

Terms and Conditions Of Mobile Remote Deposit Capture

The disclosure practices of banks and prepaid card companies

The Pew Charitable Trusts

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Overview

Mobile remote deposit capture (mRDC) is a relatively new technology that enables consumers to deposit checks to a checking account or general purpose reloadable prepaid card using a mobile device with an Internet connection and a camera. To initiate mRDC transactions, consumers use a mobile banking application (app) to take photos of the front and back of endorsed paper checks and then submit the images to their banks or prepaid card companies through the app. The 2004 Check Clearing for the 21st Century Act, known as the Check 21 Act, facilitated the creation of this technology, and mRDC has grown in popularity since it was introduced in 2009.

The mRDC technology potentially furnishes solutions to several problems with the financial services status quo. It provides access to financial institutions for consumers who have difficulty getting to a branch or ATM or are disinclined to use them. It may provide a lower-cost alternative to prepaid card-loading facilities and to check-cashing storefronts and may offer convenience for busy consumers hoping to save time spent physically depositing checks and/or waiting for them to clear.

Because the technology has come into wide use only in the past few years, little research has been done to explore mRDC products and how they are presented to consumers. To begin filling this gap, The Pew Charitable Trusts examined mRDC availability and terms for 50 banks and 51 prepaid card companies. (See Appendixes B and C.) Thirty-seven of the 50 banks and 21 of the 51 prepaid card companies offered mRDC services to their customers.

This report focused on the terms and conditions provided by those financial institutions offering mRDC that consumers may consider essential before choosing to use the service, including cost, the speed at which their deposited funds become available to spend or withdraw, and customer eligibility requirements.

The analysis found that:

- Banks are more likely than prepaid card companies to offer mRDC, although several large banks do not yet do so.
- Terms and conditions of mRDC are typically available to prospective customers online rather than through the mobile banking app that they would use to make mRDC deposits.
- Large majorities of banks and prepaid card companies disclose some terms and conditions for using mRDC, including the costs, enrollment requirements, deposit limits, and posting policies; however, only one institution discloses all of them.
- Most banks disclose that mRDC is free to the consumer, though some charge for this service. Conversely, most prepaid card companies assess a fee with disclosed costs of as much as 4 percent of a deposit.
- Among the prepaid card companies studied, all disclose funds-availability policies and most give choices for availability, including an immediate option for a fee. By contrast, almost half of the banks examined do not disclose these terms, but of those that do, most make funds available between one and two days after posting the deposit.
- Most banks do not disclose whether mRDC deposits follow funds-availability rules that usually apply to checking accounts; of those that do, all say that these rules do not apply.
- Most banks and prepaid card companies alike inadequately disclose whether they provide alerts on the status of mRDC deposits, including those that are rejected.

More research is needed to determine whether policy improvements would benefit consumers, and which would be most effective, but transparency is a necessary quality of all financial products. This analysis indicates that many providers of mRDC fail to market it in a way that prospective consumers can clearly understand. A more transparent marketplace would build consumers' confidence in mRDC and the other beneficial features of mobile banking.

Important Terms

Pew examined 10 key terms and conditions for using mRDC:

1. **Sign-up requirements.** Information the consumer must provide in order to use the mRDC function of a mobile banking app.
2. **Cost.** Fixed fees for each deposit or variable fees as a percentage of the deposit.
3. **Deposit limits.** Maximum funds a customer can deposit using mRDC, usually per month.
4. **Posting policies.** Cutoff times that dictate what day an mRDC transaction is deemed to have occurred.
5. **Funds-availability policies.** How quickly money deposited via mRDC is available to the consumer, usually relative to the posting date.
6. **Regulation CC.** Disclosure of whether this federal regulation regarding the availability of funds and collection of checks is applicable to the funds availability of mRDC transactions.
7. **Approval alerts.** Notification of an approved deposit.
8. **Rejection alerts.** Notification of a rejected deposit.
9. **Hold alerts.** Notification that the availability of funds from a deposited check may be delayed.
10. **Check-retention requirements.** Policies or recommendations regarding the amount of time a consumer should keep a check after making an mRDC deposit.

Background

The Check 21 Act, which took effect in 2004, laid the legal groundwork for remote deposit capture and, subsequently, mRDC.¹ In 2009, enabled by advances in mobile phone technology, USAA Federal Savings Bank became the first to allow consumers to submit an image of a check using a smartphone.² By 2011, according to a survey by the Federal Deposit Insurance Corp., 83 percent of American adults owned a mobile phone and two-thirds of these users had a smartphone.³ The groundwork laid by the Check 21 law combined with continued technological improvements in mobile computing have enabled mRDC to thrive.

The mRDC technology is gaining popularity with financial institutions, which value the cost savings it provides compared with traditional check-processing methods.⁴

It is also gaining traction with consumers, although research on the growth of the market is not definitive. According to two surveys from the Federal Reserve, the percentage of consumers using mRDC is relatively low but growing rapidly, increasing from 2 percent in December 2011 to 11 percent in December 2013.⁵ Yet, another summary of survey research published in February 2013 concluded that, “one in 4 consumers have used this service in the past 90 days and among mobile banking users, 48 percent have used it in the past 90 days.”⁶ Younger and higher-income households are most likely to have used mRDC in the past three months.⁷ Another survey summary noted that consumers “love advanced features, such as [mRDC]” and revealed that mobile banking, of which mRDC is a part, is more likely than any other factor to make consumers recommend their bank to other people.⁸

One potential consequence of this technology is that some consumers may perceive brick and mortar branches as less essential to their needs. The research found that roughly half of bank customers reduced their number of branch visits after adopting mobile banking.⁹ And just as mRDC has implications for the way that consumers use bank and credit union branches, it may also affect the incidence of prepaid card loading and reloading of funds at ATMs and retail stores. The size of this impact depends on the added convenience and potential cost savings of mRDC. Similarly, the technology may attract customers of check-cashing storefronts, especially if an account offers mRDC with immediate access to funds.¹⁰

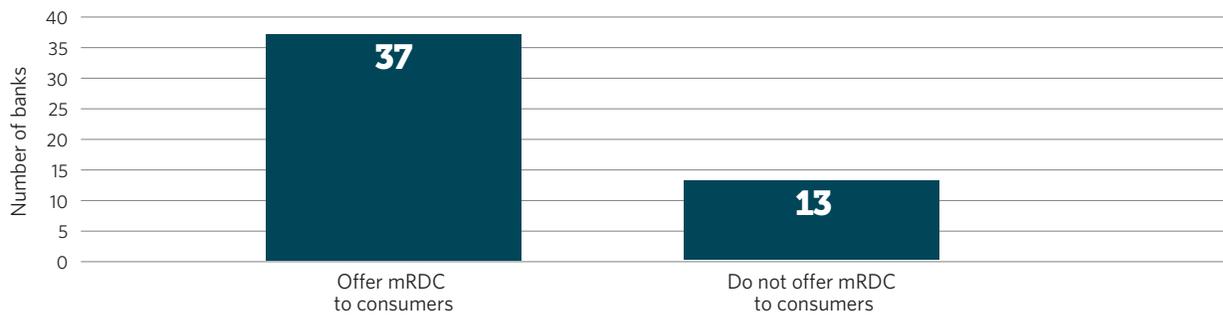
Another possible outcome of increased adoption of mRDC is higher rates of check fraud. According to the Center for Financial Services Innovation, mRDC on general purpose reloadable prepaid cards has a higher rate of returned checks than any other check-cashing channel measured, including check-cashing stores and convenience stores.¹¹ Eighty percent of banks and credit unions surveyed in 2014 reported no losses of any kind related to mRDC.¹²

