[DI's Letterhead]

To the Senior Check Processing Officer
Federal Reserve Bank of _____

**Re: Request for Direct Network Connectivity to Federal Reserve Banks'
System for Processing Image Cash Letters**

Dear _____:

_____ ("the Customer") requests that the Federal Reserve Bank of _____ ("Reserve Bank") provide direct network connectivity to the Federal Reserve Banks' electronic system for processing image cash letters. This connectivity supports the Reserve Banks' "Check 21"-related services: FedForward, FedReturn and FedReceipt.

Customer agrees that the Reserve Bank will process electronic items contained in image cash letters in accordance with Regulation J and the Federal Reserve Banks' Operating Circular 3, as amended from time to time.

Customer agrees that the direct network connectivity that Customer is requesting in this letter will be provided by the Reserve Bank under the Federal Reserve Banks' Operating Circular 5, except as specifically provided in this letter.

As part of the direct network connectivity service, Customer requests that the Reserve Bank provide all components necessary to operate the service at the Customer processing locations specified in Attachment A.

Customer is responsible for its firewall and server infrastructure, including software, to support receiving and/or sending image cash letters.

The direct network connectivity provided by the Reserve Bank utilizes network services, software, security measures and operating processes provided by third party vendors. Customer agrees that these incorporate commercially reasonable measures for the business that will be transacted using the requested connectivity including commercially reasonable security measures. The Reserve Bank is not responsible for the operation of third party vendors' services or processes.

Connect:Direct with Secure Plus from Sterling Software is utilized to manage transfers of image cash letters between the Reserve Bank and customer locations. Customer and the Reserve Bank are each responsible for procurement and installation of Connect:Direct at its respective end of each connection.

Customer understands that the Reserve Bank will incur certain fixed costs to establish the requested connectivity. If Customer terminates the requested connectivity service at any time prior

to twelve months from the date the service begins, Customer agrees to pay to the Reserve Bank, as liquidated damages, the amount Customer would have paid to the Reserve Bank as the electronic access fee for each month remaining until the end of the twelve month period from the date the service began. After the end of the initial twelve month period, Customer may terminate the connectivity service at any time without cost by providing the Reserve Bank 60 days' prior notice.

Notwithstanding any provision to the contrary in any of the Federal Reserve Banks' Operating Circulars, Customer agrees that, with respect to any failure to provide the requested connectivity service, the Reserve Bank shall be liable only for its own negligence in failing to provide the service. The Reserve Bank's liability for any such failure to provide the service shall be the amount of any loss or damage directly caused by such failure, but in no case shall the amount of such liability exceed the amount of the monthly access fee for the connectivity service requested herein. In no event will the Reserve Bank be liable for indirect or consequential damages.

Sincerely,

Name of Customer Officer
Title of Customer Officer

Attachment A
Specifications for the Connectivity Service
(Complete one copy of this form for each line requested)

Requested maximum capacity: _____ Mbps

From Customer location _____

Connection to which FRB office? _____

Monthly Access Fee(s) _____

Installation Fee _____