

FEDERAL RESERVE BANK
OF NEW YORK

ATCIR No 9558
September 30, 1983

Depositing of Coupons for Redemption or Collection

To All Depository Institutions in the
Second Federal Reserve District:

Beginning October 1, 1983, all Treasury, Federal Agency, and international organization coupons submitted for redemption or collection should be addressed to the *Redemption Section, Government Bond Division*, rather than the Coupon Division. *Only corporate and municipal coupons should continue to be addressed to the Coupon Division*. Under no circumstances should corporate and municipal coupons be packaged in the same wrapper as Treasury, Agency, or international organization coupons.

In addition, we would like to remind you that this Bank's Operating Circular No. 6 requires that all corporate and municipal coupons submitted to this Bank for collection be enclosed in a *sealed* coupon collection envelope. Recently, some depositors have submitted unsealed coupon envelopes. This practice increases your vulnerability to a loss of the contents of such envelopes, and unnecessarily increases the costs of processing such items. Also, this Bank accepts such items only on a "said to contain" basis, and assumes no responsibility for the accuracy of the amount appearing on the envelope. For convenient reference, printed on the reverse side of this notice are the relevant sections of Operating Circular No. 6 governing the deposit of corporate and municipal coupons.

Your cooperation in this matter is very much appreciated. Questions regarding corporate and municipal coupons may be directed to Stephen J. Bernatowicz, Chief, Coupon Division (Tel. No. 212-791-5081). Questions concerning U.S. Treasury, Federal Agency, or international organization coupons may be directed to Francis Hennessy, Chief, Government Bond Division (Tel. No. 212-791-5359).

JORGE A. BRATHWAITE,
Vice President.

(OVER)

Excerpt from Operating Circular No. 6

Coupons

17. A sender shall enclose coupons in a separate sealed window envelope for each issue, series and maturity so that the face of a coupon is visible. Envelopes should conform to our specifications. The sender should list in the space provided on the envelopes (a) the sender's and its depositor's names, (b) the sender's collection number, and (c) a brief description of the coupons enclosed, including the number of coupons, denomination value, and total dollar value. A sender should list and describe each envelope by collection number on its totaled letter and enclose a completed standard deposit ticket with each letter. Some registered mail insurance that Reserve Banks obtain may be conditioned on verification of the contents of window envelopes when the coupons are enclosed, and on the sender's retention of a description of the coupons.

18. A sender shall separate coupon envelopes into the following classes, with a totaled separate letter and a completed standard deposit ticket for each class and, as to matured coupons, for each maturity date:

(a) *Matured City Coupon Cash Letter* — Due or past due coupons payable and presented in New York City or Buffalo;

(b) *Unmatured City Coupon Cash Letter* — Coupons due in the future payable and presented in New York City or Buffalo;

(c) *Matured Country Coupon Cash Letter* — Due or past due coupons payable outside New York City or Buffalo; and

(d) *Unmatured Country Coupon Cash Letter* — Coupons due in the future payable outside New York City or Buffalo.

In this classification, maturity is determined with reference to the date of first receipt by a Reserve Bank. We give credit for coupons in cash letters, subject to payment in actually and finally collected funds, as provided in paragraph 25 of this circular.

19. We will return a coupon cash letter containing a mixture of matured and unmatured coupons. If a coupon cash letter contains a mixture of country and city coupons, we reserve the right either to return it or to handle it as a country coupon cash letter. We will charge to the sender's account any postage, insurance, and other transportation expenses that we incur in returning such a cash letter.

20. We handle coupons contained in sealed window envelopes on a "said to contain" basis. We have no responsibility for verifying that the envelopes actually contain the coupons listed and described in the sender's collection letter or on the envelopes.

21. Before sending a coupon to us, a sender should determine whether an ownership certificate is required by law or by the issuer to be attached to the coupon.