Consumers, on the other hand, have expressed concerns about the security of their data when engaging in mobile banking.¹³ But federal banking regulators provided guidance in 2009 directing that previously established and accepted “item processing” standards should be applied to remote deposit transactions.¹⁴ In practice, the standard process for transmitting mRDC checks is described by Mitek, the largest provider of mRDC technology to financial institutions, as utilizing a protocol that “prevents so-called ‘man in the middle’ attacks, where a third party intercepts the communication between the two parties (the phone and the server in this case) without their knowledge.”¹⁵

Availability of mRDC

The Pew Charitable Trusts examined the availability of mRDC at the 50 largest banks operating in the United States as measured by FDIC reported domestic deposit volume and found the service was far from universal. As of the time of Pew's data collection in May and June 2014, 37 of the 50 largest banks (74 percent) offer mRDC service for consumer accounts. (See Appendix A for a description of the data collection methodology.) Three of the banks (6 percent) that do not offer mRDC to consumers do offer it for their business accounts. Notably, the 15 largest banks, which make up approximately half of all deposit volume in the United States, all make mRDC available to consumers.¹⁶

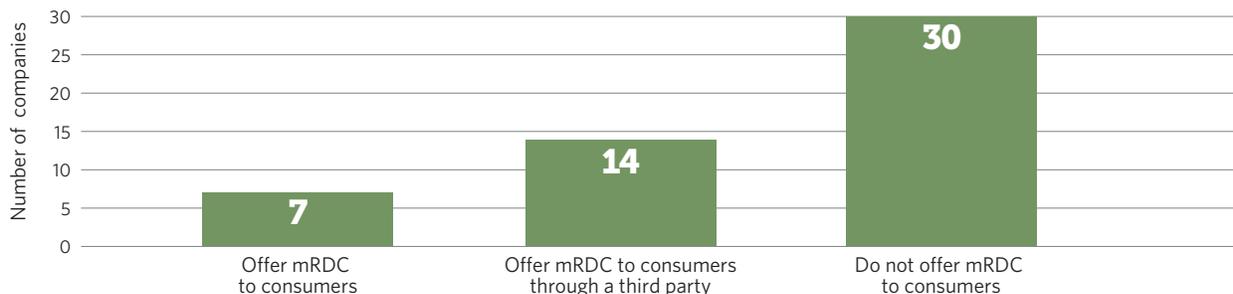
Figure 1
Availability of mRDC at Large Banks



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Additionally, Pew researched the availability of mRDC for 51 prepaid card companies, including large banks; all companies offering general purpose reloadable (GPR) prepaid cards on the websites of Visa, Mastercard, and American Express; and domestic mobile phone companies that sell GPR prepaid cards to consumers.¹⁷ (See Appendix A for the criteria used to select the companies.) Among the 51 GPR prepaid card companies studied, only seven (14 percent) directly offer mRDC service to their customers, although an additional 14 (27 percent) offer it through a third-party company specializing in processing mRDC transactions on behalf of prepaid card companies.¹⁸ In all, 21 of 51 GPR prepaid card companies (41 percent) include an mRDC option for depositing checks.

Figure 2
Availability of mRDC Among GPR Prepaid Card Companies



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Disclosure

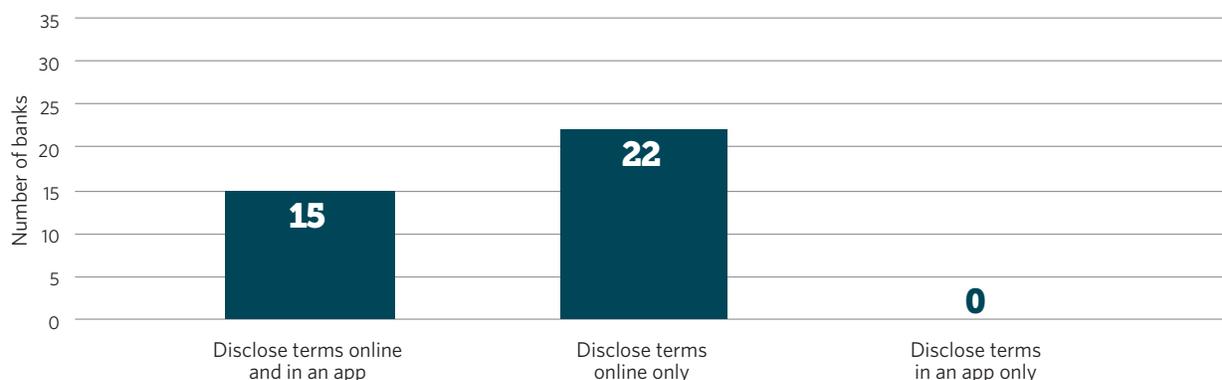
For the purposes of this study, terms are examined from the viewpoint of a prospective customer who wants to comparison shop among accounts based on the availability and the terms and conditions of mRDC. Such a consumer is interested in depositing personal checks, as opposed to government or payroll checks. From this perspective, disclosure tends to be poor.¹⁹

Of the 37 large banks that offer mRDC, only one provides details on all 10 of the important terms that Pew identified. (See Page 2.) But although this bank's terms are transparent, they may not be ideal: Per its disclosure, the bank does not notify account holders of the mRDC deposit's status—whether it is approved or rejected, or whether a hold is placed on the deposited funds.

One of the 37 banks does not supply any of the 10 pieces of information. None of the seven GPR prepaid card companies that offer mRDC directly to consumers provides comprehensive terms, nor does the third-party service that enables mRDC capabilities for the additional 14 GPR prepaid card companies.

The details that are available can more commonly be accessed online through Web pages, rather than within the mobile app used for mRDC deposits. Fifteen of the banks (41 percent) offering mRDC provide information about terms online and through apps, and the remaining 22 banks (59 percent) disclose mRDC terms and conditions exclusively online through a Web page.

