

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 82-162
December 16, 1982

BULLETIN 11

AUTOMATED CLEARING HOUSE OPERATIONS

TO ALL DEPOSITORY INSTITUTIONS IN THE
ELEVENTH FEDERAL RESERVE DISTRICT:

A revised Bulletin 11, Automated Clearing House Operations has been prepared effective December 30, 1982. Section 12.15, Disputed Returns, has been added. The footnote to Appendix A has been expanded with regard to restricted debits for the night cycle. Appendix B has been revised to reflect the charges for both day cycle and night cycle. This bulletin should be filed in Volume 1 of the Regulations Binders and the previous bulletin should be removed.

Questions regarding the changes to Bulletin 11 should be directed to Mary M. Rosas, (214) 651-6336 or Thomas D. Holloway, (214) 651-6123 at the Head Office; Larry Wilson, (915) 544-4730 at the El Paso Branch; Vernon L. Bartee, (713) 659-4433 at the Houston Branch; and John A. Bullock, (512) 224-2141 at the San Antonio Branch.

Additional copies of this circular will be furnished upon request to the Department of Communications, Financial and Community Affairs, Extension 6289.

Sincerely yours,



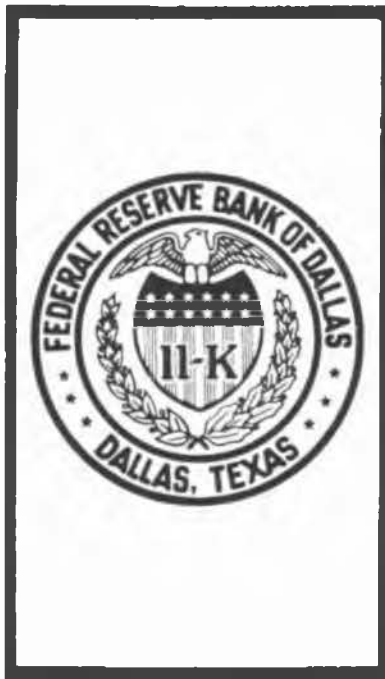
William H. Wallace
First Vice President

Enclosure

Banks and others are encouraged to use the following incoming WATS numbers in contacting this Bank: 1-800-442-7140 (intrastate) and 1-800-527-9200 (interstate). For calls placed locally, please use 651 plus the extension referred to above.

BULLETIN 11

Automated Clearing House Operations



FEDERAL RESERVE BANK OF DALLAS

SCOPE

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Section 1, GENERAL

1.00 Authority

1. This bulletin and our time schedules govern the clearing and settlement of automated clearing house (ACH) items by this Bank. This bulletin is issued pursuant to Sections 4, 11A, 13, 16 and 19 of the Federal Reserve Act and related statutes. It is binding on originators, receivers, and other parties interested in an item and on each account holder agreeing to settle for items under this bulletin. This bulletin preempts or supersedes agreements or other arrangements among parties to automated clearing house items only to the extent that provisions of those arrangements are inconsistent with this bulletin.

1.05 Uniform provisions

Each Reserve Bank has issued a bulletin substantially similar to this one, containing uniform provisions concerning interoffice transactions, except that the Federal Reserve Bank of New York has issued a bulletin providing only for delivery and settlement of ACH items on behalf of members of an ACH association. When we send an item to another Reserve Bank, that Reserve Bank handles the item subject to its bulletin and time schedules. We give credit to or charge the originator or recipient for the item in accordance with our time schedules.

Section 2, DEFINITIONS

As used in this bulletin, unless the context otherwise requires:

2.00 Account holder

"Account holder" means a Reserve Bank, a depository institution, or other institution maintaining an account with a Reserve Bank.

2.05 Actually and finally collected funds

"Actually and finally collected funds" means cash or any other form of payment that is, or has become, final and irrevocable.

2.10 Applicable ACH rules

"Applicable ACH rules" means ACH rules, copies

of which are reasonably available to all originators and receivers within an ACH region that are designated by a Reserve Bank in its bulletin as applicable to ACH transactions within the region or between ACH regions. "Applicable ACH rules" does not include provisions in ACH rules that are not applicable to transactions under this bulletin because they are in conflict with regulations and policy guidelines of the Board of Governors of the Federal Reserve System or policy guidelines of the Conference of First Vice Presidents or the Conference of Presidents or applicable law, and provisions (i) limiting the rules' application to members of an ACH association, (ii) requiring dues or fees (other than a reasonable fee for copies of the ACH rules), and (iii) requiring execution of agreements (such as settlement or indemnity agreements); but such provisions may bind members of the ACH association. The bulletin may designate ACH rules from another ACH region as applicable to a local region, in the absence of applicable ACH rules for the local region.

