

REMOTE DEPOSIT CAPTURE (RDC) FRAUD INFORMATION FOR COMMERCIAL BANKING CLIENTS

RDC - What are the risks for my business?

Much of the risk related to RDC revolves around what happens to checks that have already been electronically presented for payment. These checks can unintentionally get into the hands of your employees, cleaning crews - in fact, almost anyone who has access to an area where the checks are stored. These checks can then be re-deposited at other financial institutions, and could result in duplicate payments.

Protecting Your Business - What precautions can you take?

Here are some basic steps you can take to enhance your business' information security:

- ◆ Store checks presented for payment securely
 - Store presented checks in a locked cabinet with limited employee access
 - Shred presented checks within 45 days
- ◆ Put controls in place
 - Use an endorsement stamp on the back of every check
 - Use only the latest scanners that are equipped with “franking”¹ capabilities, and spot check deposits for “franking” and endorsements
 - Limit access to the RDC scanner
- ◆ Consider obtaining insurance against unauthorized transactions (employees)
- ◆ Inform your bank at the first signs of suspicious activity

How does First Midwest protect your business' information?

At First Midwest, we closely monitor all deposit activity for duplicate items, endorsement stamps and other suspicious activities. By conducting site visits and a risk assessment of the product, we'll also help establish deposit limits and determine if there are any additional risks, as well as making recommendations for additional controls that may be necessary. We continually research current fraud and information theft methods, constantly updating our already multi-layered fraud prevention program with additional controls to provide your company with the most up-to-date security measures. Finally, our staff undergoes a high level of security training, making them a valuable resource in addition to our client information security awareness resources at FirstMidwest.com/Safe

What are my business' liabilities and responsibilities?

For a more complete description of this topic, refer to your First Midwest Bank, Treasury Master Service Agreement (TMSA).

¹Franking (or franks) refers to any markings (including printed or embossed, ie: postal service markings) used to qualify/validate documents.

Visit FirstMidwest.com/Safe for the most current resources on a wide array of information security topics for your business.