



July 24, 2008

To: Cleveland Processing Office Depositors Sending Direct to the Cincinnati Office of the Federal Reserve Bank of Cleveland

**Accounting and Billing Changes –
Cincinnati, Indianapolis, Louisville, and Charleston Paper Check Processing Moving to
the Federal Reserve Bank of Cleveland**

As we announced to you in previous communications, Cincinnati, Indianapolis, Louisville, and Charleston paper check processing moves to the Federal Reserve Bank of Cleveland effective close of business Friday, October 17. After that date all items previously deposited at the Cincinnati office should be deposited at the Cleveland Office. Some changes will appear on your Statement of Account and Statement of Service Charges as a result of this move. Attachment I outlines these changes, which will be effective Monday, October 20, the first business day after the October 17 move. Please share all of the attachments with others in your organization who may find them useful.

Changes in Statement of Account

Cost Center Work Unit (CCWU) Numbers

CCWU number 9911 on your Statement of Account today will change to 9201, 9202, 9301, and 9302.

Futures Become Deferrals

Future activity will be shown as “deferred” activity on your Statement of Account. Futures currently processed by the Cincinnati office (currently appearing in detail on the availability date with the original transaction code) will now appear as “deferred” on the process date and “mature” in summary total on the availability date. A summary record will be provided – you will need to match the detail entries to the summary as you do today on local transactions. Please see Attachment II for a preview of these changes.

Changes in Statement of Service Charges and Billing Product Codes

On your October 2008 billing statement, you will notice two changes to your Statement of Service Charges.

- First, items deposited after October 17 will appear as being processed by the Cleveland office.
- Second, you will begin to see changes to some billing product codes. Some of the items deposited after October 17 will be billed under different product codes than they are today. Please note actual fees for these products will not change. The conversion table of billing product code changes may be found in Attachment III.

Once Cincinnati processing volume moves to Cleveland, all billing adjustments will appear on the Statement of Service Charges as originating from the Cleveland office, even if the items were originally processed in Cincinnati. Billing adjustments for items processed by Cincinnati before the move but functioned after October 17, therefore, will appear as being processed by Cleveland.

Assistance in Managing Your Account Going Forward

To assist in managing your FRB account both during this time of transition and on an ongoing basis, the Federal Reserve offers a number of Accounting Information Services. These services include delivery of your daily Statement of Account, Cash Management Reports, online inquiry capabilities to view transactions, notifications of entries to your account and the Monthly Summary Statement of Service Charges. This information can be delivered to you via FedLine® Web or FedMail® (e-mail or fax). We also offer enhanced cash management features via FedLine Web or computer interface connection, including intra-day account information on nearly a real-time basis. More information on all our accounting services may be found at <http://www.frbervices.org/Accounting/index.html>.

Customer Testing Information and a Final Note

Minimizing the impact of operational changes for our customers is one of our highest priorities during the check restructuring initiative. We anticipate accounting processes not mentioned in this letter will continue as they are today. We encourage you, however, to conduct testing on accounting information. To arrange for testing, please contact Roberta Lisowski, Cleveland Accounting, (216)579-2361.

Please watch for additional information concerning our restructuring initiative as we draw closer to October 17. In the meantime, please contact your account executive if you need further information.

Attachments

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Attachment I

Changes to Statement of Account and Statement of Service Charges Cincinnati Check Volume Move to Cleveland Effective October 20, 2008*

	Current	Effective – October 20, 2008
Cost Center Work Unit (CCWU) -- Statement of Account	Number 9911.	Will change to 9201, 9202, 9301, and 9302.
Deferred Activity – Statement of Account	<ul style="list-style-type: none"> • Appears as "futures" on the process date and "mature" in detail on the availability date with the original transaction code. 	<ul style="list-style-type: none"> • Deferred activity processed by the Cleveland office appears as "deferred" on the process date and "mature" in summary total on the availability date. • Summary record will need to be matched to the deferred detail entries. • See Attachment II for a sample of the changes to the Statement of Account.
Statement of Service Charges and Billing Product Codes	<ul style="list-style-type: none"> • Work processed in Cincinnati appears under the Cincinnati office. • All billing adjustments appear under the Cincinnati office. 	<ul style="list-style-type: none"> • Cincinnati, Indianapolis, Louisville, and Charleston work processed at Cleveland will appear under the Cleveland office. • All billing adjustments will appear under the Cleveland office even if the item was originally processed in Cincinnati. • New product codes are being added, as needed, for Cincinnati, Indianapolis, Louisville, and Charleston products being processed at Cleveland. Actual fees for these products will not change. A conversion table of billing product code changes may be found in Attachment II.