2.15 Approved medium

"Approved medium" means any of the following writings specified in this bulletin or in the applicable ACH rules; any form of communications, other than voice, registered on (or in form suitable for being registered on) magnetic tape, disc, or other medium designed to contain in durable form conventional signals used for electronic communication of messages, or output produced from this form of communication.

2.20 Automated clearing house or ACH

"Automated clearing house" or "ACH" means a Reserve Bank or other facility that clears debit and credit items for depository institutions. An ACH association may use more than one ACH.

2.25 ACH region

"ACH region" means a geographic area within which depository institutions are eligible to participate under certain ACH rules.

2.30 Automated clearing house rules or ACH rules

"Automated clearing house rules" or "ACH rules" means the rules and procedures or agreements provided by a group of depository institutions, such as an automated clearing house association, that comprehensively govern the clearing of items among participants in an automated clearing house payment system.

2.35 Banking day

"Banking day" means a day during which a Reserve Bank, an account holder, originator, or receiver is open to the public for carrying on substantially all its banking functions.

2.40 Credit item

"Credit item" means an item sent to a Reserve Bank by an originator for debit to the originator's account and for credit to a receiver's account.

2.45 Debit item

"Debit item" means an item sent to a Reserve Bank by an originator for credit to the originator's account and for debit to a receiver's account.

2.50 Depository institution

"Depository institution" means a depository institution as defined in S 19(b) of the Federal Reserve Act [12 U.S.C. 461(b)].

2.55 Effective date window

"Effective date window" means the minimum and maximum number of days following receipt of an item by a Reserve Bank, within which the date specified for settlement of the item must fall for a Reserve Bank to settle for the item based on the specified date.

2.60 Interoffice transaction

"Interoffice transaction" means a transaction between an originator and receiver that are domiciled in different ACH regions.

2.65 Intraoffice transaction

"Intraoffice transaction" means a transaction between an originator and receiver that are domiciled in the same ACH region.

2.70 Item

"Item" means a writing contained in an approved medium that evidences a right to the payment of money and that is sent to this Bank for clearing and settlement under this bulletin. "Item" does not include: (1) an "item" as defined in S 210.2 of Regulation J that is handled under Subpart A governing the collection of checks and other items; (2) an "item" as defined in S 210.26 of Regulation J that is handled under Subpart B governing wire transfers of funds; (3) a credit payment subject to 31 Code of Federal Regulations, Part 210, governing Federal recurring payments by means other than by check; or (4) a wire transfer of securities by this Bank. An item is deemed to be the same item even if the medium in which it is contained changes during handling of the item. "Item" may include a prenotification or notice in accordance with paragraph 8 or a return item, adjustment or notice in accordance with paragraphs 34 or 35.

2.75 Originator

"Originator" means a depository institution or other authorized institution, whether or not a member of an ACH association, that sends an ACH item to a Reserve Bank.

2.80 Originator's account or receiver's account

"Originator's account" or "receiver's account" means the account at a Reserve Bank the originator or receiver, respectively, maintains or uses under an arrangement between the Reserve Bank and an account holder, for settlement under a bulletin governing ACH items.

2.85 Originator's Reserve Bank

"Originator's Reserve Bank" means the Reserve Bank office to which an originator sends an item in accordance with the Reserve Bank's bulletin.

2.90 Receiver

"Receiver" means a depository institution or other authorized institution, whether or not a member of an ACH association, that is designated in an item to receive the item from a Reserve Bank.

2.95 Receiver's Reserve Bank

"Receiver's Reserve Bank" means the Reserve Bank office from which the receiver directly or indirectly receives an item.

2.96 Settlement date

"Settlement date" means the date for settlement of an item as provided in this bulletin.

Unless otherwise stated, all references to this Bank include our Head Office and our El Paso, Houston, and San Antonio Branches.

