

Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than October 8, 1999.

**A. Federal Reserve Bank of Chicago**  
(Philip Jackson, Applications Officer)  
230 South LaSalle Street, Chicago,  
Illinois 60690-1413:

1. *Wintrust Financial Corporation*, Lake Forest, Illinois; to acquire Tricom, Inc., Milwaukee, Wisconsin, and thereby engage in extending and servicing loans, pursuant to § 225.28(b)(1) of Regulation Y, and data processing activities, pursuant to § 225.28(b)(14) of Regulation Y.

Board of Governors of the Federal Reserve System, September 20, 1999.

**Robert deV. Frierson,**

*Associate Secretary of the Board.*

[FR Doc. 99-24886 Filed 9-23-99; 8:45 am]

BILLING CODE 6210-01-F

## FEDERAL RESERVE SYSTEM

### Sunshine Act Meeting

**TIME AND DATE:** 10:00 a.m., Wednesday, September 29, 1999.

**PLACE:** Marriner S. Eccles Federal Reserve Board Building, 20th and C Streets, N.W., Washington, D.C. 20551.

**STATUS:** Closed.

#### MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.
2. Any matters carried forward from a previously announced meeting.

**CONTACT PERSON FOR MORE INFORMATION:** Lynn S. Fox, Assistant to the Board; 202-452-3204.

**SUPPLEMENTARY INFORMATION:** You may call 202-452-3206 beginning at approximately 5 p.m. two business days before the meeting for a recorded announcement of bank and bank holding company applications scheduled for the meeting; or you may

contact the Board's Web site at <http://www.federalreserve.gov> for an electronic announcement that not only lists applications, but also indicates procedural and other information about the meeting.

Dated: September 22, 1999.

**Robert deV. Frierson,**

*Associate Secretary of the Board.*

[FR Doc. 99-25015 Filed 9-22-99; 10:36 am]

BILLING CODE 6210-01-P

## FEDERAL RESERVE SYSTEM

### Policy Statement on Delayed Disbursement

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Policy statement.

**SUMMARY:** The Board is issuing a consolidated and updated version of its three policy statements on delayed disbursement. The Board has eliminated obsolete provisions and combined the three policy statements into one. No new policies are included in this revised version.

**EFFECTIVE DATE:** October 1, 1999.

**FOR FURTHER INFORMATION CONTACT:** Jack K. Walton II, Manager, 202/452-2660, or Larry Taft, Senior Financial Services Analyst, 202/530-6248, Division of Reserve Bank Operations and Payment Systems; or Stephanie Martin, Managing Senior Counsel, Legal Division, 202/452-3198; for users of Telecommunications Device for the Deaf (TDD) *only*, contact Diane Jenkins, at 202/452-3544, Board of Governors of the Federal Reserve System, 20th and C Streets NW, Washington, DC 20551.

**SUPPLEMENTARY INFORMATION:** Delayed disbursement is the practice of delaying payment of a check by drawing the check on a bank located in an area that is remote from the payee. Delayed disbursement practices are designed to increase the time it takes to clear a check, resulting in float benefits for paying banks and their customers. These practices reduce the efficiency of the check collection system and increase float and transportation costs for depository banks.

The Board has issued three policy statements intended to discourage delayed disbursement practices. The Board issued general policy statements in 1979 and 1984 and a policy statement directed specifically at delayed disbursement of cashier's checks and teller's checks in 1989. (See, Statement of January 11, 1979, 1979 Fed. Res. Bull. 140; Statement of February 23, 1984, 1984 Fed. Res. Bull. 217; and Statement

of March 31, 1989, 54 FR 13839 (April 6, 1989).) Since 1989, parts of the Board's 1979 and 1984 policy statements have become obsolete, due to changes in the check collection and return system and the implementation of the Expedited Funds Availability Act (12 U.S.C. 4001 *et seq.*) and the Board's Regulation CC (12 CFR part 229). The Board is removing obsolete provisions and consolidating the three policy statements into one policy statement. No new policies are included in this consolidation. The policy statement is set out below:

### Policy Statement on Delayed Disbursement

*General policy.* Delayed disbursement (sometimes referred to as "remote" disbursement) is the practice of issuing checks that are payable by, through, or at a bank<sup>1</sup> located in a geographic area such that collection of the checks is generally delayed. For example, these arrangements may be designed to delay the collection and payment of checks by drawing checks on banks located substantial distances from the payee or outside of Federal Reserve cities when alternate and more efficient payment arrangements are available.

The Board is concerned that delayed disbursement practices reduce the efficiency of the check collection system. Drawing a check on a bank remote from the payee often increases the costs of handling the check. More institutions are likely to handle the check before it is finally paid, increasing processing costs, and higher transportation costs are incurred to move checks greater distances. In addition, delays in collection time can impose float costs on depository banks. Furthermore, delayed disbursement practices delay the return of unpaid checks, increasing the possibilities for check fraud and other losses.

The Board believes the banking industry has a public responsibility not to design, offer, promote, or otherwise encourage the use of a service that is intended to delay payment and that exposes payment recipients and depository banks to greater-than-ordinary risks. The Board urges the nation's banks and check-related service providers to eliminate delayed disbursement practices intended to obtain extended float.

There is no intention to discourage corporate disbursement arrangements with banks that provide for improved control over daily cash requirements, provided that these arrangements do not result in the undesirable effects noted above. Banks should provide the cash management services needed by their customers through the use of payments methods that facilitate prompt funds availability to payment recipients and that protect banks from unnecessary risk.

*Delayed disbursement of teller's checks and cashier's checks.* Although many classes

<sup>1</sup> As used in this policy statement, the term "bank" includes all depository institutions, such as commercial banks, savings and loan associations, and credit unions. A depository bank is the first bank to which a check is transferred. A paying bank is a bank by, at, or through which a check is payable and to which it is sent for collection.