

From: eddie_d_lynn@bankone.com on 03/03/2004 11:20:45 AM
Subject: POLICY STATEMENT ON PAYMENTS SYSTEM RISK

This comment is in response to OP-1182 and specifically to the FRB's desire to change their policy on how Principal and Interest payments are posted to member accounts for GSE's. Being an operational person that processes many of these agency payments, I know the high volumes of this P&I will happen on a few days each month. We currently get automated files from FRB that show us the payments we will receive for each day and we run automated matches against our system. So, if intraday there are adjustments to these payments we would need an end of day P&I file from FRB so we can run another P&I match to our system that would show what FRB actually paid us and then we could update our system with any adjustments/corrections. This would be in line with how the other main security depository (DTCC) processes.

Please respond with any comments.

Thanks,

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