Section 3, SENDING CREDIT AND DEBIT ITEMS**3.00 Authorized originator**

An originator domiciled in the territory of, or authorized by arrangement with this Bank and maintaining or using an account with a Reserve Bank for settlement under a bulletin governing credit and debit items, may send an item to this Bank.

3.05 Approved electronic media

An originator may send an item to us by electronic means under arrangements with us, or in the following approved media: 800 or 1600 BPI, 9-track magnetic tape.

The originator must authenticate items sent to us by codes or procedures we prescribe.

3.10 Prescribed format

Items must be in the format prescribed by applicable ACH rules. We may handle an item on the basis of any routing number or other designation of a receiver appearing in any form on the item when we receive it. We are not responsible for any delay resulting from our acting on any designation of a receiver whether or not the designation is consistent with any other designation on the item.

3.15 Certification of originator and receiver

Members of an ACH association desiring to originate or receive items should arrange for the association to certify to us in a medium and format prescribed by us the association's member-

ship, with prompt notice of any change of membership.

3.20 Prenotification

An originator shall send to us a prenotification of an item as required by applicable ACH rules. We handle a prenotification or other notice as an item, except that no funds are transferred. If the receiver does not maintain or use an account for settlement under a bulletin governing ACH items, we return the prenotification to the originator.

Section 4, ORIGINATOR'S AGREEMENTS**4.00 Originator's agreements**

By sending an item to a Reserve Bank, the originator:

(a) agrees to comply with the applicable ACH rules and that such rules shall govern the relationships among the originator, the receiver, and other parties interested in the item and covered by the applicable ACH rules;

(b) authorizes its Reserve Bank and the receiver's Reserve Bank to handle the item in accordance with the Reserve Banks' bulletins;

(c) authorizes the Reserve Bank holding the originator's account to debit or credit, as appropriate, the amount of the item to the originator's account on the settlement date; and

(d) agrees to indemnify each Reserve Bank handling or settling for the item for any loss or expense sustained (including attorneys' fees and expenses of litigation) resulting from any action taken by the Reserve Bank in accordance with the Reserve Bank's applicable bulletin.

4.05 Limit of agreement

The agreement, authorizations, and indemnity in paragraph 9 do not limit any other agreement, authorization, or indemnity, not inconsistent with paragraph 9, made by an originator to a receiver, a Reserve Bank, or another party.

4.10 Settlement of account

By sending a credit item to a Reserve Bank, the originator agrees to have in its account on the settlement date, a balance of actually and

finally collected funds sufficient to cover the amounts of credit items to be debited to the account during that day. In addition to other remedies, the originator's Reserve Bank and the Reserve Bank holding the originator's account have a security interest in the assets of the originator, and of the account holder whose account the originator uses for settlement, in the possession of, or held for the account of, the Reserve Bank if:

(a) the balance in the originator's account at the end of the Reserve Bank's banking day on the settlement date is not sufficient to cover the amounts debited to the account during that day in connection with credit and debit items; or

(b) the originator suspends payment or is closed at any time during the Reserve Bank's banking day on the settlement date, and does not have a balance sufficient to cover the amounts debited to its account in connection with credit and debit items.

Section 5, APPLICABLE ACH RULES

5.00 ACH rules in this Federal Reserve District

The following ACH rules, as amended from time to time, are applicable to transactions involving originators and receivers located in this Federal Reserve District.

(a) For transactions between an originator and receiver, both of which are located in the Eleventh Federal Reserve District whether or not either is a member of an ACH association, the applicable ACH rules are the Operating Rules of the National Automated Clearing House Association and the Southwestern Automated Clearing House Association.

(b) For transactions between an originator and receiver, only one of which is located in the ACH region described above, the other being located in another ACH region in another Federal Reserve District, whether or not either is a member of an ACH association, the applicable ACH rules are the Operating Rules of the National Automated Clearing House Association.

5.05 ACH rules for remote origination

If applicable ACH rules for a local ACH region provide for remote origination by originators located outside the local ACH region, such a remote originator may send items to the Reserve Bank used by originators located in the local ACH region, subject to agreement by that Reserve Bank as provided in paragraph 4, and subject to the applicable ACH rules for transactions within the local ACH region.

5.10 Responsibility for compliance

Except as otherwise provided in this bulletin, we do not have or assume any responsibility for determining whether an originator or receiver complies with applicable ACH rules.

