

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 9353
September 1, 1982]

WIRE CHARGEBACK PROCEDURES

- September 23 Effective Date for Interterritory
Cash Letter Adjustments Procedure
- Implementation of Return Items Procedure Postponed

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

In June, we announced plans to implement a wire chargeback procedure for cash letter adjustments and return items of \$50,000 or more. Details concerning both programs were sent to you in our Circular No. 9312, dated June 24, 1982. To accommodate numerous requests that these programs be given further consideration in view of procedural concerns and insufficient lead time, we advised you in our Circular No. 9321, dated July 13, 1982, that implementation of the procedures had been postponed until September 20, 1982.

Cash letter adjustments

After further consideration, the Federal Reserve System has established *Thursday, September 23, 1982*, as the effective date of the wire chargeback procedure for interterritory cash letter adjustments of \$50,000 and above. We believe that this procedure can be implemented at this time with minimal effect on financial institutions and their customers. Recognizing the potential effects this program may have on Reserve account maintenance, such adjustments will *not* be made after 3 p.m. local time.

For your convenience, we have printed on the reverse side of this circular the procedure for the cash letter adjustment wire advice. Any questions concerning the operational details associated with this procedure may be addressed to the check processing officer at the office of this Bank serving you.

Return items

The wire chargeback procedure for return items of \$50,000 and above will be published for comment later this year when the Federal Reserve System announces its program to reduce Federal Reserve float. Implementation plans for this procedure will therefore remain indefinite until comments are received and evaluated.

ANTHONY M. SOLOMON,
President.

(OVER)

Cash Letter Adjustments Procedure
Effective September 23, 1982

- A copy of the cash letter adjustment wire advice (see Attachment A) will be sent to you on the same day the account balance is debited or credited. This adjustment notice could be your source document for initiating any accounting entries.
- In addition you will receive telephone notification of each entry on the same day a transaction is posted to your account.
- A standard BAI cash letter adjustment confirmation (see Attachment B) will also be forwarded to you. This duplicate of the original adjustment advice will be stamped "CONFIRMATION COPY." The confirmation box on the lower right of the advice will include the date of the original adjustment.

* * *

If you have questions concerning the new procedures, please feel free to contact:

<i>New York:</i>	John Sobala	(212-791-5997)
	Janet Wynn	(212-791-6551)
<i>Buffalo:</i>	Robert McDonnell	(716-849-5022)
<i>Jericho:</i>	Joseph O'Connell	(516-997-4500)
<i>Cranford:</i>	Fred Denesevich	(201-272-9000)
<i>Utica:</i>	Robert Thoman	(315-736-8321)

WIRE ADVICE

(A) 23456789 (B) 43 906619
 (C) 071000301 (D) 1234 (E) \$52,991.23
 (F) RE CHGO / (G) / R. WHITE / 4/16/82 / \$949,919.19 / \$299,064.11
 (L) BC BANK / \$438.01 / \$24.80 / 72000648
 (P) / (Q) / (R) / 123456789 / (T) / (U)
 (V) / ENCLOSURE NOT LISTED

FIELD DESCRIPTIONS

- A - Your bank's nine digit routing and transit number.
- B - Two digit type code: 42 = cash letter adjustment debit, 43 = cash letter adjustment credit.
- C - Nine digit routing and transit number of sending Federal Reserve office.
- D - Four digit reference number of sending Federal Reserve office.
- E - Dollar amount of transaction.
- F&G - Name of sending Federal Reserve office.
- H - Name of person at sending Federal Reserve office who prepared this transaction.
- I - Cash Letter date.
- J - Cash Letter total.
- K - Bundle total.
- L - Your bank's name.
- M - Item before.
- N - Item after.
- O - Your reference number.
- P - Item listed as.
- Q - Item should be.
- R - Maker of item.
- S - Your endorser.
- T - Bank item drawn on.
- U - Check date.
- V - Internal reference numbers of sending Federal Reserve office.
- W - Reason for transaction.

<input type="checkbox"/> WE REQUEST CREDIT TO OUR ACCOUNT		<input type="checkbox"/> WE DEBIT YOUR ACCOUNT		ACCOUNT NBR.	CODE NBR.	REF. NBR. 163048
<input type="checkbox"/> DEPOSIT <input type="checkbox"/> CASH LETTER	DATED	<input type="checkbox"/> ERROR IN ADDITION <input type="checkbox"/> BUNDLE RECAP <input type="checkbox"/> CHECK AMOUNT <input type="checkbox"/> PHOTO ATTACHED	DATE	AMOUNT		\$
	TOTAL		LISTED	MAKER		\$
BETWEEN	BUNDLE TOTAL	<input type="checkbox"/> CHECK(S) LISTED NOT ENCLOSED <input type="checkbox"/> BUNDLE MISSING <input type="checkbox"/> NONCASH ITEM (ATTACHED)	SHOULD BE	ENDORSER		\$
NO	YOUR IDENTIFICATION NBR		DRAWN ON	CHECK DATE		\$
INTERNAL REFERENCE		PREPARED BY	COMMENTS			
DEBIT MAIL TO			CREDIT DUE FROM:			
ACCOUNT OF			()			
			()			
CREDIT			CONFIRMATION POSTED TO YOUR ACCOUNT ON DATE:			