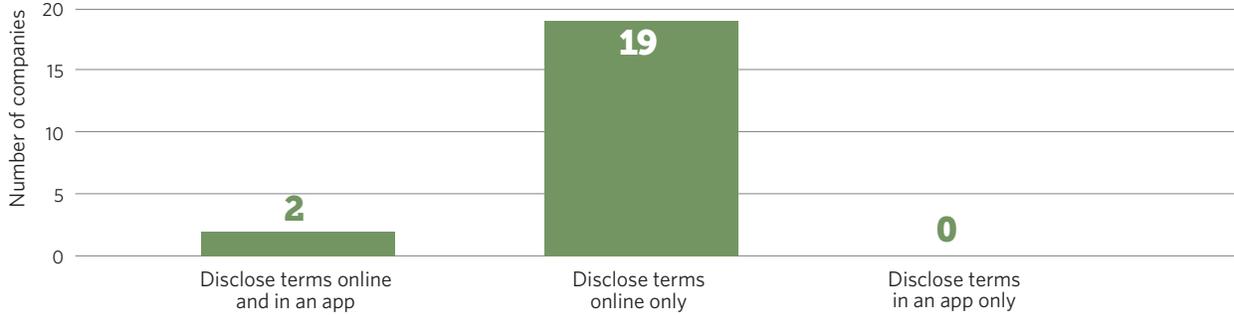
Figure 3
Disclosure Channels of Terms and Conditions for mRDC at Large Banks



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Among the GPR prepaid card companies that directly offer mRDC, two provide information both online and through their apps, while five use only websites. The third-party mRDC service used by 14 GPR prepaid card companies discloses information online but not through its app. (The subsequent analyses of GPR prepaid card companies in this report examine all 21 companies that offer mRDC, regardless of whether they do so directly or through a third party.)

Figure 4
 Disclosure Channels of Terms and Conditions for mRDC Among GPR Prepaid Card Companies



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For two banks, the details disclosed online materially differ from those on their mobile apps, likely reflecting an error in one of the two locations. For example, the app for one of these banks lists the cutoff time for processing a deposit as 6 p.m. and as 9 p.m. on its website. The second bank shows the check-retention requirement for consumers once funds have been deposited as two days on its app and as 14 days on its website. No inconsistencies appear in the mRDC disclosures provided by GPR prepaid card companies.

Terms and conditions

Sign-up requirements

Before signing up for an account, mRDC enrollment requirements are usually disclosed to prospective checking account and GPR prepaid card customers.

Of the 37 banks that offer mRDC, 30 (81 percent) disclose and provide details about sign-up requirements: More than two-thirds (68 percent) state that using the product requires enrollment in an online banking, mobile banking, or mRDC program, or some combination of the three. Other requirements include having an eligible checking account (24 percent), being in “good standing” with respect to overdrafts and returned items (16 percent), a minimum duration as a bank customer (14 percent), and maintaining a minimum balance (3 percent). Only one bank requires customers to submit their Social Security number before activating mRDC functionality. Seven banks (19 percent) either do not disclose any sign-up requirements or disclose that consumers must sign up but do not provide details about their requirements.

Figure 5

Disclosure of Sign-Up Requirements for mRDC at Large Banks

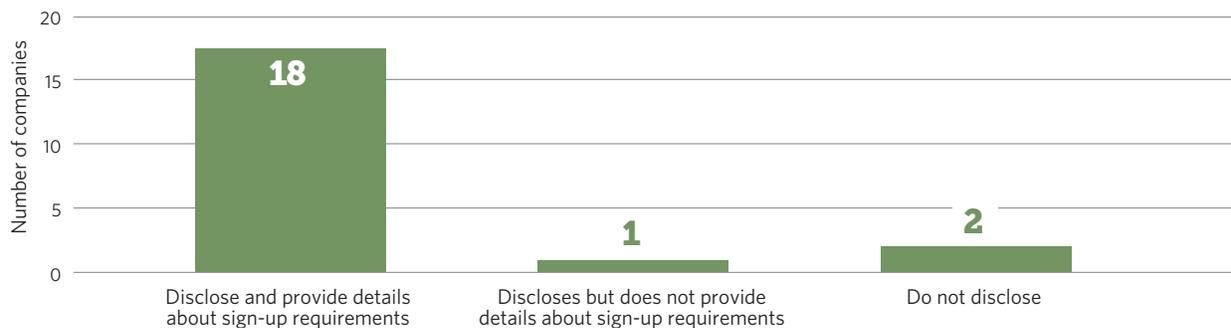


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Eighteen of the 21 prepaid card companies (86 percent) both disclose and provide details about sign-up requirements for potential customers, and 16 (76 percent) require a formal application that includes the submission of a Social Security number.

Figure 6

Disclosure of Sign-Up Requirements for mRDC Among GPR Prepaid Card Companies

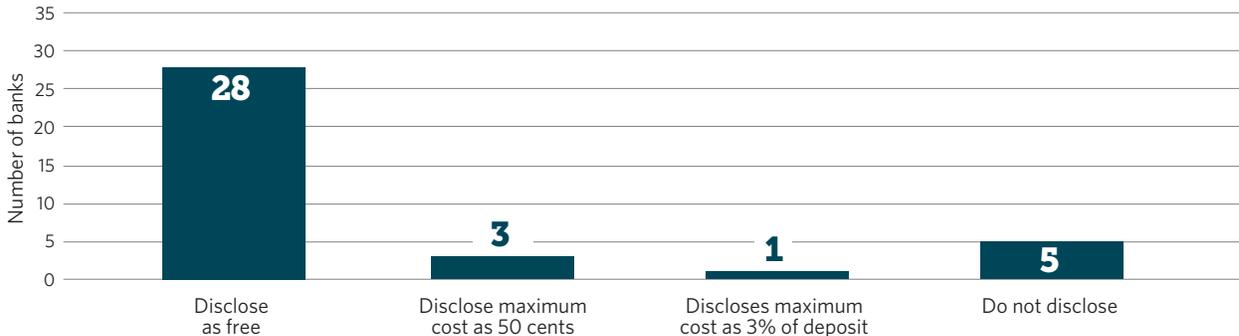


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Cost

Twenty-eight of 37 banks (76 percent) disclose that they offer mRDC service to consumers at no cost. Another three banks (8 percent) charge 50 cents for each mRDC check deposit, but two of these banks will waive the fee under certain conditions. One bank offers a variable pricing structure that allows customers to gain faster access to funds by paying a higher fee: between 50 cents and 3 percent of the total deposit. Five banks (14 percent) do not disclose the price of mRDC service.

