

# Virtual

## Deposit Delivery

### *Frequently Asked Questions*

***What is the Virtual Deposit Delivery process from beginning to end?***

- Using the state-of-the-art desktop scanner, the user scans the checks into the system.
- The user then verifies the data and submits the checks through InsurBanc's Business OnLine Banking.
- The checks are then transmitted electronically to InsurBanc for delivery into your account the next day.

***How long should clients keep checks?***

- Check 21 legislation doesn't specify this. InsurBanc is recommending safeguarding the checks for 30 days.

***What happens if a signature is missing? Is the software able to recognize this as an exception?***

- If the signature is missing, the system will reject the check.

***Does the system read the amount in text form too? Can it recognize discrepancies between the text and the number?***

- The system reconciles both the character amount and the legal written amount and report differences as a rejected item. The user (if authorized) can override the reject and enter the check.

***Can user input dollar amounts for checks?***

- Yes, there is a feature that allows a user to override a dollar amount. This feature allows is controlled through the security functions and can be assigned to an individual employee of the company.

***Do I have to install software on my PCs?***

- This application is completely web based. The user will receive a scanner that does need installation (similar to a printer). The scanner is delivered with an installation CD.

***Can I see what my users have scanned?***

- Yes, through the administrative portion of this application authorized users can access reports that allow you to view the batches created, the amounts and items of those batches and the images associated with the individual batches.

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***When are the deposits processed?***

- Deposits are processed with that days work and will appear in the items for the following business day.

***Are images of the checks stored on the customer's PC?***

- No, as the customer scans the checks, the images are streaming up to the system and are stored in a temporary file until the deposit is saved. From that point, the customer can query an image of the check and will view it from the system.

***How does Virtual Deposit Delivery address poor image quality?***

- The system is equipped with pre-defined standards for image quality which can be adjusted by authorized users if needed.

***How does Virtual Deposit Delivery handle encoding error?***

- Users are responsible for the amounts of the checks, whether through validation of CAR/LAR read or actual keying of amounts. The system requires control totals for number of checks and dollar amount and deposits cannot be saved if they are out of balance.

***Can checks be scanned in more than once?***

- The system performs two checks for duplication. One is done during the scan process and that verifies that the check has not already been scanned in the current deposit. The second duplication check is done when the deposit is saved. That verification is done against the past 12 months of history to ensure that the check hasn't been scanned and deposited previously. Customers must safeguard the paper checks to ensure that they are not physically deposited after being scanned.

***What happens when the check is being scanned?***

- As the checks pass through the scanner, the following things happen:
  - Checks are being imaged front and back
  - Check digit routine is run on the MICR line ABA number
  - Quality assessment is done against the bank-level quality standards
  - Initial checking for duplicate scan of check within this deposit
  - Determination that this is a valid item for scanning (e.g. not a foreign check)

***What happens when the deposit is saved?***

- When the user clicks the Save button, the following things happen:
  - A check for duplication of scanning is done against 12 months of history on the server
  - The routing ABA is checked against the Thomson database of valid ABAs
  - A validation of the MICR line magnetic read versus optical read to ensure that there have been no material changes to the MICR information