

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 7237]
[September 27, 1973]

Further Expansion of the Book-Entry Procedure

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

In our Circular No. 7112, dated March 19, 1973, we reported on the status of the program for the further expansion of the book-entry procedure to include (a) Treasury securities held by member banks for account of their customers and (b) eligible U.S. Government Agency securities.

At that time, several United States Government Agencies had issued regulations that provide for the application of the book-entry procedure to their obligations. As a result, securities issued by the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, and the United States Postal Service that are held in custody by this Bank have already been converted into book-entry form.

The Federal Home Loan Bank Board has recently issued a regulation authorizing the application of the book-entry procedure to the consolidated bonds and notes of the twelve Federal Home Loan Banks (38 *Federal Register* 26355). Accordingly, effective at the close of business on October 5, 1973, this Bank will convert into book-entry form all such securities that are held in custody by us. While we expect that Federal Home Loan Bank securities will soon be eligible for telegraphic transfer to other Federal Reserve cities, not all Federal Reserve Bank offices may be prepared to accept such transfers at this time. Accordingly, member banks or others wishing to utilize the wire network for the transfer of such securities should confirm with this Bank that the Federal Reserve offices to which such transfers are to be directed are prepared to accept them.

To reflect the application of the book-entry procedure to securities of the Federal Home Loan Banks, we are enclosing copies of the following documents:

(a) Appendix B, "Federal Agencies with Book-Entry Regulations," Revised effective October 5, 1973, to Operating Circular No. 21.

(b) Appendix C, "Correlation Table of Treasury and Agency Book-Entry Regulations," Revised effective October 5, 1973, to Operating Circular No. 21.

As additional United States Government Agencies issue separate book-entry regulations, we plan to effect the conversion into book-entry form of their obligations held by us after giving notice of such action to our depositors.

ALFRED HAYES,
President.

FEDERAL RESERVE BANK
OF NEW YORK

Appendix B to
Operating Circular No. 21

Revised effective October 5, 1973

FEDERAL AGENCIES
WITH BOOK-ENTRY REGULATIONS

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

This Appendix contains a list of the Federal Agencies that have issued book-entry regulations substantially in the form of Subpart O of Treasury Department Circular No. 300, and whose bearer securities are issued and maintained by this Bank in book-entry form pursuant to such regulations. Each item in the following list gives the citation of the Agency's book-entry regulation and indicates the securities which are authorized by that Agency to be issued in book-entry form.

1. *United States Postal Service* (39 CFR 761) — issued August 16, 1972. Any obligation of the Postal Service issued under 39 U.S.C. 2005.

2. *Farm Credit Administration* (12 CFR 615) — issued October 26, 1972. Consolidated notes, bonds, debentures, or other similar obligations of the (a) Twelve Federal Land Banks, (b) Thirteen Banks for Cooperatives, and (c) Twelve Federal Intermediate Credit Banks; and systemwide notes, bonds, debentures, or similar obligations of the banks of the Farm Credit System issued under the Farm Credit Act of 1971.

3. *Federal Home Loan Bank Board* (12 CFR 506a) — issued September 14, 1973. Consolidated bonds and consolidated notes of the Federal Home Loan Banks issued by the Federal Home Loan Bank Board under the Federal Home Loan Bank Act, as amended.

ALFRED HAYES,
President.

FEDERAL RESERVE BANK
OF NEW YORK

Appendix C to
Operating Circular No. 21

Revised effective October 5, 1973

CORRELATION TABLE
OF TREASURY AND AGENCY BOOK-ENTRY REGULATIONS

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

The following table correlates the sections of Subpart O of Treasury Department Circular No. 300 to the corresponding section numbers in the book-entry regulations of the Federal Agencies listed in Appendix B to our Operating Circular No. 21.

<i>Subpart O</i>		<i>Farm Credit Administration (12 CFR 615)</i>	<i>U.S. Postal Service (39 CFR 761)</i>	<i>Federal Home Loan Bank Board (12 CFR 506a)</i>
<i>Section Name</i>	<i>Section Number</i>			
Definition of terms	§ 306.115	§ 615.5450	§ 761.1	§ 506a.1
Authority of Reserve Banks ..	§ 306.116	§ 615.5455	§ 761.2	§ 506a.2
Scope and effect of book-entry procedure	§ 306.117	§ 615.5460	§ 761.3	§ 506a.3
Transfer or pledge	§ 306.118	§ 615.5465	§ 761.4	§ 506a.4
Withdrawal of Treasury secu- rities	§ 306.119	§ 615.5470	§ 761.5	§ 506a.5
Delivery of Treasury securities	§ 306.120	§ 615.5475	§ 761.6	§ 506a.6
Registered bonds and notes ..	§ 306.121	—	§ 761.7	§ 506a.7
Servicing book-entry Treasury securities; payment of inter- est, payment at maturity or upon call	§ 306.122	§ 615.5480	§ 761.8	§ 506a.8

ALFRED HAYES,
President.