

[Bank Name]
[Bank Address]
[City, State, Zip Code]

IMPORTANT INFORMATION ABOUT YOUR COMMERCIAL ACCOUNT

Substitute Check Policy Disclosure

Date: [Date]

To: [Business Name / Customer Name]

What is a substitute check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

What are my rights regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check).

Commercial Account Limitations:

Please be advised that the expedited recredit procedures provided under Check 21 regulations are generally applicable to consumer accounts. For commercial accounts, the terms and conditions of your Business Account Agreement and the Uniform Commercial Code (UCC) govern the handling of unauthorized or altered items. If you believe an error has occurred, you must notify us immediately.

How do I make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you received or that was listed on your account statement, please contact us at:

[Phone Number]
[Mailing Address for Claims]
[Email/Website]

You must contact us within [Number, e.g., 30 or 60] calendar days of the date that we mailed the substitute check or the account statement showing that the substitute check was posted to your account, whichever is later. We will require a written description of the problem, including the check number, the amount, and why you believe the substitute check is not authorized or is incorrect.

Sincerely,

[Bank Name/Representative Name]