



FEDERAL RESERVE BANK
OF DALLAS

HELEN E. HOLCOMB
FIRST VICE PRESIDENT AND
CHIEF OPERATING OFFICER

DALLAS, TEXAS
75265-5906

August 3, 2001

Notice 01-59

TO: The Chief Operating Officer of each
financial institution and others concerned
in the Eleventh Federal Reserve District

SUBJECT

Technical Amendments to Operating Circular 3

DETAILS

We recently sent Notice 01-52 dated July 10, 2001, to all depository financial institutions announcing changes to Operating Circular 3, "*Collection of Cash Items and Returned Checks.*" Changes to the circular were effective July 2, 2001.

Since then, we have become aware that two additional technical corrections to Operating Circular 3 are required. One change corrects a technical error that inadvertently duplicated the text of footnote 8 in footnote 9. The second technical change involves revised text in paragraph 20.

Footnote 9 has been corrected and now reads as follows:

"This deadline is generally midnight of the banking day following the banking day of receipt of the check by the paying bank (Uniform Commercial Code §4-302 and Regulation J §210.12 (a)), except as the deadline may be extended under Section 229.30(c) of Regulation CC. This deadline applies to checks returned with entry for any reason, including forged endorsement or forged drawer signature."

Paragraph 20.0 CUT-OFF HOUR, has been revised to read as follows:

20.1 "For purposes of our midnight deadline under the Uniform Commercial Code, items received after 2:00 p.m. for collection or return are considered to be received on our next banking day. The 2:00 p.m. cut-off hour does not extend or otherwise affect the deadlines in our schedules for credit availability or for the presentment of items drawn on the Reserve Bank."

The newly updated Operating Circular 3, which is effective immediately, is available on the Federal Reserve's Financial Services web site at <http://www.frbservices.org>. From this web site, you can read, download, and print any operating circular in its entirety. After accessing the web site, click on "Industry Topics" and then on "Operating Circulars." Circulars may also be accessed from the individual service areas on the site.

MORE INFORMATION

For additional information about the revisions to Operating Circular 3, please contact Diane Holloway, (214) 922-5470, at the Dallas Office; Nicole King, (915) 521-8290, at the El Paso Branch; Cindy Peña, (713) 652-9155, at the Houston Branch; or Rick Flansburg, (210) 978-1661, at the San Antonio Branch.

For additional copies of this Bank's notice, contact the Public Affairs Department at (214) 922-5254 or access District Notices on our web site at <http://www.dallasfed.org/banking/notices/index.html>.

Sincerely,

A handwritten signature in cursive script that reads "Helen E. Holcomb".