**Note: Cincinnati check processing volume moves to Cleveland close of business Friday, October 17. Accounting changes are effective the first business day thereafter, Monday, October 20.*

EXAMPLE OF DEFERRED TRANSACTIONS ON PROCESS DATE

ADPB501U FEDERAL RESERVE BANK OF CLEVELAND-CLEVELAND 10/20/08
 SAMPLE BANK 9999-9999-9 PAGE 99

 * DETAIL STATEMENT OF DEFERRED ACTIVITY *

BR	BATCH REF	OFFSET FI	DEBIT	CREDIT

	* AVAILABLE 10/21 *			

9201	(800) 929-2435	15030 CITY CASH LETTER		
	03846 1766	041000014		136.38
	03845 1765	041000014		495.26
		SUBTOTAL	2	631.64

EXAMPLE OF DEFERRED TRANSACTIONS ON AVAILABLE DATE

ADPB501U FEDERAL RESERVE BANK OF CLEVELAND-CLEVELAND 10/21/08
 SAMPLE BANK 9999-9999-9 PAGE 99

 * DETAIL OF OWN ACTIVITY *

BR	BATCH REF	OFFSET FI	DEBIT	CREDIT
	OPENING BALANCE AS OF 10/20			7,571,379.75
			05020 DEFERRED DEBITS	
	PROCESSED 10/20			200.00
			05030 DEFERRED CREDITS	
	PROCESSED 10/17			300.00
	PROCESSED 10/20			631.64
9201	(800) 929-2435	15030 CITY CASH LETTER		
	00623 1766	041000014		235.04
	00624 1765	041000014		442.75
9936	(800) 333-6801			
	03969 2545	101000048		50.00
9942	(800) 978-1200			
	04145 2512	114000721		63.00
		SUBTOTAL	4	790.79

**Billing Product Code Changes
Cincinnati Check Processing Move to Cleveland**

Attachment III

Effective October 20,2008 the Cincinnati work will be processed at FRB Cleveland.
Offices include: Cincinnati, Charleston, Louisville, and Indianapolis.

Forward							
Office	Service Area	Description	Old Code Intra	Old Code Inter		New Code Intra	New Code Inter
Cincinnati	1501	CITY FINE SORT	15210	16210		55210	56210
Cincinnati	1501	OTHER FED REGULAR	17001	14001		57001	54001
Cincinnati	1501	OTHER FED REGULAR	17002	14002		57002	54002
Cincinnati	1501	OTHER FED REGULAR	17003	14003		57003	54003
Cincinnati	1501	OTHER FED REGULAR	17004	14004		57004	54004
Cincinnati	1501	MXD O.F. WKDY/WKND	17151	14151		57151	54151
Cincinnati	1501	MXD O.F.WKDY/WKND	17152	14152		57152	54152
Cincinnati	1501	MXD O.F. WKDY/WKND	17153	14153		57153	54153
Cincinnati	1501	MXD O.F. WKDY/WKND	17154	14154		57154	54154
Cincinnati	1501	MXD CITY WKDY/WKND	17171	14171		57171	54171
Cincinnati	1501	MXD CITY WKDY/WKND	17172	14172		57172	54172
Cincinnati	1501	MXD CITY WKDY/WKND	17173	14173		57173	54173
Cincinnati	1501	MXD RCPC WKDY/WKND	17181	14181		57181	54181
Cincinnati	1501	MXD RCPC WKDY/WKND	17182	14182		57182	54182
Cincinnati	1501	MXD RCPC WKDY/WKND	17183	14183		57183	54183
Cincinnati	1501	MXD RCPC WKDY/WKND	17184	14184		57184	54184
Cincinnati	1501	MXD GOVT WKDY/WKND	17210	14210		57210	54210
Cincinnati	1501	MXD GOVT WKDY/WKND	17211	14211		57211	54211
Cincinnati	1501	OF WKDY GROUP SORT F	17751	14751		57751	54751
Cincinnati	1501	OF WKDY GROUP SORT F	17752	14752		57752	54752
Cincinnati	1501	OF WKDY GROUP SORT F	17753	14753		57753	54753
Charleston	1501	RCPC REGULAR	75251	76251		15251	16251
Charleston	1501	RCPC REGULAR	75252	76252		15252	16252
Charleston	1501	RCPC REGULAR	75253	76253		15253	16253
Charleston	1501	RCPC REGULAR	75254	76254		15254	16254
Charleston	1501	OTHER FED REGULAR	17001	14001		57001	54001
Charleston	1501	OTHER FED REGULAR	17002	14002		57002	54002
Charleston	1501	OTHER FED REGULAR	17003	14003		57003	54003
Charleston	1501	OTHER FED REGULAR	17004	14004		57004	54004
Charleston	1501	MXD O.F. WKDY/WKND	17151	14151		57151	54151
Charleston	1501	MXD O.F.WKDY/WKND	17152	14152		57152	54152
Charleston	1501	MXD O.F. WKDY/WKND	17153	14153		57153	54153
Charleston	1501	MXD O.F. WKDY/WKND	17154	14154		57154	54154
Charleston	1501	MXD CITY WKDY/WKND	17171	14171		57171	54171
Charleston	1501	MXD RCPC WKDY A	17271	-----		57271	54271
Charleston	1501	MXD RCPC WKDY A	17272	-----		57272	54272
Charleston	1501	MXD RCPC WKDY A	17273	-----		57273	54273
Charleston	1501	MXD RCPC WKDY A	17274	-----		57274	54274