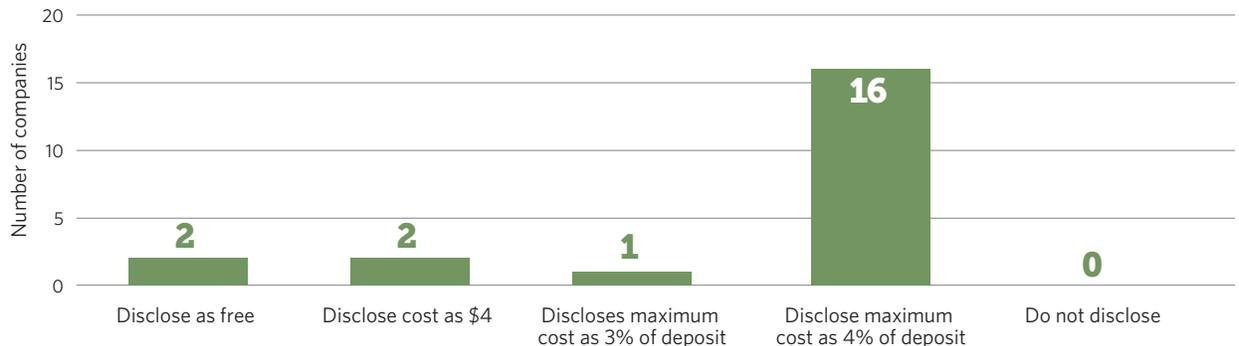
Figure 7
Disclosure of Cost of mRDC at Large Banks



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The 21 GPR prepaid card companies that offer mRDC disclose the costs, which vary more than among banks. Two of these companies (10 percent) provide the service for free. Two (10 percent) charge \$4 for each deposit. Sixteen prepaid card companies (76 percent) charge as much as 4 percent of the deposit in exchange for making funds available immediately, but all but one of these companies offer free options that require longer waiting periods.

Figure 8
Disclosure of Cost of mRDC Among GPR Prepaid Card Companies

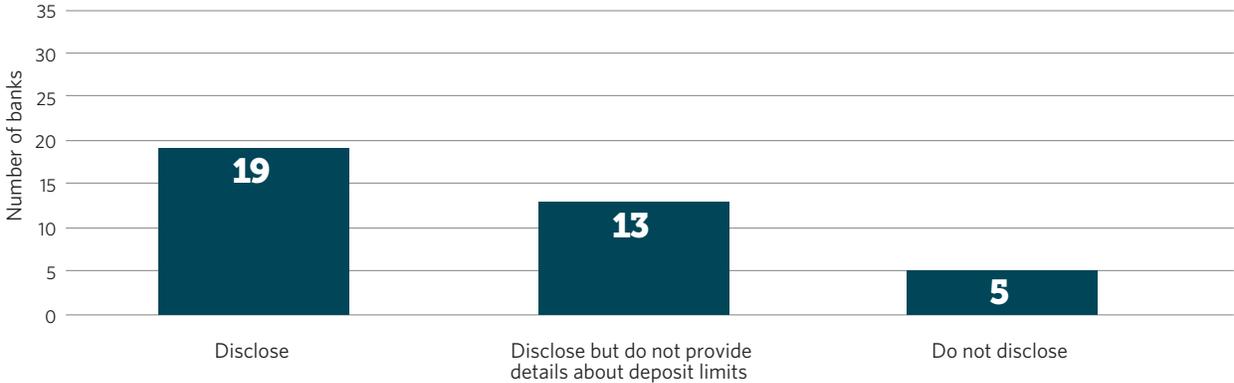


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Deposit limits

Deposit limits for mRDC transactions vary significantly among banks. The minimum limit disclosed is \$2,500 per month, and the maximum is \$750,000 per month. However, 13 of these banks (49 percent) either do not disclose the existence of mRDC deposit limits or do disclose that they have these limits but do not provide details about them.

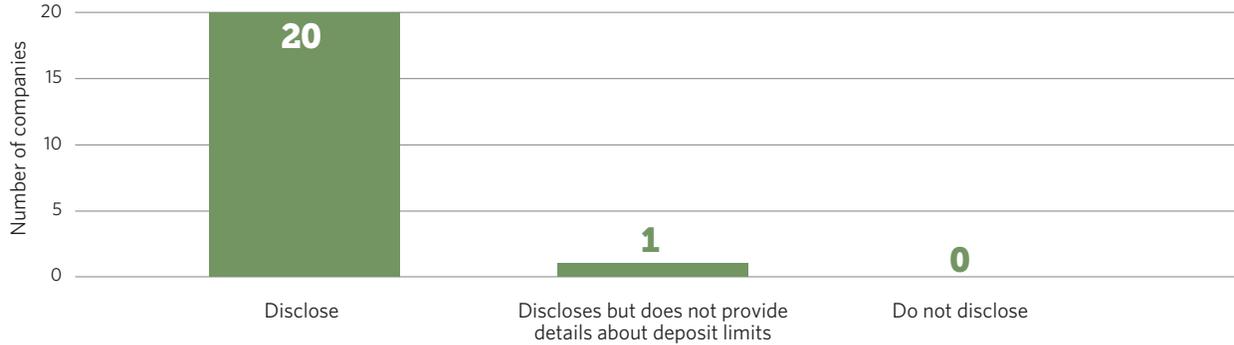
Figure 9
Disclosure of Deposit Limits for mRDC at Large Banks



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For GPR prepaid card companies, monthly deposit limits range from \$1,500 to \$10,000 per month. One of these companies does not provide details about deposit limits.

Figure 10
Disclosure of Deposit Limits for mRDC Among GPR Prepaid Card Companies



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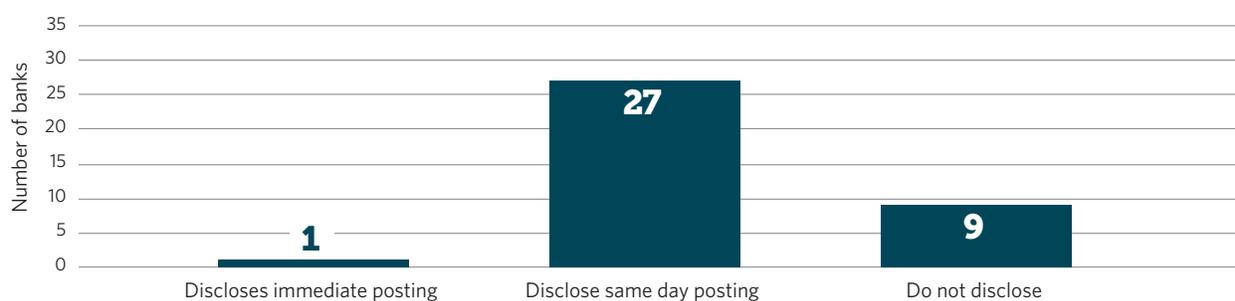
Posting policies

The “posting” or “processing” date dictates when an mRDC transaction is officially recognized by the bank or prepaid card company and affects when funds are available to the consumer. Typically, mRDC checks post on the same day as long as the transaction occurs on a business day and before a specified “cutoff time.” (Checks submitted on nonbusiness days or after the cutoff time post the following business day.)

