

FedReceipt[®] and FedReceipt Plus

Thanks to the Check 21 Act, the financial services industry has transformed the way paper checks are processed, to achieve significant efficiencies and cost savings.

To realize the greatest benefit, paper checks must be truncated early in the payment cycle. Once the paper check has been imaged, the fastest and most efficient way to complete the collection process is electronic presentment.

The Federal Reserve Banks' FedReceipt inclearing services can help paying banks shift to electronic check receipt and maximize the benefits associated with efficient, electronic processing.

The Federal Reserve Banks' FedReceipt inclearing services encompass flexible solutions that provide the opportunity to reengineer check operations to achieve a variety of benefits. Electronic presentment can reduce your check processing costs by decreasing in-house sorting and image capture. In addition, image cash letter¹ presentment files allow you to post earlier, as the items contained in them do not run through a sorter. Electronic receipt can also improve your ability to meet your customers' needs by supporting your check safekeeping, image statement and home banking products.

FedReceipt Forward FedReceipt

FedReceipt enables "straight-through" electronic check processing for a portion of your inclearings. Your FedReceipt Image Cash Letter presentment is an electronic file containing the items drawn on your financial institution that have been deposited in image cash letters with the Federal Reserve Banks or converted to images by the Reserve Banks to achieve payment system efficiencies. The remaining items deposited with the Reserve Banks as paper will continue to be presented to you in paper cash letters. FedReceipt presentment is available to you at no fee and qualifies your institution for a discount on forward collection items you deposit with the Reserve Banks in a FedForward[®] Image Cash Letter.

¹ Image cash letters must conform to the Federal Reserve version of DSTU X9.37-2003 format.

FedReceipt Plus

FedReceipt Plus presents all imageable items drawn on your institution in an image cash letter in lieu of a paper cash letter presentment. This image cash letter will include items drawn on your financial institution that are deposited in image cash letters with the Federal Reserve Banks, as well as the remaining paper items that are image-captured for you by the Reserve Banks. While non-imageable items generally will be presented in a paper cash letter, you have the option to receive a non-imageable cash letter presented electronically, rather than in paper form, by agreement. As a FedReceipt Plus customer, you will benefit from a discount on forward collection items you deposit with the Federal Reserve Banks in a FedForward Image Cash Letter.

For additional fees, both the FedReceipt and FedReceipt Plus services can be enhanced with options such as reject repair,

image archive, premium delivery and courtesy delivery. If you elect courtesy delivery, the Federal Reserve will transmit a file by midnight local time that contains items drawn on your institution received in image cash letter deposits in the early evening. Additionally, FedReceipt Plus customers can choose optional services such as Same Day Settlement and Fine Sort Inclusion services.

FedReceipt Return

With FedReceipt Return, a bank of first deposit can elect to accept return of items in an image return letter. A discount on return items deposited with the Federal Reserve in a FedReturn® Image Cash Letter deposit is available to FedReceipt Return electronic receivers.

FedReceipt/FedReceipt Plus with FedImage® Archive and Retrieval

The Federal Reserve FedImage Archive service provides a central archive for your inclearings, while FedImage Retrieval gives you and your customers the ability to view or receive any image on demand. This solution offers flexible archive storage lengths and numerous retrieval options, including FedLine Web® view, print, e-mail, fax and image integration with

applications such as home banking.

The Federal Reserve Check 21 Advantage

The Federal Reserve is the nation's largest processor of interbank check payments. The Reserve Banks are successfully working with industry participants and customers to realize the benefits of Check 21 and dramatically improve the efficiency of the payments system by continuing to grow a broad network of electronic receivers. The FedForward, FedReturn and FedReceipt product suites leverage our nationwide clearing network to offer faster clearing at much later deadlines, to reduce risk and to lower end-to-end clearing costs.

To calculate how your institution would benefit from the savings, efficiencies, and enhanced service offerings afforded by the Federal Reserve Banks' Check 21-enabled products, visit the Check 21 Business Value Calculator, located at www.destinationcheck21.com. This powerful and easy-to-use tool allows an institution to see the five-year net benefit of using all three of these services.

Federal Reserve Financial Services

The Federal Reserve offers a full range of financial services to assist depository institutions in achieving a sustainable competitive advantage. We provide innovative and progressive services that enable you to capitalize on growth and revenue opportunities. Our services are designed to provide the accessibility and flexibility you need to compete in a dynamic and evolving industry.

Contact Us

For more information about FedReceipt or any of the Federal Reserve's products and services, contact your account executive or visit FRBservices.org.

Benefits of Federal Reserve Inclearing Solutions

- Cost reductions from reduced in-house sorting and image capture
- Earlier posting and improved balance reporting
- Elimination of transportation delays
- Freedom to create your own substitute checks
- Discount on Reserve Bank deposits received in an image cash letter

The Financial Services logo, "FedReceipt" "FedForward," "FedImage," "FedLine Web" and "FedReturn" are registered service marks of the Federal Reserve Banks. A complete list of marks owned by the Federal Reserve Banks is available at FRBservices.org.