§210.4 Sending items to Reserve Banks.

(a) Sending of items. A sender, other than a Reserve Bank, may send any item to any Reserve Bank, whether or not the item is payable within the Reserve Bank's District, unless the sender's administrative Reserve Bank directs the sender to send the item to a specific Reserve Bank.

(b) Handling of items. (1) The following parties, in the following order, are deemed to have handled an item that is sent to a Reserve Bank for collection:
   (i) The initial sender;
   (ii) The initial sender's administrative Reserve Bank (which is deemed to have accepted deposit of the item from the initial sender);
   (iii) The Reserve Bank that receives the item from the initial sender (if different from the initial sender's administrative Reserve Bank); and
   (iv) Another Reserve Bank, if any, that receives the item from a Reserve Bank.

(2) A Reserve Bank that is not described in paragraph (b)(1) of this section is not a person that handles an item and is not a collecting bank with respect to an item.

(3) The identity and order of the parties under paragraph (b)(1) of this section determine the relationships and the rights and liabilities of the parties under this subpart, part 229 of this chapter (Regulation CC), section 13(1) and section 16(13) of the Federal Reserve Act, and the Uniform Commercial Code. An initial sender's administrative Reserve Bank that is deemed to accept an item for deposit or handle an item is also deemed to be a sender with respect to that item. The Reserve Banks that are deemed to handle an item are deemed to be agents or sub-agents of the owner of the item, as provided in section 210.6(a) of this subpart.

(c) Checks received at par. The Reserve Banks shall receive cash items and other checks at par.

§210.5 Sender's agreement; recovery by Reserve Bank.

(a) Sender's agreement. The warranties, authorizations, and agreements made pursuant to this paragraph may not be disclaimed and are made whether or not the item bears an indorsement of the sender. By sending an item to a Reserve Bank, the sender does all of the following.

(1) Authorization to handle item. The sender authorizes the sender's administrative Reserve Bank and any other Reserve Bank or collecting bank to which the item is sent to handle the item (and authorizes any Reserve Bank that handles settlement for the item to make accounting entries), subject to this subpart and to the Reserve Banks' operating circulars, and warrants its authority to give this authorization.

(2) Warranties for all items. The sender warrants to each Reserve Bank handling the item that—