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1. STORAGE OF PHYSICAL CHECKS

- Keep scanned checks for a minimum of 30 days after deposit.
- Store the checks in a locked area that is not accessible to unauthorized employees.
- After the retention requirement has expired, checks should be shredded and disposed of.

2. RECOMMENDED DAILY PROCEDURES

- Run a Deposit Detail or Deposit Summary report after transmitting all deposits for the day. Verify that all deposits are on this report. If they are not, contact Treasury Management Client Services for further instruction.
- Print and/or save the Deposit Detail report every day that deposits are transmitted. **Deposit reports are available for a period of 60 days for most customers.** They may be saved or printed by using the icons on the PDF toolbar once the report has generated.
- Frequently check to make sure deposits post to the appropriate account either via online banking or on the monthly bank statement. Report any discrepancies to Treasury Management Client Services.

3. RETURNED DEPOSITED ITEMS

- When a deposited check is returned, a legal copy of the check is sent to the customer. This is referred to as a substitute check or an IRD (Image Replacement Document). **Please do not pull the original check; the IRD must be used for re-deposit or collection.**
- Customers may request that PlainsCapital Bank automatically re-run returned deposited items.
- Please contact the account officer or Treasury Management Client Services with questions.

4. IMAGE QUALITY/USABILITY

During the balancing phase of making a deposit, the Remote Deposit Capture system may flag an item for image quality or usability errors. There are standards set within the system to look for possible problems with the image. Please pay close attention to the messages and correct the issue before transmitting the deposit. See the Remote Deposit Capture User Guide under *Rescan Items with Poor Image Quality or Usability* for more information. If you are in doubt as to whether or not an image will be sufficient for processing, please contact Treasury Management Client Services for further instruction.

5. NON-CONFORMING IMAGE ADJUSTMENTS

- In some cases, checks that were deposited are returned to PlainsCapital Bank as Non-Conforming Images (NCI). This means that an image of a check did not meet the clearing bank's standards. For example, the check may be too dark, too light, or was skewed when it was scanned. The deposit account will be debited for this check and a description of the problem will be mailed to you.
- Ensure your scanner settings have the correct DPI settings prior to submitting your deposit. The bank recommends 200 DPI setting on all remote deposit capture scanners to avoid NCI adjustments.
- Pull the original check and send it to:
PlainsCapital Bank
Attn: Research Department
5010 University Ave.
Lubbock, TX 79413
- IF frequent NCI's occur, please contact Treasury Management Client Services for assistance. Keeping a clean scanner and adhering to the Image Quality and Image Usability guidelines will keep NCI's to a minimum.



6. EXPORTING IMAGES

- Images are available within the Remote Deposit Capture system for a period of 60 days for most customers.
- Images of deposited checks may be exported out of the Remote Deposit Capture application. Users will be required to assign a password to the file. Once exported from the system, the password is not known to PlainsCapital Bank.
- Ensure that the exported image files are saved in a location where unauthorized parties will not have access to them.

7. ENDORSEMENTS

- As of July 2018, The Federal Reserve Board amended Regulation CC requiring the use of a Restrictive Endorsement for ALL items deposited via Remote Deposit Capture.
- Include “FOR REMOTE DEPOSIT ONLY AT PLAINSCAPITAL BANK” in the endorsement section for ALL checks submitted for deposit via Remote Deposit Capture.
- If the check is made to two parties with AND between the names, BOTH parties must endorse the check. If it is made to two parties with OR between the names, EITHER party may endorse the check. Contact your account officer or Treasury Management Client Services with further questions.
- If you receive a letter informing you that a check is being returned for endorsement, do not re-deposit the original check. Verify with the account officer or Treasury Management Client Services before taking action. In some cases, the endorsement is guaranteed by the bank, which will require no further action on your part.
- If the returned check is sent to your company, have the authorized party endorse the IRD as it has been drawn. Follow the instructions set in section 3 above for presenting the IRD for payment again.
- The Remote Deposit Capture product can endorse checks on behalf of the customer if selected during setup. This feature inserts the endorsement on the image that will stay with it during the clearing process. Because endorsements are set per account, if a check comes in that is not payable to the company name listed on the account, please secure proper endorsement prior to depositing the check. “FOR REMOTE DEPOSIT ONLY AT PLAINSCAPITAL BANK” should still be physically endorsed on all items regardless of virtual endorsement settings. Should you have any questions, please contact PlainsCapital Bank.

