



FEDERAL RESERVE BANK
OF DALLAS

HELEN E. HOLCOMB
FIRST VICE PRESIDENT AND
CHIEF OPERATING OFFICER

DALLAS, TEXAS
75265-5906

March 31, 2000

Notice 2000-22

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

SUBJECT

**Assessment of Surcharges for
Forward Check Collection**

DETAILS

As you are aware, the recent rising costs associated with fuel products have had a negative impact on businesses and individual consumers. The Federal Reserve is no exception. In particular, we have seen aviation fuel prices nearly double from the first six months of 1999.

The Federal Reserve System is required, by statute, to recover its costs of providing services to financial institutions. Due to the significant and unforeseen increases in our transportation costs, the Federal Reserve must recapture some of this increase through a surcharge that will be assessed to our customers. Effective May 1, 2000, the following surcharges will go into effect:

- A surcharge of \$0.50 per cash letter will be assessed on all cash letters containing Other Fed items. This would include all Mixed and Other Fed deposits.
- A surcharge of \$0.0005 will be assessed on each consolidated item shipped through the Check Relay network. Direct send shipments will not be affected.

The current surcharge will be reevaluated when 2001 check prices are determined, and we will make adjustments as required at that time. We regret the need to pass along these increased costs to our customers and appreciate your understanding.

MORE INFORMATION

If you have questions regarding this change, please contact your local business development representative. For additional copies of this Bank's notice, contact the Public Affairs Department at (214) 922-5254 or access District Notices on our web site at <http://www.dallasfed.org/banking/notices/index.html>.

Sincerely,

Helen E. Holcomb