



August 14, 2009

**Paper Check Processing Restructuring Update:
Dallas Paper Check Processing to Move to Cleveland on October 16, 2009**

To: Chief Operations Officers and Check Contacts at Depository Institutions in the **Dallas** Zone

Over the past several years, the Reserve Banks have been restructuring their paper check processing configuration in response to rapidly declining paper volumes. In November, we announced an accelerated restructuring timeline that will result in a single full service paper check processing site at the Federal Reserve Bank of Cleveland.

We now have some further details to share with you regarding the timetable of the move for the Dallas Office and the related effects on deposit options and deadlines as it relates to the paper check processing operations that will move to the Federal Reserve Bank of Cleveland.

Dallas Paper Check Processing to Move to Cleveland

After the 3 a.m. CT deposit deadline on **Friday, October 16, 2009¹**, the Dallas Office will no longer accept paper items for processing. After that date and time, all paper forward and return items previously processed by the Dallas Office will be delivered to Cleveland for processing.

A transit point will be established in the Dallas area to assist with delivery of remaining paper deposits to Cleveland. Credit for items will be based on the on-time arrival of work to the Cleveland Office. The transit point will remain until December 1, 2009. After that date, the transit point will be eliminated and depositors will be responsible for the arrangement and delivery of any remaining paper deposits and returns to the Federal Reserve Bank of Cleveland for processing.

Items received at the Dallas transit point by the deadline below will be transported to Cleveland for processing

Monday through Thursday	6:00 p.m. CT
Sunday	9:30 a.m. CT

We are now completing the details regarding the specific transit location and fees, but it may be several weeks before a decision is finalized. We understand your desire to know this information as quickly as possible, and we assure you that we will communicate the specific transit point location as soon as it is finalized.

For geographic or other reasons, some customers may prefer to deliver their paper check deposits directly to the Federal Reserve Bank of Cleveland. The deposit deadlines for Dallas items at the Cleveland Office are 12:01 a.m. ET Tuesday through Friday and 6 p.m. ET Sunday. If you currently mail paper checks to the Dallas Office, we recommend mailing those items to the Cleveland Office

¹ Same-day Settlement items will be accepted in Dallas up to 8:00 a.m. CT on Friday, October 16, 2009

beginning Thursday, October 15. Any items arriving at the Dallas Office after October 16 will be transported to Cleveland, with credit and availability based on when items arrive in Cleveland.

Attachment I includes the mailing addresses for paper forward and return checks, Canadian items, Foreign items, and EZ Clear savings bonds. If you mail items directly from your branch offices, please make sure these offices are aware of the correct mailing addresses.

As we move forward with these efforts over the next several weeks, we will be sending you additional information on changes that will occur as a result of this shift in paper check processing. For your convenience, this check restructuring information will also be found on FRBservices.org.

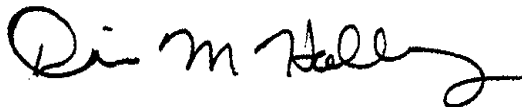
Check 21-enabled Services

If you've not already done so, I encourage you to explore the advantages of moving to the Federal Reserve Banks' Check 21-enabled services including FedForward[®], FedReturn[®], FedReceipt[®], and FedReceipt for Returns to minimize the disruption that may occur as a result of this shift in paper check processing from Dallas to Cleveland. Customers who are using Check 21-enabled services will experience minimal change to their daily operation and availability after the check processing shift to Cleveland. As a reminder, Treasury items and US Postal Money Orders can be deposited in Check 21 FedForward cash letters.

Should you have questions or concerns, or to learn more about the advantages of moving from paper to full Check 21 electronic check processing, contact your Account Executive as soon as possible.

We appreciate your patience during this time and look forward to continuing to provide you with efficient, high-quality payment services.

Sincerely,

A handwritten signature in black ink, appearing to read "Diane Holloway". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Diane Holloway
Vice President
Federal Reserve Bank of Dallas

Attachment

Forward Collection and Return Item Paper Check Deposits, including NOIs

For regular mail deliveries:
Federal Reserve Bank of Cleveland
Check Department
P.O. Box 6387
Cleveland, OH 44101

For deliveries that require a signature:
Federal Reserve Bank of Cleveland
Check Department
1455 East Sixth Street
Cleveland, OH 44114

Canadian Items

For regular mail deliveries:
Federal Reserve Bank of Cleveland
Check Department
Attn: Canadian
P.O. Box 94583
Cleveland, OH 44101

For deliveries that require a signature:
Federal Reserve Bank of Cleveland
Check Department
Attn: Canadian
1455 East Sixth Street
Cleveland, OH 44114

Foreign Items

For regular mail deliveries
Check Department- Foreign
Federal Reserve Bank of Atlanta
1000 Peachtree Street NE
Atlanta, GA 30309-4470

For deliveries that need a signature
Check Department – Foreign
Federal Reserve Bank of Atlanta
2301 Defoors Hills Road
Atlanta, GA 30318

EZ Clear Savings Bonds

For regular mail deliveries:
Attn: EZ Direct
Federal Reserve Bank of Cleveland
Pittsburgh Branch
P.O. Box 399
Pittsburgh, PA 15230-0399

For deliveries that require a signature:
Attn: EZ Direct
Federal Reserve Bank of Cleveland
Pittsburgh Office
717 Grant St.
Pittsburgh, PA 15219-1928