



Federal Reserve Bank

Operating Circular Appendix 2

Transaction and Service Fee Settlement Authorization Form

The Institutions named below agree to the provisions of Operating Circular 1, Account Relationships, of the Federal Reserve Bank that maintains the Master Account for the Correspondent named below and to the provisions of each of the Operating Circulars of the Federal Reserve Bank from which the Institutions obtain services, as those Operating Circulars are amended from time to time. By signing this form, the Correspondent named below authorizes the Federal Reserve Bank that maintains its Master Account to settle debits and credits to the Correspondent's Master Account for financial transactions and service charges for the selected service categories for the Respondent named below and for any Institution for which the Respondent acts as a Correspondent. If desired, the Respondent can report debits and credits through a secondary Routing Transaction Number (RTN) assigned to a Master Account for informational purposes. *(Please complete the Transaction and Service Fee Informational Reporting Instructions for Secondary Routing Transit Numbers form to identify information reporting needs for RTNs within the same chartered Institution.)*

Section 1 – Transaction Settlement

- Account Holder financial transactions and service fees for the services listed below will automatically settle in your own account unless you have indicated on this form that you want them to settle in a Correspondent's account.
- Financial transactions related to the Custodial Inventory Program, Fedwire Funds and Securities, and Fed Funds Checks may not be settled through a Correspondent.
- Transaction settlement authorization for *Discount Window Lending* requires submission of Exhibit 1 of Appendix 5 of Operating Circular 10 ("Form of Letter of Agreement for Obtaining Advances through a Correspondent").

Requested Effective Date	(mm/dd/yyyy):
Select the appropriate box:	<input type="checkbox"/> Do not make any changes to my current Transaction Settlement. <input type="checkbox"/> Discontinue all current Transaction Settlement and have all transactions settle in my own account (or these services are no longer being used). <i>(This option does not require the Correspondent's signature.)</i> <input type="checkbox"/> Discontinue the selected Transaction categories below and have these transactions settle in my own account (or these services are no longer being used). <i>(This option does not require the Correspondent's signature.)</i> <input type="checkbox"/> Settle only the Transaction categories selected below with the Correspondent named on page 2. <input type="checkbox"/> Discontinue all current Transaction Settlement arrangements for the Respondent named on page 2. The Correspondent is responsible for notifying the Respondent of the termination prior to the effective date. <i>(This option is applicable to only the Correspondent and does not require the Respondent's signature.)</i>
Select all Transaction Code categories that apply: <i>(The Transaction Code is the first two digits of the transaction code shown on your Statement of Account).</i>	<input type="checkbox"/> 08 - Other Treasury or Government Agency Service <input type="checkbox"/> 15 - Forward Checks <i>(other than Fed Funds Checks)</i> <input type="checkbox"/> 30 - Return Checks <input type="checkbox"/> 20, 27 - Redemption or Interest on Government or Agency Securities <input type="checkbox"/> 57 - ACH <input type="checkbox"/> 59 - Treasury Investment Program and Paper Tax System <input type="checkbox"/> 63 - Currency/Coin and Cash Cross Shipping <i>(other than Custodial Inventory)</i> <input type="checkbox"/> 66 - Capital Stock <i>(member bank only)</i> <input type="checkbox"/> 70 - Savings Bonds <input type="checkbox"/> 84 - Account Charges and Payments <i>(other than service charges and Term Deposit Facility (TDF) trancodes)</i> <input type="checkbox"/> 84 - Term Deposit Facility Transactions <i>(trancodes 8420, 8421, 8422, and 8423)</i>

Section 2 – Service Fee Settlement

- The Federal Reserve Bank's preferred method for settlement of Billing Service Charges is to automatically default settlement of **all** service charges to the Correspondent named on page 2. However, specific Service Fee Settlement may be indicated by individually selecting service charge categories below. A separate settlement authorization is required for each Correspondent used.
- The Correspondent named on page 2 authorizes the use of its earnings credits to offset the service charges selected for the Respondent (and their Respondent(s), if any). Respondents' earnings credits may not be used to offset service charges settling through a Correspondent.

