Federal Reserve System

§ 210.27 Reliance on identifying number.

(a) Reliance by a Federal Reserve Bank on number to identify an intermediary bank or beneficiary’s bank. A Federal Reserve Bank may rely on the number in a payment order that identifies the intermediary bank or beneficiary’s bank, even if it identifies a bank different from the bank identified by name in the payment order, if the Federal Reserve Bank is the beneficiary of a payment order.

(b) Reliance by a Federal Reserve Bank on number to identify beneficiary. A Federal Reserve Bank, acting as a beneficiary’s bank, may rely on the number in a payment order that identifies the beneficiary, even if it identifies a person different from the person identified by name in the payment order, if the Federal Reserve Bank is the beneficiary of a payment order.

§ 210.28 Agreement of sender.

(a) Payment of sender’s obligation to a Federal Reserve Bank. A sender (other than a Federal Reserve Bank), by maintaining or using an account with a Federal Reserve Bank, authorizes the sender’s Federal Reserve Bank to obtain payment for the sender’s payment orders by debiting the amount of the payment order from the sender’s account.

(b) Overdrafts. (1) A sender does not have the right to an overdraft in the sender’s account. In the event an overdraft is created, the overdraft shall be due and payable immediately without the need for a demand by the Federal Reserve Bank, at the earliest of the following times:

(i) At the end of the funds-transfer business day;

(ii) At the time the Federal Reserve Bank, in its sole discretion, deems itself insecure and gives notice thereof to the sender;

(iii) At the time the sender suspends payments or is closed.

(2) The sender shall have in its account, at the time the overdraft is due...