Note #1: Unless noted here, all other billing product codes will remain as they are today

Note #2: The new product codes apply only to Cincinnati deposits processed by the Cleveland office. If you deposit directly to another Federal Reserve office, you should see no change in product codes used by that office.

Note #3: Other Fed, Mixed, and Nationwide City Sort tiering follows FRB Cleveland tiering schedules.

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Forward							
Office	Service Area	Description	Old Code Intra	Old Code Inter		New Code Intra	New Code Inter
Louisville	1501	RCPC REGULAR	95251	96251		15251	16251
Louisville	1501	RCPC REGULAR	95252	96252		15252	16252
Louisville	1501	RCPC REGULAR	95253	96253		15253	16253
Louisville	1501	RCPC REGULAR	95254	96254		15254	16254
Louisville	1501	RCPC PAYOR SERVICE GROUP SORT	75352	76352		55352	56352
Louisville	1501	OTHER FED REGULAR	17001	14001		57001	54001
Louisville	1501	OTHER FED REGULAR	17002	14002		57002	54002
Louisville	1501	OTHER FED REGULAR	17003	14003		57003	54003
Louisville	1501	OTHER FED REGULAR	17004	14004		57004	54004
Louisville	1501	MXD O.F. WKDY/WKND	17151	14151		57151	54151
Louisville	1501	MXD O.F. WKDY/WKND	17152	14152		57152	54152
Louisville	1501	MXD O.F. WKDY/WKND	17153	14153		57153	54153
Louisville	1501	MXD O.F. WKDY/WKND	17154	14154		57154	54154
Louisville	1501	MXD CITY WKDY/WKND	17171	14171		57171	54171
Louisville	1501	MXD RCPC WKDY A	77271	14271		57271	54271
Louisville	1501	MXD RCPC WKDY A	77272	14272		57272	54272
Louisville	1501	MXD RCPC WKDY A	77273	14273		57273	54273
Louisville	1501	MXD RCPC WKDY A	77274	14274		57274	54274
Louisville	1501	EARLY MXD O.F. WKDY	17430	14430		57430	54430
Louisville	1501	EARLY MXD O.F. WKDY	17432	14432		57432	54432
Indianapolis	1501	RCPC REGULAR	45251	46251		15251	16251
Indianapolis	1501	RCPC REGULAR	45252	46252		15252	16252
Indianapolis	1501	RCPC REGULAR	45253	46253		15253	16253
Indianapolis	1501	RCPC REGULAR	45254	46254		15254	16254
Indianapolis	1501	RCPC PAYOR SERVICE GROUP SORT	75350	76350		55350	56350
Indianapolis	1501	OTHER FED REGULAR	17001	14001		57001	54001
Indianapolis	1501	OTHER FED REGULAR	17002	14002		57002	54002
Indianapolis	1501	OTHER FED REGULAR	17003	14003		57003	54003
Indianapolis	1501	OTHER FED REGULAR	17004	14004		57004	54004
Indianapolis	1501	MXD O.F. WKDY A	17250	14250		57250	54250
Indianapolis	1501	MXD O.F. WKDY A	77251	74251		57251	54251
Indianapolis	1501	MXD O.F. WKDY A	77252	74252		57252	54252
Indianapolis	1501	MXD O.F. WKDY A	77253	74253		57253	54253
Indianapolis	1501	MXD CITY WKDY A	77260	74260		57171	54171
Indianapolis	1501	MXD RCPC WKDY A	77270	14270		67270	64270
Indianapolis	1501	MXD RCPC WKDY A	97271	74271		67271	64271
Indianapolis	1501	MXD RCPC WKDY A	47272	44271		67272	64272
Indianapolis	1501	MXD RCPC WKDY A	47273	44273		67273	64273

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Returns							
Office	Service Area	Description	Old Code Intra	Old Code Inter		New Code Intra	New Code Inter
Cincinnati	3001	All	No Changes	No Changes		No Changes	No Changes
Charleston	3001	All	No Changes	No Changes		No Changes	No Changes
Louisville	3001	All	No Changes	No Changes		No Changes	No Changes
Indianapolis	3001	All	No Changes	No Changes		No Changes	No Changes

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