

Summary of Changes to Operating Circular 1

Effective September 1, 2023, the Federal Reserve Banks will amend Operating Circular 1, *Account Relationships*, including its appendices, to update terminology to be consistent with current billing systems and to also improve the readability of the document.

A comparison reflecting the updated version to the prior version (dated August 16, 2021) will remain available on FRBservices.org® during the transition window. As a summary, the Federal Reserve Banks are making the following key changes to the operating circular:

- Operating Circular 1
 - Clarification of definitions and addition of new definitions.
 - Addition of a notification requirement for customers who change location.
 - Revisions made with respect to access to and termination of accounts and services to align Operating Circular 1 with the [Guidelines for Evaluating Account and Services Requests](#) established by the Board of Governors of the Federal Reserve System.
 - Terms added to allow Reserve Banks to rely on forms with prefilled information signed by a customer, use a third-party verification service and use any feedback provided by a customer.
 - Provision added regarding Reserve Banks' acceptance of electronic signatures.
 - The governing law section has been revised to refer to the laws of the state of the "head office of the applicable Reserve Bank," rather than the Administrative Reserve Bank.

- Appendix 1 (Master Account Agreement)
 - Language added to address information which may be prefilled on the form.
 - Language added to incorporate additional terms and conditions which may be imposed by the Administrative Reserve Bank.
 - Clarified the form effective date will be no earlier than the business day following the business day that the Reserve Bank processes the request.
 - Additional technical clarifications made.

- Appendix 2 (Transaction and Service Fee Settlement Authorization Form)
 - Language added to address information which may be prefilled on the form.
 - Language added to incorporate additional terms and conditions which may be imposed by the Administrative Reserve Bank.
 - FedNow® Service transaction code added.
 - Additional technical clarifications made.

- Appendix 3 (Pass-Through Agreement)
 - Language added to address information which may be prefilled on the form.
 - Additional technical clarifications made.

- Appendix 4 (FedTransaction Analyzer® Service)
 - Updates made to conform to Operating Circular 1.
 - Clarification made that the Service will be used by Customers for internal business purposes only.

See the links below for the official version of amended Operating Circular 1 and the redlined version of amended Operating Circular 1 published on FRBservices.org.

[Amended Operating Circular 1](#)

[Redlined version of amended Operating Circular 1](#)

Your continued use of the Federal Reserve Financial Services on or after September 1, 2023, constitutes agreement to the new terms of Operating Circular 1.

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