Section 6, HANDLING OF ITEMS

6.00 Intraoffice transaction

We process and edit ACH items in accordance with applicable ACH rules. We handle an intraoffice transaction by sending or making available an item we receive to the receiver. We handle an interoffice transaction as follows: The originator's Reserve Bank sends an item it receives to the receiver's Reserve Bank. The receiver's Reserve Bank sends or makes available the item it receives to the receiver.

6.05 Manner of sending to receiver

This Bank sends items to a receiver, or to a location in the same Federal Reserve territory as that where the receiver is located at the receiver's request, in the following manner:

(a) By the same means and to the same location used for sending cash items to the receiver, or to others, under Subpart A of Regulation J;

(b) By courier to a location not receiving cash items, if the delivery point is on a Federal Reserve courier route and, in our opinion, results in savings through consolidation of payment files;

(c) By electronic means under arrangements with us;

(d) By the receiver's picking up the items; or

(e) By mail.

The person to whom delivery is made as requested or who picks up the items is considered to be the receiver's agent.

6.10 Items sent to a different Federal Reserve territory

This Bank sends items to a location in a different Federal Reserve territory from that where the receiver is located at the receiver's request and expense where, in our judgment, it is appropriate to do so. A receiver that wants such delivery should submit a request to us.

6.15 Notification by telephone

If we expect that an item will not be delivered to a receiver by the date scheduled for settlement, we may notify the receiver by telephone of the information on the item and settle the item accordingly. A receiver should promptly advise us by telephone if it does not receive a shipment of items by the settlement date.

Section 7, TIME SCHEDULES, SETTLEMENT DATES AND EXTENSIONS OF TIME LIMITS

7.00 Cut-off and settlement dates

The time schedule made a part of this bulletin shows the cut-off hours for receipt by us of credit and debit items of various classes. Items or their accompanying media should specify a settlement date that is within the effective date window shown for that class of item. If we receive an item after a cut-off hour, we handle it on our next banking day unless, in emergency or other circumstances, we decide to handle it on the day of receipt. If the specified settlement date is later than the effective date window, we will not handle the item. Non-accounting entries, such as prenotifications or notices of changes, are handled without regard to settlement date if any is specified.

7.05 Settlement date for certain items

Our time schedule also shows the settlement date for items:

- (a) that specify no settlement date;
- (b) that specify a date that is not a banking

day for the account holder whose account either the originator or the receiver uses for settlement or for a Reserve Bank involved with the transaction; or

(c) that specify a settlement date earlier than the date limitation shown in the time schedule for those items.

7.10 Delay beyond time limits

The time schedule made part of this bulletin also shows the time certain operations are scheduled to occur. We act in a timely manner if we take proper action within the time shown in our time schedule. If, because of circumstances beyond our control, we are delayed in acting on an item beyond applicable time limits, the time for acting is extended for the time necessary to complete the action, if we exercise such diligence as the circumstances require.

Section 8, SETTLEMENT AND AVAILABILITY OF CREDIT

8.00 Originator's account

The Reserve Bank holding the originator's account on the settlement date debits or credits the originator's account in the amount of the item, and credits or debits in the same amount the receiver's account, or the account of the appropriate Reserve Bank.

8.05 Receiver's account

The Reserve Bank holding the receiver's account on the settlement date credits or debits the receiver's account in the amount of the item and debits or credits in the same amount the originator's account, or the account of the appropriate Reserve Bank.

8.10 Use of credit given

A Reserve Bank may, at any time until its opening of business on the banking day following the settlement date, refuse to permit the use of credit given for a debit item for which the Reserve Bank has not received actually and finally collected funds. A Reserve Bank that does not receive actually and finally collected funds in settlement of

a debit item, at or before the opening of business on the banking day following the settlement date, reverses the debit and credit previously made in settlement of the item and promptly notifies the originator and the receiver, or their Reserve Banks.

8.15 Availability of credit

Credit given by a Reserve Bank to a receiver for a credit item is available for use on the settlement date, subject to the Reserve Bank's right to apply the funds to an obligation owed to it by the receiver.

8.20 Suspension or closing of the originator or receiver

A Reserve Bank does not settle for an item after it receives notice of the suspension or closing of the originator or the receiver. In the event of the suspension or closing of an account holder whose account the originator or receiver uses for settlement, settlement is made to another account designated by the originator or receiver.

