



June 15, 2011

Check Platform Modernization Initiative

To All Check Services Customers

The Check Clearing for the 21st Century Act (Check 21), implemented in October 2004, has virtually transformed the check collection system. In only six years, the industry has moved from a predominantly paper-based environment to one where at some point in the collection process, almost every paper check is converted to an image. At the Federal Reserve Banks, over 99 percent of deposits and over 95 percent of presentments are exchanged via electronic images.

Recently, the Federal Reserve Banks embarked on an initiative to modernize the System's Check platform. This effort will result in a fully centralized processing environment to support high-quality efficient check processing while providing a flexible and scalable infrastructure. Migration to the new platform is targeted to occur in mid-2012 and is expected to have minimal impact on our customers. Moving forward with this effort over the next year, detailed information related to various aspects of the project will be provided, including the implementation timeline, customer and vendor testing opportunities, and other operational changes.

For your convenience, information regarding the Check Platform Modernization initiative will be posted at www.frbervices.org. As always, feel free to contact Check Customer Support at 877-372-2457 with any questions.

We appreciate your support and look forward to continuing to provide you with efficient, high-quality payments services.



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