Twenty-seven banks (73 percent) post deposits the same day, with cutoff times varying between noon and 11 p.m.²⁰ If consumers miss the cutoff time without realizing it, they will wait longer than expected for funds to become available. One bank discloses that it immediately posts mRDC checks with no cutoff time, and nine (24 percent) do not disclose posting policies.

Figure 11

Disclosure of Posting Policy for mRDC at Large Banks

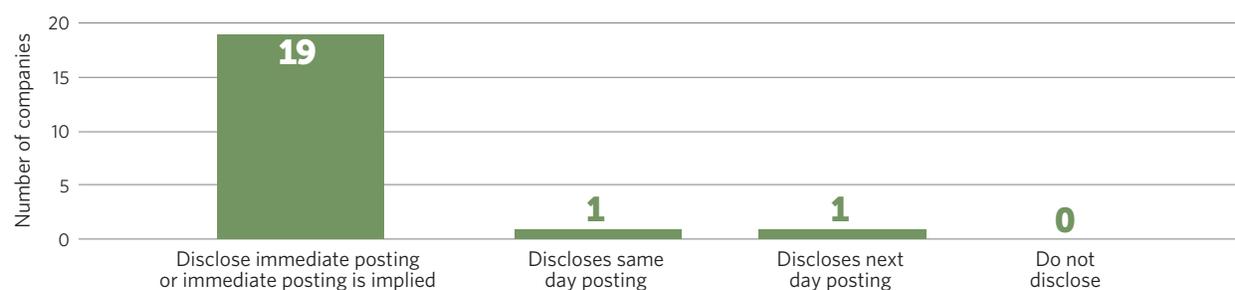


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Unlike banks, GPR prepaid card companies tend to make funds available almost immediately or at least offer an option for immediate availability, making the posting date irrelevant. As a result, only two prepaid card companies (10 percent) disclose posting policies. One posts mRDC transactions the same day, and the other posts them the next day. Nineteen of the 21 (90 percent) either disclose that they post checks immediately or presumably post checks immediately because they disclose that they make funds available immediately.

Figure 12

Disclosure of Posting Policy for mRDC Among GPR Prepaid Card Companies



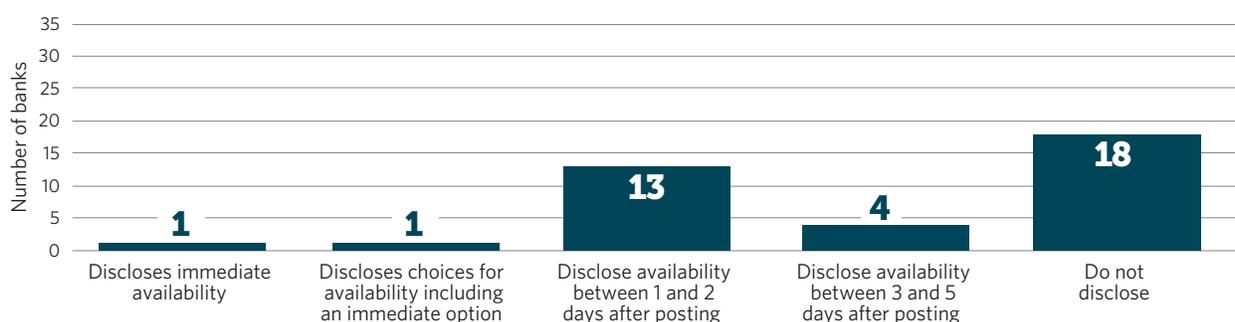
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Funds-availability policies

Banks are required, under federal rules, to disclose funds-availability policies to consumers.²¹ However, a prospective customer comparing banks' mRDC offerings cannot always obtain that information because of lack of clear disclosure. Nearly half of banks (49 percent) do not disclose or provide details about their funds-availability policies to prospective customers. Among those that disclose, funds availability at banks is fairly consistent. Seventeen (46 percent) offer full access to deposited funds between one and five days after posting. One bank offers immediate funds availability, and another offers a variety of options, from immediate to two days after posting.

Figure 13

Disclosure of Funds-Availability Policy for mRDC at Large Banks

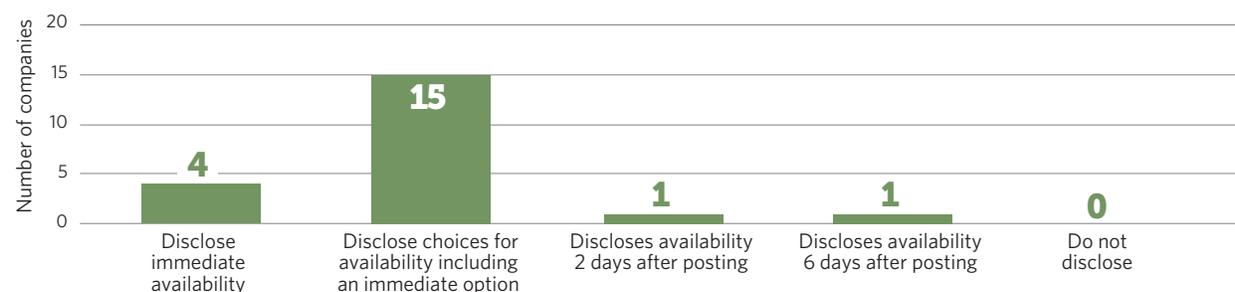


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As noted earlier, most GPR prepaid card companies promote the fact that funds are made available almost immediately when customers use mRDC. Four (19 percent) state that funds from approved deposits will be fully available within minutes. Another 15 (71 percent) offer almost immediate access to funds in exchange for a fee but also offer no-charge deposits for those willing to wait longer. Two card companies (10 percent) do not offer an option for immediate funds availability; customers' deposited money is accessible in two and six days after posting, respectively.

Figure 14

Disclosure of Funds-Availability Policy for mRDC Among GPR Prepaid Card Companies



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Applicability of Regulation CC

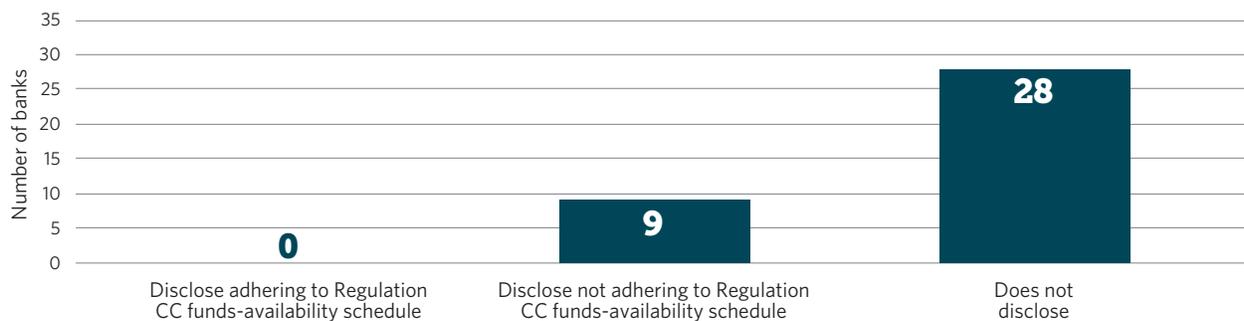
Regulation CC, issued by the Federal Reserve Board, implements the Expedited Funds Availability Act. The regulation defines funds-availability requirements that banks must observe when processing various types of deposits. Among other provisions, Regulation CC requires that the first \$200 of most check deposits be made available to the consumer no later than the following business day, even if the remainder of the deposit is held.²² The provisions of Regulation CC were written prior to the proliferation of smartphone use and the development of remote deposit capture capabilities. The Federal Reserve, which has authority over these regulations, has yet to update this section.

