

FEDERAL RESERVE BANK  
OF NEW YORK

[ Circular No. 7103 ]  
[ February 21, 1973 ]

TRANSFERS OF FUNDS

Revision of Operating Circular No. 10

*To the Member Banks and Nonmember Clearing Banks  
of the Second Federal Reserve District:*

Enclosed is a copy of our Operating Circular No. 10, "Transfers of Funds," revised February 21, 1973. The operating circular has been revised to reflect the following major changes:

(a) Requests to transfer funds made by telephone to our Head Office will automatically be recorded on magnetic-tape recording equipment maintained by this Bank. Because the recorded conversations will be regarded as confirmations of instructions, written letters of confirmation will no longer be required unless specifically requested. The Buffalo Branch of this Bank is studying the feasibility of installing similar recording equipment; at the present time, however, such telephone requests to our Buffalo Branch must still be followed on the same day by a properly signed letter of confirmation.

(b) Teletype (TWX) facilities may now be used in making transfer-of-funds requests to our Head Office or Buffalo Branch. This method replaces the use of commercial telegrams, formerly authorized in the superseded edition of the operating circular. Requests made through the TWX facilities need *not* be sent in the American Bankers Association Code, as was formerly required with respect to requests sent by commercial telegram.

(c) All transfer-of-funds requests made by telephone or TWX facilities may now be made "collect," using the telephone or TWX numbers specified in paragraphs 6 and 7, respectively, of the revised operating circular. Formerly, the authorization to make requests "collect" was limited to requests for transfers of \$1,000 or over from points outside the New York City or Buffalo metropolitan area.

(d) Transfers of funds executed by this Bank will be reflected in a statement of account, which will be dispatched to the requesting banks after the close of business on each business day. Requesting banks should examine carefully the entries on these statements that relate to their transfers of funds and promptly report any exceptions thereto to the Wire Transfer Division of our Head Office or the Accounting Division of our Buffalo Branch.

Additional copies of the enclosure will be furnished upon request.

ALFRED HAYES,  
*President.*

**FEDERAL RESERVE BANK  
OF NEW YORK**

[ **Operating Circular No. 10**  
**Revised February 21, 1973** ]

**TRANSFERS OF FUNDS**

*To the Member Banks and Nonmember Clearing Banks  
of the Second Federal Reserve District:*

1. This circular sets forth the rules governing transfers of funds made through this Bank at its Head Office in New York City or its Branch in Buffalo, New York. The term "bank balance," as used in this circular, shall be construed to mean an accumulation of funds in an established account maintained by a member bank with its Federal Reserve Bank or with another member bank.

**Telegraphic transfers of funds to and from  
other Federal Reserve Banks**

*Transfers of bank balances for member banks*

2. Telegraphic transfers of bank balances between Federal Reserve Banks (which as herein used shall include branches of Federal Reserve Banks) in any amount of \$1,000 or over will be made without charge for member banks to member banks and for member banks to nonmember clearing banks. A charge of \$1.50 will be made for such transfers in any amounts of under \$1,000. Such telegraphic transfers of bank balances may contain descriptive third party information not exceeding four 80-character lines of alphabetic data. While such transfers will be accepted only from member banks and paid only to member banks or nonmember clearing banks, through the utilization of descriptive third party information, they may be for the use of any bank, individual firm, or corporation.

**Transfers of funds within the Second  
Federal Reserve District**

*Transfers of bank balances for member banks*

3. Transfers within the Second Federal Reserve District of bank balances in any amount of \$1,000 or over will be made without charge for member banks to member banks and for member banks to nonmember clearing banks, subject to the provisions of paragraph 2 as to descriptive information. A charge of \$1.50 will be made for such transfers in any amounts of under \$1,000.

### ***Transfers of funds for nonmember clearing banks***

4. Transfers of funds in any amount of \$1,000 or over will be made without charge for nonmember clearing banks to member banks and other nonmember clearing banks located in the territory assigned to the office of this Bank at which the nonmember clearing accounts of the requesting banks are maintained, subject to the provisions of paragraph 2 as to descriptive information. A charge of \$1.50 will be made for such transfers in any amounts of under \$1,000. Such transfers will be made by us only from collected funds on deposit with us.