8.25 Qualification for reserves

Subject to paragraphs 24 and 25, credit given by us at once qualifies as reserve for purposes of Regulation D of the Board of Governors of the Federal Reserve System.

Section 9, SETTLEMENT AGREEMENTS

Prior to originating or receiving items, an originator or receiver, and an account holder whose account the institution desires to use for settlement of the items, must execute a settlement agreement with a Reserve Bank that maintains an account for the institution or account holder. The settlement agreement must provide that in consideration of the clearing and settlement of items by the Reserve Bank for the originator or receiver, and for other originators and receivers, the institution and account holder agree to the applicable Reserve Bank bulletins governing ACH items, and to applicable ACH rules, each as amended from time to time, for the benefit of all parties interested in the items. A settlement

agreement with this Bank executed by an originator or receiver and an account holder, if any, in effect on August 1, 1981, providing for settlement of ACH items is considered to comply with this paragraph upon the origination or receipt by such an institution of items on or after such date, unless such originator or receiver ceases to be a member of an ACH association.

Section 10, RECEIVER'S AGREEMENTS

10.00 Receiver's agreements

A receiver designated in an item, by maintaining or using an account with a Reserve Bank for settlement of credit and debit items and by accepting an item from this Bank:

(a) agrees to comply with applicable ACH rules and that such rules shall govern the relationships among the originator, the receiver, and other parties interested in the item and covered by the applicable ACH rules;

(b) agrees to handle the item in accordance with this bulletin;

(c) authorizes the Reserve Bank holding the receiver's account to credit or debit, as appropriate, the amount of the item to the receiver's account on the settlement date; and

(d) agrees to indemnify each Reserve Bank handling or settling for the item for any loss or expense sustained (including attorneys' fees and expense of litigation) resulting from a breach of the foregoing agreements or from any action taken by the Reserve Bank holding the receiver's account in accordance with the foregoing authorization.

10.05 Limit of agreement

The agreements, authorization, and indemnity in Section 10.00 do not limit any other agreement, authorization, or indemnity, not inconsistent with Section 10.00, made by a receiver to an originator, a Reserve Bank, or another party.

Section 11, REVOCATION OF ITEMS

11.00 Right to revoke

No originator or prior party has a right to revoke

an item after it has been received by a Reserve Bank, except as provided for in applicable ACH rules.

11.05 Nonsufficient funds

We may, on our own initiative, cease acting on or settling for a credit item if the originator's Reserve Bank judges that there may not be sufficient funds in the originator's account on the settlement date to cover the item. We promptly notify the originator and a receiver to which we have sent an item, or their Reserve Banks, of nonpayment of the item.

11.10 Duplicate or erroneous batch

We may initiate a reversing batch of items in accordance with applicable ACH rules, if we discover that we sent a duplicate or erroneous batch of items. We notify the originator and its Reserve Bank accordingly.

Section 12, RETURN OF ITEMS AND FUNDS

12.00 Return of items

A receiver has the right to reversal of credits and debits made under sections 8.00 or 8.05 of this bulletin by returning the item to its Reserve Bank in accordance with applicable ACH rules. The receiver's Reserve Bank sends a returned item or adjustment to the originator, or, in an interoffice transaction, to the originator through the originator's local Reserve Bank. The Reserve Banks holding the originator's and receiver's accounts reverse the debit and credit previously made in settlement of the item.

12.05 Notification of change

A receiver may send a rejection of prenotification or notification of change to its Reserve Bank in accordance with applicable ACH rules. Reserve Banks handle these notices or other notices as items, except that no funds are transferred.

12.10 Responsibility for timeliness

We do not have or assume any responsibility for determining whether the action taken by a receiver was timely.

12.15 Disputed Returns

An originator may dispute, in accordance with applicable ACH rules, the propriety of a return item by furnishing its Reserve Bank with the item and a claim form. The originator's Reserve Bank reverses the settlement for the return item and sends the item and form to the receiver or, in an interoffice transaction, to the receiver's Reserve Bank, which reverses the settlement for the return item and sends the item and the form to the receiver. The receiver may dispute the originator's claim by furnishing its Reserve Bank with the originator's claim form and other documents in accordance with applicable ACH rules. The receiver's Reserve Bank reinstates the settlement for the return item and sends the claim form and other documents to the originator or, in an interoffice transaction, to the originator's Reserve Bank, which reinstates the settlement for the return item and sends the documents to the originator. A Reserve Bank has no responsibility for determining whether an originator or receiver complies with applicable ACH rules governing this procedure.

