

FEDERAL RESERVE BANK
OF NEW YORK

AT-10594a
November 24, 1992

**Change in Procedures for Delivery of
Definitive Treasury and Agency Securities**

*To All Depository Institutions in
the Second Federal Reserve District:*

Over the past several years the banking industry has come under significant pressure to identify efficiency improvements with the goal of reducing operating expenses. The Federal Reserve Bank of New York is no exception in this effort. As a result, we have identified some changes that will affect the current manner in which we provide definitive securities services to depository institutions in this District. Having said that, let me assure you that the impact of these changes on our customers was considered in our decision-making process. We believe that these changes should not adversely affect you, and over time you may realize some benefits, too.

The first of these changes modifies the way we deliver definitive securities. **Effective January 6, 1993**, this Bank will:

- ship, via certified mail, all registered Treasury and Agency securities, at our expense, to the submitting agent or the registered owner; and
- limit the over-the-counter delivery of bearer securities from our Safekeeping windows to two days a week — Wednesday and Friday — from 9:30 a.m. to 12:00 noon. Should a banking holiday fall on Wednesday or Friday, the bearer securities will be available for pick-up the following business day.

Please note that this change applies *only* to outgoing transactions resulting in the issuance of definitive securities. Transactions resulting in the issuance of book-entry securities will continue to be processed daily. In addition, we will continue to accept incoming transactions daily from 9:00 a.m. to 3:00 p.m.

We do not believe that your institution will be adversely affected by this change, since there has been a general decline in the demand for definitive securities. In upcoming months, there will be additional changes in securities processing as we continue to strive to reduce costs. Ample advance notification will be provided.

If you have any questions regarding this announcement, please contact Christina H. Ryan, Manager, Safekeeping Department at (212) 720-7726 or Stephen Bernatowicz, Chief, Coupon and Safekeeping Division at (212) 720-5081.

WHITNEY R. IRWIN,
Vice President.