interdistrict shipments of the kind described in paragraph 6 above. Accordingly, when such shipments addressed to banks in this District are received at our Head Office, we will forward them to such banks by the methods indicated in paragraphs 3 and 4 above or, in the case of local banks, we will request such banks to make pickups at the Head Office. The cooperation of local banks is requested in making pickups as promptly as possible. Similar mail received by our Buffalo Branch will be available for pickup at the Branch; for information call 716-853-1700, Extension 249.

Currency and coin

8. Any bank experiencing undue hardship because of its inability to receive currency or coin from this Bank should telephone the Bank collect—for the Head Office call 212-732-5700, Extension 414, 415, or 416; for the Buffalo Branch call 716-853-1700, Extension 212 or 294. Banks that normally receive currency and coin by armored car at this Bank's risk and expense should send orders for currency and coin to our Head Office or Branch together with their cash letters in the manner indicated in paragraph 3 above. We request that all banks minimize shipments of currency and coin to and from this Bank by exchanges with other banks in their local areas whenever possible.

Securities and coupons

9. Banks wishing to send securities to this Bank for redemption, registration, denominational exchange, CPD transfer, or collateral or other safekeeping transactions should make arrangements to ensure safe delivery. To provide added protection, it is suggested that the banks use restrictive endorsements, where applicable, as provided for in Treasury Department Circular No. 853, Revised effective April 11, 1973; the procedures for restrictive endorsement are contained in this Bank's Circular No. 7143, which was sent to you on May 15, 1973. Questions or instructions regarding securities shipments or securities held in safekeeping at this Bank may be directed to the appropriate personnel by telephoning the Head Office of this Bank collect (212-732-5700) and asking for the following extensions:

Redemption	Ext. 393, 428, or 642
Registration	Ext. 632, 752, or 8064
Denominational exchange	Ext. 325 or 552
CPD transfer	Ext. 325 or 552
Collateral and other safekeeping transactions (other than collateral for advances)	Ext. 260, 325, or 242
Collateral for advances	Ext. 608 or 609

Special arrangements are being made for the shipment of securities from this Bank, but delays in receipt should be anticipated.

10. Paying agents for U. S. Savings Bonds, Series E, that normally send their paid bond transactions to this Bank by mail should make arrangements to send them by other means. Questions or instructions concerning all savings bond transactions may be directed to the appropriate personnel by telephoning the Head Office of this Bank (212-732-5700) and asking for the following extensions:

Paid bonds	Ext. 454 or 622
Redemption	Ext. 638 or 639
Reissue	Ext. 492 or 493
Unissued stock shipments	Ext. 787 or 734

If necessary, special instructions will be given with respect to shipments of unissued bond stock by this Bank to issuing agents, but delays in receipt should be anticipated.

11. If you wish to submit subscriptions or tenders for offerings of Treasury securities, please telegraph the Head Office of this Bank or telephone collect (212-732-5700, Extension 652 or 653) and be prepared to give the appropriate test word. Such subscriptions or tenders will be subject to written confirmation, which should be sent to this Bank together with cash letters in the manner indicated in paragraph 3 above.

12. If you have any questions regarding coupons or bonds sent to us for collection, please call the Head Office of this Bank collect (212-732-5700, Extension 341). Although we are making special arrangements for shipping coupons and bonds for collection, delays should be anticipated.

13. Banks located in the Buffalo Branch territory may direct any inquiries regarding paragraphs 9 through 12 above by telephoning the Branch (716-853-1700, Extension 227 or 229).

Accounting matters

14. Statements of account, supporting advices, and reports prepared by the Accounting Department of this Bank relating to the maintenance of required reserves will be forwarded with our cash letters. Please call the Accounting Department of this Bank at the usual extensions if you experience any problems.

General

15. If you have any inquiries not covered by the foregoing, please call, at the Head Office, our Bank Relations Department (212-732-5700, Extension 672 or 377) or, at the Buffalo Branch, our Bank Relations and Public Information Staff (716-853-1700, Extension 266).

ALFRED HAYES,
President.