

FEDERAL RESERVE BANK  
OF NEW YORK

[ Circular No. 9928 ]  
October 3, 1985 ]

IMPACT OF HOLIDAYS ON  
NOTIFICATION OF LARGE-DOLLAR RETURN ITEMS

Comment Invited on Interim Amendment to Regulation J

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

The Board of Governors of the Federal Reserve System has adopted an interim amendment to Regulation J relating to the large-dollar return-item notification requirements that became effective October 1, 1985. Those requirements are contained in the Ninth Supplement to our Operating Circular No. 4, which was sent to you on September 5.

The amendment, which is effective *immediately*, specifies that Saturdays, Sundays, and standard holidays are excluded in computing the paying bank's deadline for notification. It adds a new subsection to Section 210.12(c) of Regulation J, to read as follows:

(10) The following days shall not be considered banking days for purposes of the deadline for notice of nonpayment: Saturdays and Sundays, January 1, the third Monday in January, the third Monday in February, the last Monday in May, July 4, the first Monday in September, the second Monday in October, November 11, the fourth Thursday in November, and December 25. If January 1, July 4, November 11, or December 25 falls on a Saturday, the previous Friday shall not be considered a banking day for purposes of this subsection. If January 1, July 4, November 11, or December 25 falls on a Sunday, the next following Monday shall not be considered a banking day for purposes of this subsection.

As a result of this amendment, paragraph 41 of our Operating Circular No. 4, as contained in its Ninth Supplement, is amended, effective immediately, by adding the following two sentences to the end of that paragraph:

If January 1, July 4, November 11, or December 25 falls on a Saturday, that day and the previous Friday shall not be considered banking days for purposes of the deadline for notice of nonpayment. If January 1, July 4, November 11, or December 25 falls on a Sunday, that day and the next following Monday shall not be considered banking days for purposes of the deadline for notice of nonpayment.

The Board of Governors has invited comments on this interim amendment. Comments will be accepted until November 1, 1985. They should contain a reference to Docket No. R-0552 and should be sent to William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, D.C. 20551, or to Cathy E. Minehan, Vice President of this Bank's Check Processing Function.

E. GERALD CORRIGAN,  
*President.*