

**Version Dated June 17, 2013**

**Note to ECCHO Members:** This form letter is provided to ECCHO Members for informational purposes to encourage a uniform communication from Paying Banks regarding potential issues of concern with presented check transactions. ECCHO Members are not required under the ECCHO Rules to notify a Sending Bank of information regarding potential issues or concerns associated with a Sending Bank's presented items. In addition, if the ECCHO Member chooses to make such a notification, the ECCHO Member is not required to use this form letter. An ECCHO Member should not use this form letter until the letter has been reviewed by appropriate legal, fraud and risk teams at the ECCHO Member.

To:

[Contact Name]

[Returns/Adjustments Group]

[Name of Bank]

[Bank Address]

**RE: Notice of Potential Issues With Presented Items**

To \_\_\_\_\_:

This letter is to inform you that we have identified a number of check transactions presented to us from your financial institution that are potentially indicative of a situation that warrants further investigation by your institution as the bank of first deposit or collecting bank.

We identified the following possible issues associated with check transactions from your institution: *[Check all that are applicable]*

- High return rate associated with one or more depositors
- High return rate associated with your financial institution
- High number of RCC<sup>1</sup> warranty claims from our customers
- High number of fraudulent or unauthorized signatures claims from our customers relating to signed checks (non-RCCs)
- High rate of missing information, missing endorsement, encoding errors or technical problems associated with check transactions
- Other Issues: \_\_\_\_\_ *[Note to Paying Bank: Include specific description of problem.]*

We have attached a spreadsheet or other supporting information identifying the relevant items. *[Note to Paying Bank: Consider including only non-personally identifiable information (such as date, dollar amount and BOFD sequence number) in the initial communication to the BOFD/collecting bank, until a secure communication method is specified by BOFD/collecting bank.]*

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<sup>1</sup> An RCC is a check that is not created by the paying bank and that does not bear or purport to bear a signature applied, or purported to be applied, by the person on whose account the check is drawn. See Regulation CC, Section 229.2(ff).

This letter is intended to serve only as an informational notice to you of the above identified issues with certain presented checks. We are not, by means of this letter, making a check adjustment, warranty or other claim to you with respect to the identified check transactions. We reserve the right to adjust or make other claims associated with these identified check transactions through other means.

[We ask that you please confirm receipt of this letter and indicate to us whether or not this matter is under investigation at your institution.] **OR** [No response is required to us for this letter at this time].

If you want to contact us regarding this matter, or if you have any questions regarding this letter, please contact us via: \_\_\_\_\_ at \_\_\_\_\_.

Sincerely,