

July 29, 2011

Changes to Operating Circular 1 (OC1), Account Relationship Effective September 1, 2011

The Federal Reserve Banks are making changes to Operating Circular 1 (OC1) in an effort to provide additional clarity with respect to opening, maintaining and terminating a Federal Reserve Account, as well as establishing a correspondent/respondent relationship for transaction and service fee settlement. A new companion guide, the Federal Reserve Account Structure, Transaction Settlement and Reporting Guide (Account Structure Guide), is also now available to provide further guidance regarding account structure and transaction and service fee settlement authorization rules. The new OC1 becomes effective on September 1, 2011. In conjunction, use of the Account Structure Guide and related forms will begin immediately on September 1, 2011.

What Does This Mean for Your Institution?

If your financial institution needs to make adjustments to its account and/or correspondent/respondent relationships to comply with the new OC1 requirements, you will receive direct communications from your local Federal Reserve Accounting Office or National Billing Operations Office regarding next steps.

If you have or plan to open/close a Federal Reserve Account and/or plan to establish or terminate a correspondent/respondent relationship for transaction and/or service fee settlement, you will need to familiarize yourself with the OC1 updates, the new Federal Reserve Account Structure Guide and related forms prior to the September 1, 2011 effective date.

Resources Available to Your Institution

Details regarding the changes and potential impact to your financial institution can be found on the [Operating Circular 1](#) online resource center. The resource center includes a detailed Summary of Key Changes, the new OC1, and the Federal Reserve Account Structure and Settlement Guide. To learn more about the upcoming changes, you also may join us for the following event:

OC1 Account Relationships Changes Seminar

Learn more about the upcoming changes related to OC1, Account Relationships, and how the changes may impact your financial institution. This free interactive information session was developed to help your institution better understand the changes and will feature helpful information to:

- Explain the specific changes to OC1
- Provide examples based on account structure scenarios
- Give your institution next steps for successful implementation of the new requirements
- Offer detailed contact and resource information to assist you with your needs at the Federal Reserve Banks
- Answer questions and identify needs for additional information

[Click here to register](#) for one of the OC1 Account Relationships Changes Seminar.

The Federal Reserve Banks are committed to keeping you aware of upcoming changes. If you have any questions or concerns, please contact your Account Services representative. You can locate your Account Services representative by visiting [My FedDirectory](#)[®] at [FRBservices.org](#).