



October 16, 2008

2008 Check Restructuring Acceleration Announcement

To All Financial Institutions:

Over the last several years, the Reserve Banks have been restructuring their legacy check processing infrastructure in response to rapidly declining paper volumes. In March, we announced a multiyear restructuring plan that targeted a transition to four regional check processing locations by early 2010. As a result of dramatically declining paper check volumes, the Reserve Banks have developed a revised schedule that will significantly accelerate the timeline announced in March.

All current processing offices will be impacted by the revised schedule, either through conversion to a capture/print site or by moving paper check processing to a different location by mid-2009. Customers in affected territories will receive a minimum of 60 days notice before processing operations are moved to a new location or shifted to a capture/print operation. Paper receivers can expect to receive substitute checks rather than original paper.

With the exception of Jacksonville, all transition dates are **SUBJECT TO CHANGE**:

Office	Potential Service Level	Transition Date
Jacksonville	Moving to Atlanta	4Q2008
Minneapolis	Capture/Print	4Q2008
Los Angeles	Capture/Print	1Q2009
Des Moines	Possible print site	1Q2009
Chicago	Capture/Print	1Q2009
St. Louis	Possible print site	1Q2009
Charlotte	Possible print site	1Q2009
Baltimore	Possible print site	2Q2009
Denver	Possible print site	2Q2009
Atlanta	Capture/Print	2Q2009
Cleveland	Capture/Print	2Q2009
Dallas	Capture/Print	2Q2009
Philadelphia	Capture/Print	2Q2009

We encourage you to explore the advantages of moving to the Federal Reserve Banks' Check 21-enabled services including FedForward[®], FedReturn[®] and FedReceipt[®] to minimize the disruption which may occur as a result of paper check restructuring. Customers who are using these services will experience minimal change.

We appreciate your patience during this time and look forward to continuing to provide you with efficient, high-quality payment services. If you have questions, feel free to contact your account executive.

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