Only nine banks (24 percent) disclose whether they follow a funds-availability schedule for mRDC deposits consistent with what is required for checks under Regulation CC, and all nine say they are not bound to do so. The other 28 banks (76 percent) make no mention of this regulation.

Prepaid card deposits are not covered under Regulation CC, so mRDC deposits to GPR prepaid cards were not considered for this analysis.

Figure 15

Disclosure of Whether Regulation CC Requirements Are Followed for mRDC Transactions at Large Banks



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Deposit status alerts

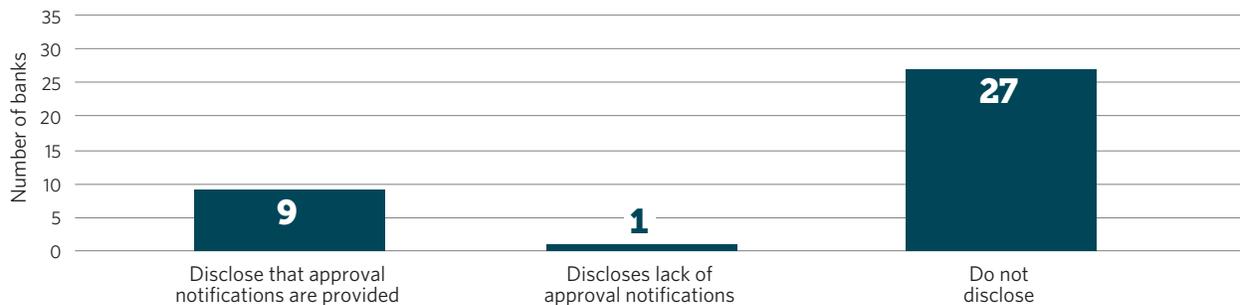
Banks and prepaid card companies tend not to actively notify consumers of the status of an mRDC deposit. Only one bank and no prepaid card companies disclose that they would alert consumers in all of these three instances: a deposit is accepted, a deposit is rejected, and a deposit is held.

Approval alerts

Ten banks (27 percent) disclose whether they actively notify consumers when mRDC deposits are approved, and the remaining 27 banks (73 percent) do not disclose whether they do this. One bank discloses that it does not actively notify consumers of approved deposits. Six (16 percent) of the nine banks that notify consumers of approvals do so via email, and one does so via text. The other two banks (5 percent) that alert customers of approved deposits do not specify the means of the notification.

Figure 16

Disclosure of Approval Alerts for mRDC at Large Banks

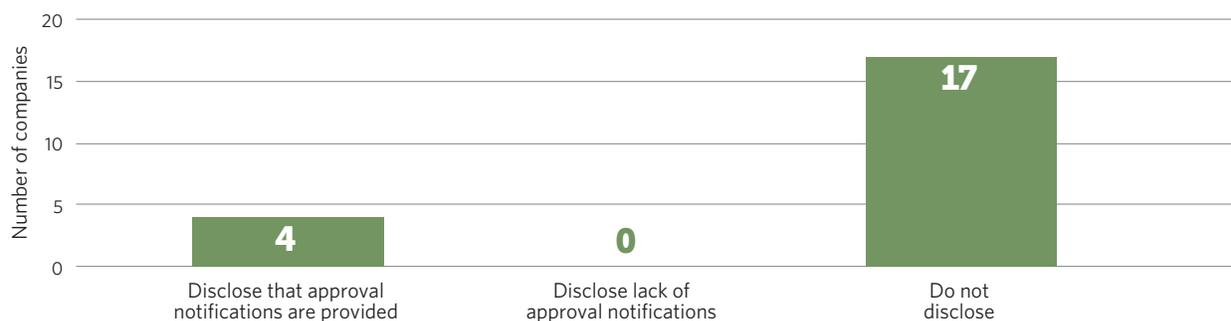


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Only four of 21 prepaid card companies (19 percent) disclose actively notifying consumers of approved deposits. One notifies consumers by email, one by text message, and the other two (10 percent) do not specify a method. Seventeen prepaid card companies (81 percent) do not disclose whether they reach out to consumers when an mRDC transaction is approved.

Figure 17

Disclosure of Approval Alerts for mRDC Among GPR Prepaid Card Companies

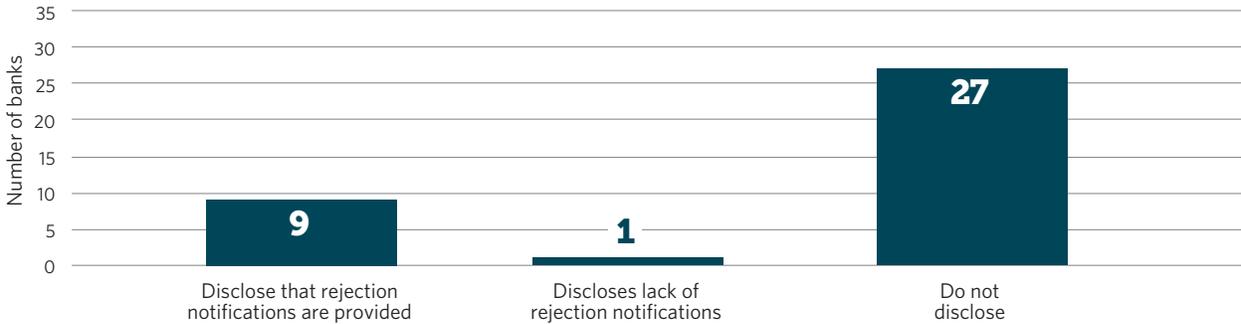


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Rejection alerts

Ten banks (27 percent) disclose whether they actively notify consumers when a deposit has been rejected, and the remaining 27 banks (73 percent) do not disclose their policies. One discloses that it does not provide rejection notifications. Six (16 percent) of the nine banks that notify consumers of rejected mRDC deposits disclose that they may do so via email, and three (8 percent) do not specify the method of notification.

