

Summary of Key Changes to Operating Circular No. 10

Effective August 28, 2023, the Federal Reserve Banks (“Reserve Banks”) are amending Operating Circular 10, *Lending*, including its appendices (“OC-10”), to include the terms of use for Discount Window Direct, a new online application for Borrowers. Discount Window Direct will be generally available to Borrowers in December 2023. Capitalized terms used in this summary and not otherwise defined have the meanings given to such terms in OC-10.

Discount Window Direct is an online application that Borrowers can use to submit requests for Advances from the Reserve Banks, view information on pledges of Collateral and communicate with the Reserve Banks about Advances and pledges of Collateral. A new Appendix 7: *Discount Window Direct* is added to OC-10 which contains the terms and conditions that apply to all Borrowers that use Discount Window Direct. Please note that Borrowers are still able to request Advances from and pledge Collateral to the Reserve Banks by contacting the Reserve Banks directly without using Discount Window Direct.

Other amendments are being made to OC-10, including, but not limited to, the following changes:

- Section 7.3 is updated to clarify the expectation that Borrowers will promptly withdraw Collateral that does not meet eligibility requirements and pledge substitute Collateral acceptable to the Reserve Bank.
- Section 8 is updated to clarify that Borrowers must maintain all Collateral Schedules and the FRB Lending Documents as official records of the Borrower.
- A new Section 14.14 is added which permits the Reserve Banks to accept documents, including the OC-10 form documents, from Borrowers in electronic form that are submitted in accordance with applicable Reserve Bank procedures.
- Section 16.1(b) is deleted, which permitted notices to be sent via facsimile transmission, thus eliminating this delivery option.

The form documents referenced in Appendices 3, 4 and 5 to OC-10 have been revised and will be available on the Agreements section of the [Federal Reserve Discount Window and Payment System Risk](#) website by August 28, 2023.

Borrowers’ continued requests for Advances from, incurrence of Obligations to, or pledge of Collateral to a Reserve Bank on or after August 28, 2023 constitutes agreement to the new terms of OC-10.