



FEDERAL RESERVE BANK
OF DALLAS

TONY J. SALVAGGIO
FIRST VICE PRESIDENT

September 1, 1994

DALLAS, TEXAS
75265-5906

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

Notice 94-91

SUBJECT

Introduction of Check Image Services

DETAILS

The Federal Reserve Bank of Dallas is pleased to announce the introduction of Check Image services in the Dallas Office territory beginning October 1, 1994.

Check imaging will be available to financial institutions that subscribe to Check Truncation or Extended MICR Capture services (Electronic Check Presentment). Image technology will provide an enhanced level of service by improving the response time for check retrievals, by reducing retrieval costs, and by providing greater access to check information.

To maximize flexibility, service options can be used in the combination that best suits the institution's operation. A description of each service option follows:

Basic Image Capture - This service represents the image capture of the front and back of all Fed processed items. It is required if a customer plans to utilize the other image services.

Fee: \$0.002 per item (both sides of check)
\$5.00 daily minimum

Individual Image Retrieval - This service may be used to aid in the return item decision, for signature verification, or other research purposes. Requested images can typically be delivered within two hours of receipt of a request. Images can be delivered via facsimile or, if a day delay is acceptable, on PC diskette or paper.

Fee: \$0.50 per item (front and back) if notified via Fedline
\$1.00 per item (front and back) if notified via Fax
\$1.25 per item (front and back) if notified via telephone

Recurring Image Retrieval - A customer institution may request that images of certain types of items be sent on a daily basis. Criteria for selection include dollar amount threshold, specific account numbers, or random sampling. Images can be delivered via facsimile or, if a day delay is acceptable, on PC diskette or paper.

Fee: \$0.20 (front side only)
\$0.25 (both sides of check)

Select Image Bulk Delivery - A customer institution may elect to receive images of certain types of checks on a bulk volume medium. A typical application for this service is for an institution to send out image statements on selected accounts only. Options include 3480 square tape or 8 millimeter helical tape, which will be delivered via Fed courier on the day after presentment.

Fee: \$0.007 (both sides of check)
\$10.00 daily minimum

All Image Bulk Delivery - With this service, a customer can receive an image file on 3480 square tape or 8 millimeter helical tape containing all its Fed processed checks. As with Select Image Bulk Delivery, tapes will be delivered via Fed courier on the day after presentment.

Fee: \$0.005 (both sides of check)
\$10.00 daily minimum

Parameter Change Requests - A fee will be charged for a customer to change the selection criteria or output medium for all check image services.

Fee: \$10.00 per occurrence after initial request

Media Charges - For an image file delivered on any medium other than facsimile transmission, a charge per occurrence will be credited back to the customer if the tape or diskette is returned.

Fee: \$1.00 per PC Diskette
\$10.00 per 3480 square tape or 8 millimeter helical tape

In addition to having the above options available, the Dallas Fed can also capture and transmit MICR data, truncate checks and make all of the above options available to institutions for over-the-counter items. Details concerning this service can be discussed on a case-by-case basis.

MORE INFORMATION

For more information, please contact Bill Morse, (214) 922-5139, at the Dallas Office; Eloise Guinn, (915) 521-8201, at the El Paso Office; Luke Richards, (713) 652-1544, at the Houston Office; or Herb Barbee, (210) 978-1402 at the San Antonio Office.

For additional copies of this Bank's notice, please contact the Public Affairs Department at (214) 922-5254.

Sincerely,

