

Amendments to Operating Circular 5
Effective May 15, 2026
Summary of Changes

The Federal Reserve Banks, through Federal Reserve Financial Services (FRFS), are amending and updating certain operating circulars governing financial services as part of an initiative to modernize the operating circulars. Capitalizing on the consolidation of financial services within the FRFS national business line, we are identifying opportunities for better standardization of legal terms across financial services operating circulars and working to impact the customer experience through simplification and incremental consolidation of terms. Changes will be implemented in phases. The ultimate end product will be a streamlined set of rules governing the services that should be easier for customers to digest as well as for Reserve Banks to periodically update.

Related to the operating circular modernization efforts, FRFS will be relocating provisions in each operating circular that are applicable to multiple financial services into Operating Circular 5, which already contains terms generally applicable across financial services. Accordingly, Operating Circular 5 has been renamed *General Financial Service Provisions* and will serve as the core set of contractual terms across Reserve Bank financial services, with the other financial services operating circulars containing only service-specific terms (e.g., OC 3 for check services terms, OC 4 for FedACH® terms). To the extent of any conflict between general terms in Operating Circular 5 and a service-specific operating circular, the service-specific terms shall govern.

Consistent with the phased implementation approach, the updates to Operating Circular 5 that are effective on May 15, 2026 reflect only a reorganization of the circular into two clear parts. The first part (Part A) includes all general terms applicable to all financial services (unless superseded by service-specific terms in one of the other operating circulars). These are the sections from the financial services operating circulars that were aligned and then relocated into OC 5 in earlier OC modernization phases. We will continue to add sections to this part as consolidation continues in subsequent phases. The second part of OC 5 (Part B) includes supporting services that apply across payment systems, including electronic access (original OC 5 main body), the e-payments routing directory, exception resolution service, payee name verification service, and the API service (each of the original OC 5 appendixes other than appendix A – information security program). This reorganization builds on the efficiencies realized by the consolidation and streamlining efforts of the OC modernization initiative. The new layout is also intended to increase clarity for customers regarding the consolidation of terms into OC 5.

Other than the reorganization, the new version of OC 5 includes some minor, non-substantive revisions to address the reorganization and the applicability or cleanup of certain sections across all financial services. Some introductory paragraphs and preambles were inserted, section references were updated or removed, and paragraph titles were consolidated as appropriate. Substantive consolidation of terms is being reserved for a later phase. A redline is not helpful because of the extent of the rearrangement. However, the table of contents best summarizes how the sections are reorganized, and a table can be found at the same location of the operating circular that cross-references old section numbers to new section numbers, and vice-versa. That reference table is also included below.

Operating Circular 5
SECTION LOCATION REFERENCE CHART
Prior to New and New to Prior

Prior Version 1/5/26	New Location 5/15/26	New Version 5/15/26	Prior Location 1/5/26
1.0	not present	1.0	1.1 and 1.3
1.1	1.0 and 2.1	2.0	not present
1.2	3.1	2.1	1.1
1.3	1.0	2.2	8.0
1.4	3.2	2.2.1	8.1
1.5	3.3	2.2.2	8.2
1.6	2.3	2.3	1.6
1.7	2.4	2.4	1.7
1.8	2.5	2.5	1.8
2.0	3.4	2.6	7.1
3.0	3.5	2.7	5.6
4.0	not present	2.8	6.1, 6.2, and B6.0
4.1	3.6	2.9	6.3
4.2	3.7	2.10	5.4
4.3	3.8	2.11	9.0 and 7.3
4.4	3.9	3.0	not present
4.5	3.10	3.1	1.2
4.6	3.11	3.2	1.4
4.7	3.12	3.3	1.5
4.8	3.13	3.4	2.0
5.0	not present	3.5	3.0
5.1	3.14	3.6	4.1
5.2	3.15	3.7	4.2
5.3	3.16	3.8	4.3
5.4	2.10	3.9	4.4
5.5	3.17	3.10	4.5
5.6	2.7	3.11	4.6
6.0	not present	3.12	4.7
6.1	2.8	3.13	4.8
6.2	2.8	3.14	5.1
6.3	2.9	3.15	5.2
7.0	not present	3.16	5.3
7.1	2.6	3.17	5.5
7.2	3.18	3.18	7.2
7.3	2.11	4.0	Appendix B
8.0	2.2	4.1	B1.0
8.1	2.2.1	4.2	B2.0
8.2	2.2.2	4.3	B3.0
9.0	2.11	4.4	B4.0
		4.5	B5.0
Appendix A	Appendix A	4.6	B7.0
	no change	5.0	Appendix D

Prior Version 1/5/26	New Location 5/15/26	New Version 5/15/26	Prior Location 1/5/26
		5.1	D1.0 – D1.6
Appendix B		5.2	D2.0 – D2.2
B1.0	4.1	5.3	D3.0 – D3.2
B2.0	4.2	5.4	D4.0 – D4.4
B3.0	4.3	5.5	D5.0 – D5.2
B4.0	4.4	5.6	D6.0 – D6.4
B5.0	4.5	5.7	D7.0 – D7.1
B6.0	2.8	5.8	D8.0 – D8.2
B7.0	4.6	5.9	D9.1 – D9.4
		6.0	Appendix E
Appendix C		6.1	E1.0 – E1.5
C1	7.1	6.2	E2.0 – E2.3
C2	7.2	6.3	E3.0 – E3.2
C3	7.3	6.4	E4.0 – E4.1
C4	7.4	6.5	E5.0
C5	7.5	6.5.1	E5.1
C6	7.6	6.5.2	E5.2
C7	7.7	6.5.3	E5.3
C8	7.8	6.5.4	E5.4
C9	7.9	6.5.5	E5.5
C10	7.10	6.6	E6.0
C11	7.11	6.6.1	E6.1
C12	7.12	6.6.2	E6.2
C13	7.13	6.6.3	E6.3
C14	7.14	7.0	Appendix C
C15	7.15	7.1	C1
C16	7.16	7.2	C2
C17	7.17	7.3	C3
C18	7.18	7.4	C4
C19	7.19	7.5	C5
C20	7.20	7.6	C6
C21	7.21	7.7	C7
C22	7.22	7.8	C8
C23	7.23	7.9	C9
		7.10	C10
Appendix D		7.11	C11
D1.0	5.1	7.12	C12
D2.0	5.2	7.13	C13
D3.0	5.3	7.14	C14
D4.0	5.4	7.15	C15
D5.0	5.5	7.16	C16
D6.0	5.6	7.17	C17
D7.0	5.7	7.18	C18
D8.0	5.8	7.19	C19
D9.0	5.9	7.20	C20
		7.21	C21
Appendix E		7.22	C22

Prior Version 1/5/26	New Location 5/15/26		New Version 5/15/26	Prior Location 1/5/26
E1.0	6.1		7.23	C23
E2.0	6.2			
E2.1	6.2		Appendix A	Appendix A
E2.2	6.2		<i>no change</i>	
E2.3	6.2			
E3.0	6.3			
E3.1	6.3			
E3.2	6.3			
E4.0	6.4			
E4.1	6.4			
E5.0	6.5			
E5.1	6.5.1			
E5.2	6.5.2			
E5.3	6.5.3			
E5.4	6.5.4			
E5.5	6.5.5			
E6.0	6.6			
E6.1	6.6.1			
E6.2	6.6.2			
E6.3	6.6.3			