Section 13, ADVICES TO ACCOUNT HOLDERS

We provide, in a statement, advices of credit and debit to account holders for items for which they have agreed to settle. Advices of credit indicate that credit has been given, subject to the provisions of this bulletin. Unless our account holder sends to us prompt written objection to an advice of debit, it is deemed to approve the debit on its own behalf and on behalf of an originator or receiver using the account for settlement.

Section 14, RECORDS

14.00 Retention of records

Originators and receivers should keep records that permit them to resolve questions that arise concerning the handling of items. We do not keep any copies of items handled after one year from the settlement date, and no claim except one based on alleged fraud by this Bank, may be made

against us after that time. In addition, after 60 banking days, we destroy transaction data on individuals contained in our records of items handled.

14.05 Disclosure of records

We disclose our records of any item handled, if the person requesting the information is a party to the transaction. Otherwise, we do not disclose records of items handled except in response to valid grand jury subpoenas or court orders.

Section 15, PRICING

Our fee schedule shows the charges imposed for clearing and settlement of ACH items. We may make the charge as shown in the schedule to the originator's account or the receiver's account or to a correspondent account designated by the originator or receiver, unless the originator or receiver is a member of an ACH association, the association has requested that settlement of fees be made through it, and the originator or receiver has not requested settlement of fees be made otherwise.

Section 16, RESERVE BANK LIABILITY

16.00 Limitations on liability

This Bank is responsible or liable only to an originator, a receiver, or another Reserve Bank, and only for its own lack of good faith or failure to exercise ordinary care. This Bank does not act as the agent or subagent of another bank or person and is not liable for the insolvency, neglect, misconduct, mistake, or default of another bank or person. This Bank does not make any warranty with respect to an item it handles or settles for under this bulletin.

16.05 Measure of damages

The measure of damage for our failure to exercise ordinary care with respect to an item is the amount of the item reduced by an amount that could not have been realized by the use of ordinary care. Where there is a lack of good faith, the measure of damages includes other damages,

if any, suffered by the party as a proximate consequence.

16.10 Reserve Bank indemnity

A Reserve Bank handling or settling for an item agrees to indemnify another Reserve Bank that handles or settles for an item for any loss or expense sustained (including attorneys' fees and expenses of litigation) as a result of the former Reserve Bank's failure to exercise ordinary care or to act in good faith.

16.15 Limitation on claims

No claim may be made by any person against a Reserve Bank for loss resulting from the Reserve Bank's handling of or settling for an item after one year from the settlement date of the item.

16.20 Recovery by Reserve Bank

If an action or proceeding is brought against a Reserve Bank that has handled or settled for an item, based on:

(a) the alleged breach of, or the alleged failure to have the authority to make, any of the warranties, authorizations, and agreements referred to in Sections 4.00, 10.00, and 16.10 of this bulletin or the alleged breach of applicable ACH rules, by the originator, the receiver, or another Reserve Bank; or

(b) any action by the Reserve Bank in accordance with its bulletin, the Reserve Bank may, upon the entry of a final judgment or decree, recover from the originator, the receiver, or the other Reserve Bank, as the case may be, any amount the Reserve Bank is required to pay under the judgment or decree, together with interest, as well as the amount of attorneys' fees and other expenses of litigation incurred.

16.25 Methods of recovery

The Reserve Bank may recover the amount stated in Section 15.20 of this bulletin by charging the originator's or receiver's account (or if the item was received from, sent to, or settled through another Reserve Bank, by charging the other Reserve Bank through the Inter-District Settle-

ment Fund), if

(a) the Reserve Bank has made reasonable written demand on the originator, receiver, or other Reserve Bank to assume defense of the action or proceeding; and

(b) no other arrangement for payment acceptable to the Reserve Bank has been made.

A Reserve Bank that has been charged through the Inter-District Settlement Fund may recover from the originator or receiver in the manner and under the circumstances set forth in this paragraph. A Reserve Bank's failure to avail itself of the remedy provided in this paragraph does not prejudice its enforcement in any other manner of the indemnity agreements referred to in Sections 4.00, 10.00, and 16.10.