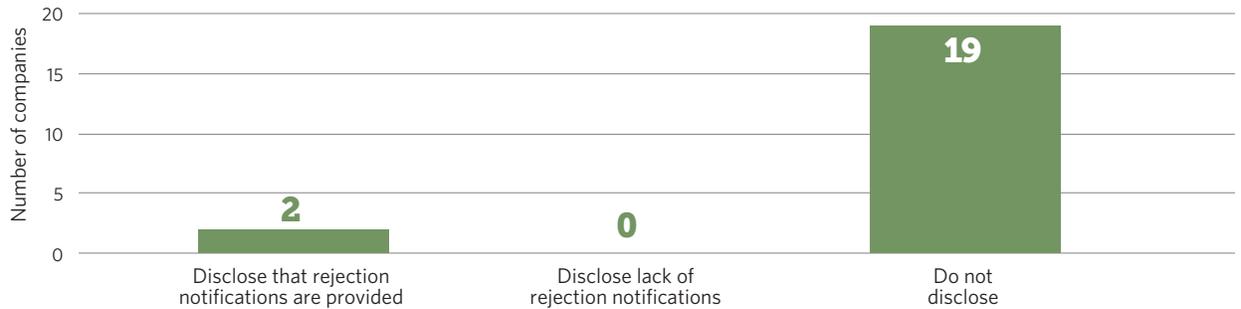
Figure 18
Disclosure of Rejection Alerts for mRDC at Large Banks



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Among prepaid card companies, two of 21 (10 percent) disclose actively notifying consumers of rejected deposits though neither describes the method of communication. Nineteen (90 percent) do not disclose doing this.

Figure 19
Disclosure of Rejection Alerts for mRDC Among GPR Prepaid Card Companies



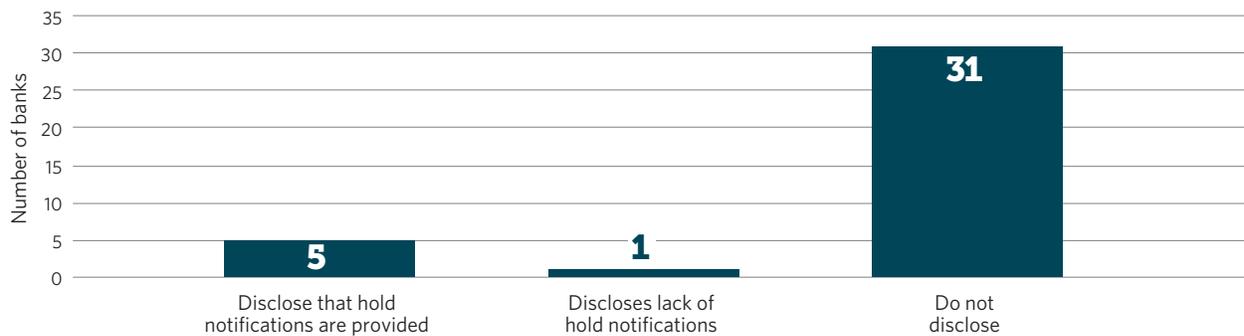
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Hold alerts

Compared with notifications of approvals and rejections, deposit hold alerts are even less common. Six banks (14 percent) disclose whether they notify customers when an mRDC deposit is held for an unusually long period. One bank discloses that it does not make such notifications. One bank sends these alerts via email, and the four others (11 percent) do not specify the method of notification. Thirty-one banks (86 percent) make no mention of hold alerts.

Figure 20

Disclosure of Hold Alerts for mRDC at Large Banks



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One prepaid card company discloses that it will notify consumers via email and telephone of a deposit hold.

Figure 21

Disclosure of Hold Alerts for mRDC Among GPR Prepaid Card Companies

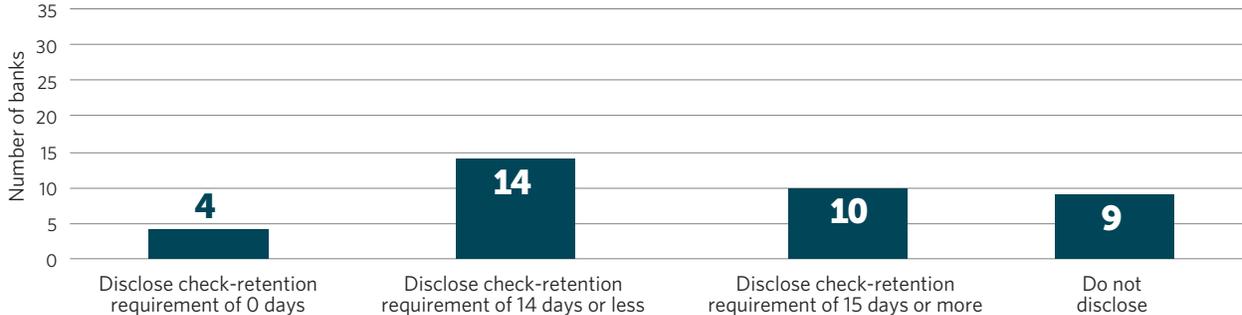


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Check-retention requirements

Twenty-eight of the 37 banks (76 percent) that offer mRDC disclose check-retention requirements, which vary substantially. The minimum requirement is that the consumer should destroy the check immediately once funds appear in the account. The maximum explicit requirement is that checks be held for 90 days, but one bank implies that checks must be held indefinitely. Nine banks (24 percent) do not disclose any check-retention requirements.

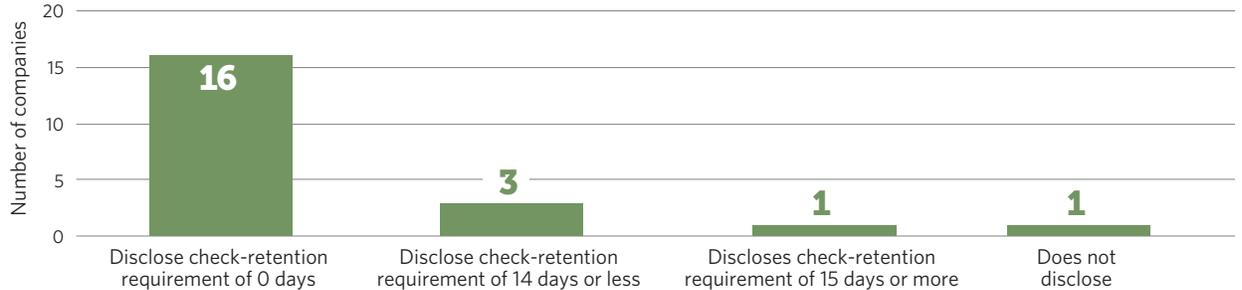
Figure 22
Disclosure of Check-Retention Requirements for mRDC at Large Banks



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Twenty of 21 prepaid card companies (95 percent) disclose check-retention requirements for customers using mRDC. These range from zero to 30 days.

