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## CHECK 21 NOTICE

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### What You Should Know About Check 21

#### How the new law affects your checks and you

##### What Is Check 21?

The *Check Clearing for the 21st Century Act* (Check 21) is a new federal law enacted to improve the overall efficiency of the nation's payment system by addressing the handling and transportation of billions of paper checks. Check 21 introduces the "substitute check," an electronic image that contains all the information on your original check, as well as some additional information, and is the legal equivalent of the original.

Effective October 28, 2004, every financial institution in America will be required to accept substitute checks, just as they accept your paper checks today.

##### How Check 21 Affects Your Account

You will see no major changes to your account and no changes are required to your existing checks. However, you may begin to see substitute checks in the following ways.

- If your checks are returned with your statement, you may receive a combination of regular paper checks and substitute checks.
- If you have check safekeeping and your canceled checks are stored by us, images of substitute checks may be stored in place of the original check image.
- If you receive check images with your statement, some of these images may be substitute checks.
- If you can view check images online, some images may be substitute checks.

##### Your Rights Under Check 21

When you submit a substitute check as proof of payment, merchants, state and local governments, and even the IRS are required to treat it as the legal equivalent of the original check. Under the laws, no person, institution or business can "Opt out". Therefore, you will not need to provide a copy of the original check.

There are additional safeguards to prevent you from incurring a loss through the use of a substitute check, including the right to request that funds be recredited to your account if you should have a dispute based on a substitute check.

##### The Benefits of Check 21

The new Check 21 law offers a number of other advantages, including:

- Faster detection of fraud
- Increased efficiency
- Quicker resolution of issues
- Expedited recredit procedures

Check 21 streamlines the payment system, helps speed dispute resolution and helps financial institutions fight fraud. It's the smart way to move ahead in the 21st century.