Section 17, RIGHT TO AMEND

We reserve the right to amend this bulletin at any time.

Appendix A
TIME SCHEDULE
AUTOMATED CLEARING HOUSE FILES

Cut-Off Hours

This time schedule shows the cut-off hours for receipt by us of ACH formatted files containing debit and/or credit items of various classes.

	CLOSING HOURS	
	Day Cycle (Debits & Credits) Monday Through Friday	Night Cycle (Restricted Debits)* Sunday Through Thursday
INTER- & INTRA-REGIONAL		
Items for any participating institution. Allows time for remakes of bad files.	2:00 A.M.	5:00 P.M.
Items for any participating financial institution. Does not allow time for remakes of bad files.	5:30 A.M.	8:30 P.M.
INTRA-REGIONAL		
Items for financial institutions having routing symbols 1110, 1111, 1112, 1113, 1119, 1120, 1122, 1123, 1130, 1131, 1140, 1149, 1163, 3110, 3111, 3112, 3113, 3119, 3120, 3122, 3123, 3130, 3131, 3140, 3149, 3163. Allows time for remakes of bad files.	7:30 A.M.	7:30 P.M.
Items for financial institutions having routing symbols 1110, 1111, 1112, 1113, 1119, 1120, 1122, 1123, 1130, 1131, 1140, 1149, 1163, 3110, 3111, 3112, 3113, 3119, 3120, 3122, 3123, 3130, 3131, 3140, 3149, 3163. Does not allow time for remakes of bad files.	11:00 A.M.	11:00 P.M.

*Primarily used for cash concentration debits and other time-critical applications as approved by the Federal Reserve from time to time. Corporate cash concentration debits are originated by or for a corporation or government entity typically to collect funds from the proceeds of the day's business deposited at accounts at receiving financial institutions by the corporation's or government entity's branches, franchises, or agents. These payments do not include the collection of bill payments or other corporate obligations nor any type of consumer payments.

Appendix A (Continued)
TIME SCHEDULE
AUTOMATED CLEARING HOUSE FILES

Effective Date Windows

Items should specify a settlement date within the following effective date windows, computed from the banking day of receipt and processing by us:

<u>Class</u>	<u>Effective Date Window</u>
Credit Items	One (1) to Two (2) Days
Debit Items	One (1) Day Only

Items with an effective entry date greater than that allowed by the effective date windows will be returned to the originator.

Settlement Dates

If a settlement date is not specified, or if an item specifies a settlement date equal to or earlier than the banking day of receipt and processing by us, the settlement date is the banking day following receipt by us.

If an item specifies a settlement date that is not a banking day for the account holder whose account either the originator or the receiver uses for settlement, or for a Reserve Bank involved in the transaction, settlement is effected, with respect to that party, on the next day that is a banking day for both the account holder and the Reserve Bank maintaining its account.

Delivery Schedule

This delivery schedule shows the time frame for the operation of the interregional exchange and the times output files will be available for pickup or delivery to the receiver.

	<u>Day Cycle</u> <u>Monday Through Friday</u>	<u>Night Cycle</u> <u>Sunday Through Friday</u>
Interregional Exchange	7:00 A.M.— 11:00 A.M. CST	10:00 P.M.— 12:00 Midnight CST
Output files available for pickup by local receivers	7:00 P.M. CST	6:00 A.M. CST
Output files available for delivery to local receivers	7:00 P.M. CST	6:00 A.M. CST

Appendix B
FEE SCHEDULE
AUTOMATED CLEARING HOUSE ITEMS

This Bank has established the following schedule of charges for automated clearing house services provided by us.

DAY CYCLE

Intra - ACH

Debits Originated	2.0 Cents
Credits Received	4.0 Cents

New York Intra - ACH

Debits Originated	1.0 Cents
Credits Received	2.0 Cents

Inter - ACH

Debits Originated	3.5 Cents
Credit Received	5.5 Cents

New York Inter - ACH

Debits Originated	2.5 Cents
Credits Received	3.5 Cents

NIGHT CYCLE

Intra - and Inter - ACH

Debits Originated	5.0 Cents
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New York Intra - and Inter - ACH

Debits Originated	5.0 Cents
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