8. DUPLICATED CHECKS

- The Remote Deposit Capture system will search for checks that have previously been deposited within the last 5 days. If a check is flagged, an image of two suspected items will be displayed for the user to determine if the check has previously been deposited.
- Inspect the back of the check to see if there is already a scanner endorsement.
- If there is any question as to whether or not a check has already been deposited, please contact Treasury Management Client Services for assistance.

9. LOGICAL AND PHYSICAL SECURITY

- Any computer that runs the Remote Deposit Capture system should be properly secured, both physically and logically. A yearly self-audit and/or onsite visit may occur in order to ensure that both the customer and PlainsCapital Bank are secure from various threats.
- Logical security includes (but is not limited to) firewalls, virus protection, anti-phishing software, and key-stroke logging prevention.
- For customers that use a wireless internet connection, ensure that the connection is encrypted.
- Physical security involves keeping the computer and the information stored on it in a secure area. **If the scanner and computer are located in a public place, ensure that the computer is locked on a screen saver when the user leaves the area.**
- Utilize an automatic computer screen lock that will lock the PC after a certain number of minutes of inactivity.



- The Remote Deposit Capture system will automatically log off an inactive session after 20 minutes. If a deposit was in process, it will be saved in the Existing Deposits menu. See the Remote Deposit Capture User Guide for instructions on how to complete the deposit.

10. SEPARATION OF DUTIES/DUAL CONTROL

- The Remote Deposit Capture system offers numerous solutions for achieving a dual control environment. PlainsCapital Bank highly recommends customer procedures for reducing unauthorized and fraudulent activity.
- Role security: Most tasks within the Remote Deposit Capture system can be added or taken away from a particular role or user. For example, one person can scan and balance the deposit but not be able to transmit it, while another may go in to verify the deposit and transmit to the bank. Also, a user can have access to reports and/or research but not have access to scan and transmit deposits. Roles can be customized for your business upon request.
- Account level security: Users can be set up to only be able to scan, transmit, and research certain accounts.
- Location level security: Users can be set up to only be able to scan, transmit, and research to a particular location of the company or see all locations of a company.
- Reports and research: A user can be set up to only be able to look at reports and/or perform research. This will allow someone to be able to check the transmissions of other users as needed.

11. MAINTAINING USERS

- In most cases, each company will have at least one administrator. The administrator can view and change the account and location assignments for their company users. Periodically, or as a result of personnel departure, please contact your Treasury Management Officer to remove those departed users from the Remote Deposit Capture system.
- The most secure manner for maintaining users is for each user to have their own unique User ID and password for online banking. **Please do not allow users to share a User ID and password.**

12. COURTESY AND LEGAL AMOUNTS

- On a check, the numbered amount is called the courtesy amount, and the written out amount is the legal amount. **If there is a difference between the two amounts, the legal amount must be used.** If this amount is not the correct total of the transaction between you and your customer, please request a replacement check. PlainsCapital Bank will be required to process the check for the written out legal amount.
- A correction to the deposit account will be made upon the discovery of a check that was processed for an incorrect dollar amount.

13. FRAUDULENT CHECKS

- Check fraud is an increasing occurrence for commercial customers. Checks can be altered, forged, or even completely counterfeited.
- **If a check of unknown origin is received by your company, do not deposit the check.** PlainsCapital Bank can assist with making attempts to verify whether or not it is a legitimate check. When in doubt, the check can be submitted for collection rather than going through the normal check clearing process.
- Contact your local law enforcement and then PlainsCapital Bank if a fraudulent check is discovered.

14. CHECKS JAMS OR STOPS IN TRACK

If a check jams or gets stuck in the scanner, avoid pulling the item out of the track. Instead, click the “Scanner Info” button near the bottom of the screen. Then, press the “Free Track” button in the pop-up window. This will engage the scanner rollers and should dislodge the item.



15. CLEANING THE SCANNER

We recommend cleaning your scanner every 2000-3000 documents. This will help improve image quality and minimize jams. Cleaning supplies are available for purchase at <http://store.digitalcheck.com/Catalog/Consumables-Accessories>

CONTACT US

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