



FEDERAL RESERVE BANK OF DALLAS

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

HELEN E. HOLCOMB
FIRST VICE PRESIDENT AND
CHIEF OPERATING OFFICER

November 1, 2004

Notice 04-77

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

SUBJECT

**Fuel Surcharge on Mixed and Other Fed Cash Letters
to Take Effect December 1, 2004**

DETAILS

The continuing rising cost associated with fuel products has had a significant impact on business and individual consumers. In particular, because of fuel increase clauses in vendor contracts, we have seen aviation fuel prices associated with check transportation increase substantially.

Because of the significant and unforeseen increases in our transportation costs, we must offset this increase by establishing the following surcharges effective December 1, 2004:

- A surcharge of \$0.50 per cash letter will be assessed on all forward and return cash letters containing Other Fed items. This will include all mixed and Other Fed deposits.
- A surcharge of \$0.001 will be assessed each consolidated item shipped via the Check Relay network. Note that direct send cash letters transported via private vendors will not be affected by the surcharge.

Although we expect the surcharges to remain in effect for the foreseeable future, we will review them within 120 days of implementation as we continue to monitor the effect of fuel costs on our operations.

If you have questions regarding these changes, please feel free to contact one of the account executives listed below.

Rick Flansburg	(210) 978-1661
Jim McCammon	(214) 922-5491
Susan Vice	(214) 922-5430
Kathy Waggoner	(713) 652-9146

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 "Helen E. Holcomb".