



"Greg D Sterner" <greg.d.sterner@aexp.com> on 10/06/2003 10:12:34 AM

To: 210comments@fms.treas.gov  
cc:  
Subject: [Docket No: 1510-AA93];[FR Doc: 03-21203];[Page 50671-50679]; Financial Management Service: Automated Clearing House; Federal agency participation

In regards to Docket Number 1510-AA93, CFR Citation 31 CFR 210, dated August 21, 2003, please see my comments below:

Section 3 (Conversion of Additional Instruments) - From a security and risk perspective, most convenience check issuers do not print the customers' true credit card number on the convenience checks; rather, they will link the account through "account scrambling" or link it to a different account number/scheme. Also, similar to business checks with positive-pay features, travelers cheques are also utilizing an issuance file to determine if the cheque is a legitimate item and they use the physical item to see if the issuing signature matches the endorsement signature. Since the convenience check linkage and the travelers cheque positive pay linkage takes place on the mainframe, the incremental cost associated with creating the necessary infrastructure to accept these items through the ACH network would be very significant and place an unfair burden on these institutions.

If you have any questions, please let me know.

Best regards,

Greg Sterner  
Director - Banking Operations  
American Express Centurion Bank  
(801) 945-2023

American Express made the following annotations on 10/06/2003 07:13:31 AM

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