



FEDERAL RESERVE BANK OF DALLAS

2200 N. PEARL ST.
DALLAS, TX 75201-2272

May 19, 2004

Notice 04-27

TO: The Chief Operating Officer of each
financial institution and others concerned
in the Eleventh Federal Reserve District

SUBJECT

A Whole New Way to Deliver—Electronically!

DETAILS

In preparation for the ground-breaking law that takes effect October 28, 2004, the Federal Reserve Banks are pleased to announce our comprehensive suite of Check 21-related services. We developed this suite to complement our existing paper and electronic check collection services and to deliver flexible solutions to support your Check 21 strategy.

Our new FedForwardSM, FedReturnSM, and FedReceiptSM product suites support the electronic clearing process enabled by Check 21 and create value for your business with favorable forward and return image cash letter deposit deadlines, large-dollar cull services designed to benefit forward paper depositors, and financial incentives for electronic receipt.

The **FedForward** suite is designed to help you transform your operations to clear dollars faster, reduce transportation, streamline backroom operations, and extend deadlines. This service includes image cash letter deposit, electronic endpoint group sort, and paper deposit cull services.

FedReturn can help you transform your inbound and outbound returns processing operations to reduce return-item risk, improve quality, and speed the returns process, while creating opportunities for substantial operating savings. This service can help you achieve a streamlined, high-quality, and low-cost returns operation.

The **FedReceipt** suite is designed to provide faster and more efficient delivery of inclearings as image cash letters, which supports earlier posting to customer accounts, more efficient check processing operations, and elimination of transportation delays.

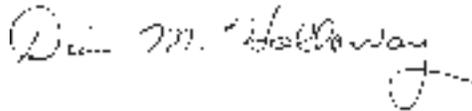
During the coming months, the Federal Reserve will offer Check 21 product seminars throughout the Eleventh District and host a “webinar” to help you learn more about how FedForward, FedReturn, and FedReceipt services can support your Check 21 strategy. Please visit our web site at www.frbervices.org for more information about our new services and our Check 21 seminars and “webinar.”

As the Federal Reserve and our customers move together toward greater adoption of electronic processing, we hope to share the benefits of Check 21 in the form of lower costs and improved payments services. We look forward to partnering with you to successfully meet the challenges ahead.

MORE INFORMATION

Paper copies of this notice or previous Federal Reserve Bank notices can be printed from our web site at www.dallasfed.org/banking/notices/index.html.

Sincerely,

A handwritten signature in cursive script that reads "Dan M. Holloway". The signature is written in dark ink and includes a stylized flourish at the end.