Figure 23
Disclosure of Check-Retention Requirements for mRDC Among GPR Prepaid Card Companies



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Conclusion

Mobile remote deposit capture is a feature of mobile banking that is gaining in popularity with consumers, banks, and prepaid card companies. But Pew identified 10 areas in which either the terms of mRDC products are poorly disclosed or basic features, such as notifications regarding the status of deposited funds, appear to be generally unavailable.

As mRDC adoption and usage rates continue to rise, transparency in these areas will become even more important for consumers. Customers who use this technology and are well-informed about posting and funds-availability policies, for example, will be better equipped to manage their account balances and avoid costly overdraft fees. For banks and prepaid card companies, providing greater levels of transparency can help build consumer confidence in mobile banking.

Appendix A: Methodology

Pew examined the availability and terms of mobile remote deposit capture for 50 banks and 51 prepaid card companies between May 14 and June 9, 2014.

We searched the website of each financial institution for information regarding mRDC and collected screenshots of Web pages containing relevant information. This included, in some cases, account agreements, fee schedules, and advertisements.

We also downloaded the institutions' iOS mobile apps using an iPad. When iPhone and iPad apps were available, we downloaded both. We collected screenshots of any relevant content on the apps. Apps for Android, Blackberry, or Windows Phone devices were not accessed, so no disclosure documents were collected for these mobile operating systems.

The 50 largest banks were selected according to the Federal Deposit Insurance Corp.'s Summary of Deposits data from December 2013, excluding banks that did not offer checking accounts and bank branches that appeared to be outliers and thus likely did not contain consumer deposits.

This analysis focuses on 51 GPR prepaid card companies as a group rather than on individual GPR prepaid cards, because these companies offer a single set of mRDC terms and conditions that may apply to more than one such card. Disclosures regarding mRDC are typically presented to consumers on a Web page that is independent of any specific prepaid card and is often described as compatible with more than one card that a company sells. The 51 companies were selected if they met one of three criteria:

- All GPR prepaid card companies listed on the websites of Visa, MasterCard, and American Express in February and March 2013 (companies on this list are the same as those collected for Pew's 2014 report, *Consumers Continue to Load Up on Prepaid Cards*).²³
- Any of the largest 50 banks in the United States, according to the FDIC's Summary of Deposits data from December 2013, that offered GPR prepaid cards in May and June 2014
- Domestic mobile phone companies with websites that indicated in May and June 2014 that they sold branded GPR prepaid cards.

Appendix B: Banks

List of Banks Examined

Those in boldface offered mRDC at time of data collection

Ally Bank

Associated Bank

Banco Popular de Puerto Rico

Bank of America

Bank of the West

BB&T

BBVA Compass

BMO Harris Bank

BOK Financial

Capital One Bank

Charles Schwab Bank

Citibank

Citizens Bank

City National Bank

Comerica Bank

Commerce Bank

East West Bank

EverBank

Fifth Third Bank

First Niagara Bank

First Republic Bank

First Tennessee Bank

First Citizens Bank

FirstMerit Bank

Frost Bank

HSBC Bank

Hudson City Savings Bank

Huntington Bank

JPMorgan Chase Bank

KeyBank

M&T Bank

New York Community Bank

OneWest Bank

People's United Bank

PNC Bank

Prosperity Bank

Regions Bank

Signature Bank

Sovereign Bank

SunTrust Bank

Synovus Bank

TCF National Bank

TD Bank

U.S. Bank

UMB Bank

Union Bank

USAA Federal Savings Bank

Webster Bank

Wells Fargo Bank

Zions First National Bank

Appendix C: Prepaid card companies

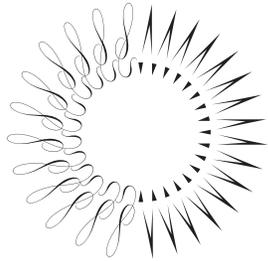
List of Prepaid Card Companies Examined

Those in boldface offered mRDC at time of data collection

AARP	OneWest
AccountNow	PayPal
ACE Elite	PayPower
AchieveCard	PNC
Akimbo	REACH
American Express	ReadyCARD
Approved Card	READYdebit
BB&T	Regions
BBVA Compass	RushCard
Boost Mobile Wallet	Simple Mobile
CashPass	Sprint Money Express
CashZone	Straight Talk
Chase	TelCel America
Commerce	T-Mobile Mobile Money
Fifth Third	TracFone
Green Dot	TransCash
H&R Block	Union Plus
I.C.E.	Univision
Jackson Hewitt	UPside
Jump	U.S. Bank
KAIKU	Vision
Kmart	Walmart MoneyCard
Mango	Wells Fargo
MoneyGram AccountNow	Western Union
Net10	Wired Plastic
NetSpend	

Endnotes

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- 4 Maria Aspan, "Secrets of Mobile Success: Cost-Cutting Banks Seek Smartphone Customers," *American Banker*, Jan. 25, 2013, http://www.americanbanker.com/issues/178_18/secrets-of-mobile-success-cost-cutting-banks-seek-smartphone-customers-1056186-1.html?zkPrintable=1&no.
- 5 According to a 2011 survey, 87 percent of the U.S. population owned a mobile phone, of whom 21 percent used mobile banking and 11 percent used mRDC, so 2 percent of the U.S. population used mRDC in 2011. See Board of Governors of the Federal Reserve System, *Consumers and Mobile Financial Services* (March 2012), <http://www.federalreserve.gov/econresdata/mobile-device-report-201203.pdf>. According to a 2013 survey, 87 percent of the U.S. population owned a mobile phone, of whom 33 percent used mobile banking and 38 percent used mRDC, so 11 percent of the U.S. population used mRDC in 2013. See Board of Governors of the Federal Reserve System, *Consumers and Mobile Financial Services* (March 2014), <http://www.federalreserve.gov/econresdata/consumers-and-mobile-financial-services-report-201403.pdf>.
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- 17 For the banks that offered a GPR prepaid card, Pew analyzed their available disclosures that were relevant to the mRDC offerings specific to the prepaid card, which may or may not have been identical to the mRDC disclosures related to its checking accounts.
- 18 Ingo Money is a mobile app that facilitates immediate check loading to prepaid cards; it is available for use on 14 of the prepaid cards studied.
- 19 It is possible, or even likely, that more terms are disclosed after a consumer enters account information or initiates an mRDC transaction.
- 20 One of these banks also offers immediate posting and funds availability in exchange for a higher fee.
- 21 Availability of Funds and Collection of Checks (Regulation CC), 12 C.F.R. § 229.16 (2012).
- 22 Ibid. In July 2011, this regulation was amended by the Dodd-Frank Act to require that the first \$200 of funds deposited by certain checks into an account be available on the business day after the banking day that the deposit is made.
- 23 The Pew Charitable Trusts, *Consumers Continue to Load Up on Prepaid Cards* (February 2014), <http://www.pewtrusts.org/en/research-and-analysis/reports/2014/02/06/consumers-continue-to-load-up-on-prepaid-cards>.



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