Requested Effective Month	(mm/yyyy):
Select the appropriate box:	<input type="checkbox"/> Do not make any changes to my current Service Fee Settlement. <input type="checkbox"/> Discontinue all current Service Charge Settlement and have all transactions settle in my own account (or these services are no longer being used). <i>(This option does not require the Correspondent's signature.)</i> <input type="checkbox"/> Discontinue the selected Service Charge categories and have these transactions settle in my own account (or these services are no longer being used). <i>(This option does not require the Correspondent's signature.)</i> <input type="checkbox"/> Settle only the Service Charge categories selected below with the Correspondent named on page 2. <input type="checkbox"/> Discontinue all current Billing Service Fee arrangements for the Respondent named on page 2. The Correspondent is responsible for notifying the Respondent of the termination prior to the effective date. <i>(This option is applicable to only the Correspondent and does not require the Respondent's signature.)</i>
Select all Service Charge Code categories that apply: <i>(The Service Charge code is shown on your Statement of Services Charges)</i>	<input type="checkbox"/> 9999 - All Service Charge Categories <i>(listed below)</i> <input type="checkbox"/> 1001 - Fedwire Funds <input type="checkbox"/> 1002 - National Net Settlement <input type="checkbox"/> 1210 - Electronic Access <i>(Electronic Access service charges will default to the Correspondent named on page 2 if there is not a pre-existing settlement arrangement and no relationship has been requested on this form.)</i> <input type="checkbox"/> 1501, 1505, 1507, 1508, 1521 - Forward Checks <i>(other than Fed Funds Checks)</i> <input type="checkbox"/> 2001 - Fedwire Securities <input type="checkbox"/> 3001, 3021 - Return Checks <input type="checkbox"/> 5701 - ACH <input type="checkbox"/> 6301, 6302, 6303 - Currency/Coin and Cash Cross Shipping <input type="checkbox"/> 8401 - Accounting Information Services

Federal Reserve Operating Circular Appendix 2 - Transaction and Service Fee Settlement Authorization Form

On the effective date this authorization will supersede any previously executed authorization by the named Respondent for each transaction and service fee categories selected for its own transactions and those of each of its Respondents (if any).

Section 3 – Respondent Agreement

All Fields are Required

Routing (ABA) Number			
Financial Institution Name			
Street Address			
City			
State			
Zip Code			
Name	<i>First</i>	<i>Middle Initial</i>	<i>Last</i>
Title			
Official Signature*			
Date			
Telephone	<i>Phone</i>	<i>Extension</i>	

Section 4 – Correspondent Agreement

All Fields are Required

This section must be completed at the Master Account level. If a Correspondent desires to report transaction(s) or service fee(s) through a Secondary RTN for informational reporting purposes, please complete Section 5 in addition to this section.

Routing (ABA) Number			
Financial Institution Name			
Street Address			
City			
State			
Zip Code			
Name	<i>First</i>	<i>Middle Initial</i>	<i>Last</i>
Title			
Official Signature*			
Date			
Telephone	<i>Phone</i>	<i>Extension</i>	

Section 5 – Secondary RTN-

Optional

This section is not required unless the Correspondent desires to report debits and credits, for informational purposes, through a Secondary RTN of the Master Account identified in Section 4.

Routing (ABA) Number	
Financial Institution Name	
Street Address	
City	
State	
Zip Code	

*Official signature must be a signer designated on your institution's Official Authorization List.

The completed form should be faxed to (877) 281-3647 or e-mailed to ccc.bankservices@kc.frb.org and mailed to the Federal Reserve's Customer Contact Center at P.O. Box 219416, Kansas City, MO 64121-9416. This form must be received by the last business day of the requested month for settlement of service charges. **Processing changes may take 5-7 business days** (unless otherwise specified in OC1).