Summary of Changes to Operating Circular 12

Effective March 8, 2021, the Federal Reserve Banks will amend Operating Circular 12, *Multilateral Settlement*, including its appendixes, to support the addition of a third same-day automated clearinghouse (ACH) processing and settlement window on March 19, 2021 and to make other changes to the operating circular.

As reflected in the redlined version of Operating Circular 12 published on the FRBservices.org® website, the Federal Reserve Banks will make the following key changes to the operating circular:

- Section 1.2 will be modified to include a definition of “NSS Schedule.” The NSS Schedule, which will be contained on a new wholesale services operating hours page published on the FRBservices.org website, will state the hours of the Settlement Window and each holiday that is not a Settlement Day for the National Settlement Service (NSS). The NSS Schedule will reflect the expansion of the closing of the Settlement Window in support of the addition of the third same-day ACH processing and settlement window, from 5:30 p.m. ET to 6:30 p.m. ET. References to the NSS Schedule are included in other sections of Operating Circular 12.
- Section 5.8 will be modified to refer to and describe the Federal Reserve Banks’ guidelines for considering a request from a Settlement Agent for an extension of the Settlement Window. These guidelines will be contained on a new wholesale services extension guidelines page published on the FRBservices.org website.
- A new section 6.11 will be added that states the Federal Reserve Banks may accept agreements and other documents in electronic form.
- Appendix B-1, *Settlement Agent and Security Agreement*, will be modified to remove the designation of a Settler whose Master Account may be used to settle NSS fees. Per section 6.6 of Operating Circular 12, a Settlement Agent must designate a Settler whose Master Account may be used to settle NSS fees. Going forward, the Federal Reserve Banks will collect this designation only using the NSS forms that a Settlement Agent submits to set up a Settlement Arrangement.
- Section 5.1 of Appendix C, *FedPayments® Manager for the National Settlement Service*, will be modified to remove the hours of availability for FedPayments Manager and to refer instead to the hours of availability for FedPayments Manager published on the wholesale services operating hours page. Section 5.1 will also be revised to clarify that the Federal Reserve Banks may make FedPayments Manager available outside the hours of the Settlement Window, during which time FedPayments Manager may have limited functionality.

The redlined version of amended Operating Circular 12 published on the FRBservices.org website reflects all changes that the Federal Reserve Banks will make to Operating Circular 12, including changes not described above.

See the links below for the official version of amended Operating Circular 12 and the redlined version of amended Operating Circular 12 published on the FRBservices.org website. To
request a paper copy of any operating circular, contact your Customer Contact Center. The new wholesale services operating hours and extension guidelines pages will be published on the FRBservices.org website no later than February 8, 2021.

Amended Operating Circular 12

Redlined version of amended Operating Circular 12

Your continued use of NSS on or after March 8, 2021 constitutes agreement to the new terms of Operating Circular 12.

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