

## Summary of Changes to Operating Circular 1

Effective August 16, 2021, 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.

As reflected in the redlined version of Operating Circular 1 published on FRBservices.org®, the Federal Reserve Banks will make the following key changes to the operating circular:

- Operating Circular 1
  - In Section 2.2 (Definitions), corrections will be made with respect to parenthesis.
  - Generic URL links will be inserted Footnotes 6 and 7 to update the existing links.
  - In Section 2.8 (Correspondent - Respondent Pass – Through Relationships), footnote 8 will be deleted.
  - In Section 2.11 (Risk Controls and Conditions on Settlement Arrangements and Accounts) working changes will be made to clarify the account type.
  - A wording change will be made to Section 4.2 (Statement of and Settlement for Service Charges).
  - In Section 4.3 (Accounting Information Services) updates will be made to the trademark designation.
  - In Section 5.3 (Security Interest), the word “security” will be changed to “securities.”
  - In Section 6.3(c) (Incident Response by the Reserve Bank) the wording will be updated.
  - The effective date on the cover page and in the footer will be updated to reflect an effective date of August 16, 2021.
- Appendix 1 (Master Account Agreement)
  - The footer will be updated.
  - The effective date in the footer will be updated to reflect an effective date of August 16, 2021.
- Appendix 2 (Transaction and Service Fee Settlement Authorization Form)
  - A sentence regard unused earning credits will be removed as no longer applicable.
  - Box 1002 for National Net Settlement will be removed this does not apply to Appendix 2.
  - Various other changes to make the terminology consistent with the billing application.
  - The footer will be updated.
  - The effective date in the footer will be updated to reflect an effective date of August 16, 2021.
- Appendix 3 (Pass-Through Agreement)

- The footer will be updated.
  - The effective date in the footer will be updated to reflect an effective date of August 16, 2021.
- Appendix 4 (FEDTRANSACTION ANALYZER® SERVICE)
  - Updates will be made to the trademark designation.

The redlined version of amended Operating Circular 1 published on FRBservices.org reflects all changes that the Federal Reserve Banks will make to Operating Circular 1, including changes not described above.

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. To request a paper copy of any operating circular, contact your Customer Contact Center.

[Amended Operating Circular 1](#)

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

Your continued use of the Federal Reserve Financial Services on or after August 16, 2021 constitutes agreement to the new terms of Operating Circular 1.

A list of marks related to financial services products that are offered to financial institutions by the Federal Reserve Banks is available at FRBservices.org.