

TRANSACTION 5: CLEARING A CHECK DRAWN AGAINST A BANK

Asset	L+NW
	+50,000 (b2) Reserves of Elsewhere Bank
	-50,000 (b1) Reserves of Somewhere Bank

FEDERAL RESERVE BANK

ASSETS	L+NW
-50,000 (b1) Reserves	-50,000 (c) CD

BRADSHAW - SOMEWHERE BANK

ASSETS	L + NW
-50,000 (b2) Reserves	+50,000 (a) CD

AJAX - ELSEWHERE BANK

- (a) Bradshaw (Somewhere Bank) pays Ajax (Elsewhere Bank) with check
- (b) Fed clears check
- (c) Cleared check returned to Somewhere Bank