### **Requests for transfers**

5. Subject to the applicable provisions of this circular, requests for transfers of funds may be made by telephone, teletype (TWX), or letter. Requests may also be made through the use of electronic telecommunications facilities by special arrangement.

#### ***Requests by telephone***

6. A request to transfer funds made by telephone to the Head Office of this Bank (*call "collect"—No. 212-267-5068*) must include our test word and will automatically be recorded on magnetic-tape recording devices.<sup>1</sup> A telephone request made to the Buffalo Branch of this Bank (*call "collect"—No. 716-853-1700, Ext. 243*) must also include our test word and must be followed on the same day by a letter of confirmation over authorized signature(s).

#### ***Requests by teletype (TWX)***

7. A request to transfer funds made by the use of TWX facilities must identify the requesting bank by name and routing symbol-transit number and must contain our test word and the name of the person authorizing the request. If more than one transfer of funds is requested in one TWX message, the total dollar amount of such transfers must also be contained in the message. Teletype requests to transfer funds may be made "collect"—at the Head Office, call No. 710-581-6573, and at the Buffalo Branch, call No. 710-522-1187.

#### ***Requests by letter***

8. A request to transfer funds made by letter must contain authorized signature(s), a specimen of which is on file with this Bank.

<sup>1</sup> The Head Office of this Bank reserves the right to require the requesting bank to confirm its telephoned request by a letter of confirmation over authorized signature(s).

## General

### *Closing hours*

9. Operating Circular No. 11 contains a schedule showing the latest hours on each business day at which we will receive and accept requests for transfers of funds on the same day, pursuant to the provisions of this circular. We may, in our discretion, receive and accept, on any business day after the hours shown on such schedule, requests for transfers on that day, but only upon the understanding that the completion of any requested transfer to be received by another Federal Reserve Bank will be discretionary with such receiving Federal Reserve Bank.

### *Advices of credit*

10. Mail advice of credit for all telegraphic transfers of funds will be given by the Federal Reserve Bank receiving the transfer to the member or nonmember clearing bank, receiving credit therefor\* and, in addition, immediate advice of credit, by telegraph, telephone, or otherwise, will be given when the bank receiving credit or the bank requesting the transfer has asked for such immediate advice, or where the nature of the transaction, or the amount involved, indicates that the additional expense is justified, as to which the receiving Federal Reserve Bank will exercise its discretion. Mail and immediate advice of credit will also be given for transfers of funds within the Second Federal Reserve District, to the same extent and under similar conditions as for transfers to and from other Federal Reserve Banks.

### *Statements of account*

11. Transfers of funds executed by this Bank will be reflected in a statement of account with this Bank which will be dispatched, after the close of business on each business day, to each member bank and nonmember clearing bank. Each member bank and nonmember clearing bank shall carefully examine the entries relating to its transfers of funds as set forth in such statement of account and shall report any exceptions thereto to this Bank promptly.

### *Liability of the Federal Reserve Bank*

12. The Federal Reserve Bank of New York will use diligence and care in the transfers of funds by telegraph to the receiving Federal Reserve Bank for credit to the account of the payee bank, and in

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\* Mail advice will not be given to banks that use electronic tele-communications facilities, since those banks automatically receive advice of credit as part of their use of these facilities.

the transfer of funds made on its books for banks within the Second Federal Reserve District, but will not be responsible for errors or delays caused by circumstances beyond its control. The Federal Reserve Bank of New York shall be deemed to have acted reasonably and with due care if, in good faith, it acts upon instructions that are authenticated by the use of the appropriate test word.

***Revision of this circular***

13. The right is reserved to withdraw, add to, or amend at any time any of the provisions of this circular.

***Effect of this circular on previous circular***

14. This circular supersedes Operating Circular No. 10, Revised effective August 12, 1971.

ALFRED HAYES,  
*President.*