



July 23, 2019

Chairman Jerome H. Powell  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, N.W.  
Washington, DC 20551

Dear Chairman Powell,

As the President/CEO of The Callaway Bank in Fulton, Missouri, I respectfully request the Federal Reserve move forward in establishing a Real Time Gross Settlement System (RTGS) that is operable 24 hours a day and is interoperable with other payment systems. I also request the Federal Reserve provide a Liquidity Management Tool (LMT) to assist financial institutions in handling funds dedicated to settling payment transactions.

Our nation's banking system is built on diversity and competition. Payment systems should be no different. Dual systems provide options for banks like mine, and dual systems, particularly one operated by the Federal Reserve, ensure all institutions have access. Without fair and reasonable access protected by an entity such as FRB, smaller banks like mine will likely be at a disadvantage. The Federal Reserve RTGS can act as a check to private sector systems, while interoperability among those systems will ensure needed safety and stability.

It would be appropriate for the Federal Reserve to implement a LMT independent from the development of an RTGS. This tool will benefit banks using both existing payment rails and new faster payment systems by increasing efficiency and safety, one of the main functions of the Federal Reserve.

Our goal should be to protect our nation's system of commerce – which to me, means strength through choice, flexibility through interoperability, and sustainability through assured inclusion. The FRB needs to be active in these two crucial tools, in my opinion, to fulfill its duty to our country and our industry.

Thank you for your attention to this issue.

Sincerely,

THE CALLAWAY BANK

Kimberly D. Barnes  
President/CEO