Deposit delivery handbook

Your guide to making deposits through our service centers

• Check deposits for delivery by courier
• Cash deposits and combined cash and check deposits for delivery by armored carrier
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Check-only deposits

Preparing check deposits for courier pickup
• To ensure prompt processing and credit, check-only deposits must be:
  – Packaged separately from cash deposits
  – Identified with a self-adhesive courier shipping label, which we supply, on each check-only deposit bag
  – Delivered by courier service to our Check Processing Service Center
• Stack checks face up in the same direction as the deposit ticket.
• Use rubber bands only to secure check bundles. Do not use staples.
• For mutilated, contaminated, or foreign checks, please consult your Commercial Customer Service Unit for procedures.

Preparing unencoded deposits
An “unencoded check” does not have the check’s dollar amount MICR-encoded. The Bank will encode this amount. Additional fees may apply. Please see your fee schedule. Follow the instructions below to prepare an unencoded deposit:

1. Endorse each check with the account or payee name and account number in the payee section.
2. Bundle checks:
   • Do not include more than 250 checks in one bundle.
3. Create a listing (or adding machine tape) for each bundle, detailing:
   • The amount of each check listed in order found in the bundle.
   • The total amount of the bundle.
   • Account or payee name and account number.
   • Any corrections on listing.
4. Assemble bundles:
   • Secure each bundle with a rubber band. Do not use staples.
   • Affix listing to the front of each bundle with the bundle total visible.

Prepare a three-part deposit ticket (see Exhibit 1):
• List checks on deposit ticket or include adding machine tape.
• If submitting more than one bundle, list each bundle amount on deposit ticket and item count.
• Enter total deposit amount.
• Do not staple checks or deposit tickets.

Exhibit 1: Deposit ticket

Exhibit 2: Courier shipping label

Deposit deadline
Check deposit deadlines for same-day credit may be different than cash deposit deadlines.
Preparing check-only deposit bags

1. Complete a courier shipping label (see Exhibit 2) and prepare a check-only deposit bag (see Exhibit 3):
   - Place check bundles in the bag.
   - Place the original and duplicate deposit tickets in the bag.

Exhibit 3: Check-only deposit bag

2. Remove the bag’s numbered tear-off receipt and retain it with the third copy of the deposit ticket for your records.

3. Affix the courier shipping label where indicated on the bag and retain the Customer Receipt portion for your records.

4. Seal bag according to the instructions on the bag.

Preparing pre-encoded deposits

A “pre-encoded check” has the dollar amount MICR-encoded on its face prior to Bank delivery, and conforms to all MICR specifications.

1. Endorse each check with account or payee name and account number in the payee section.

2. Bundle checks:
   - No more than 250 checks in one bundle.

3. Create a listing (or adding machine tape) for each bundle, detailing:
   - The amount of each check listed in order found in the bundle.
   - The total amount of the bundle.
   - Account or payee name and account number.
   - Any corrections on listing.

4. Prepare a pink-striped pre-encoded batch control ticket. Encode the bundle’s total in the dollar amount field of the batch control ticket.

5. Assemble bundles:
   - Secure each bundle with a rubber band. Do not use staples.
   - Affix listing to the front of each bundle with the bundle total visible.

6. Prepare a three-part deposit ticket (see Exhibit 1):
   - List checks on deposit ticket or include an adding machine tape.
   - If submitting more than one bundle, list each bundle amount on deposit ticket and item count.
   - Enter total deposit amount.
   - Do not staple checks or deposit tickets.

7. Encode the deposit ticket with the total deposit amount. Failure to encode the deposit ticket with the amount may result in delayed credit to your account.

8. Complete a courier shipping label (see Exhibit 2):
   - For “Value,” indicate the total of all deposits to be enclosed in the deposit.
   - If you do not have a courier shipping label, write your address and the bag’s total value on the self-seal check-only deposit bag. Contact your Commercial Customer Service Unit to order labels.
   - Missing or incorrect labels will result in processing and posting delays.

9. Follow the “Preparing Check-Only Deposit Bags” instructions (on the left of this page).

IMPORTANT: IF YOUR ENCODING MACHINE IS NOT WORKING PROPERLY

- Submit your deposit according to the “Preparing Unencoded Deposits” instructions (page 2).
- Do not attach pre-encoded batch headers, or your unencoded checks will be charged for encoding rejects. Please refer to your fee schedule for charges.
- Label your deposit as unencoded by writing “Unencoded” in bold on the deposit ticket.
Alternate bank of 1st deposit
Deposits processed using alternate bank of 1st deposit require the depositor to endorse the check, indicate the bank of 1st deposit endorsement location, and include the routing number of the processor of your returned items.

1 Endorse each check with account or payee name and account number in the payee section. Also endorse each check with the alternate bank of 1st deposit information in the bank of 1st deposit section.

2 To deposit unencoded items, follow the “Preparing Unencoded Deposits” instructions (page 2):
   • For step 6, complete a yellow courier shipping label.
     – The yellow label indicates the deposit is to be processed using an alternate bank of 1st deposit.

3 To deposit pre-encoded items, follow the “Preparing Pre-Encoded Deposits” instructions (page 3).
   • For step 4, prepare a yellow-striped pre-encoded alternate bank of 1st deposit batch control ticket.
   • For step 8, complete a yellow courier shipping label.
     – The yellow label indicates the deposit is to be processed using an alternate bank of 1st deposit.

4 All deposits processed using alternate bank of 1st deposit must be check only. DO NOT INCLUDE ANY CASH.

Cash-only deposits
Preparing cash deposits for armored carrier pickup
   • To ensure prompt processing and deposit to your account, cash deposits must be:
     – Packaged separately from check deposit items.
     – Addressed to our cash vault.
     – Delivered by armored carrier to one of our designated vaults.

If a Bank-authorized agent is used (e.g., armored carrier or correspondent bank), we will provide specific deposit address instructions.
   • You may include more than one deposit in a single bag.
   • If your currency deposit is too large to fit into one bag, follow the “Preparing Multiple Cash-Only Deposit Bags” instructions (page 6).
   • Do not include any coins or foreign currency.
   • All cash deposits must be packaged in our approved tamper-evident bags.

Preparing currency deposits
1 Sort bills by denomination:
   • Separate $1, $2, $5, $10, $20, $50, and $100 bills:
     – For denominations $1-$20: Bills within a strap may be arranged in any direction or order (see Exhibit 4).
     – For denominations $50-$100: Bills within a strap must be arranged with the portrait side up. The portrait can vary in direction (see Exhibit 5).

2 Strap bills:
   • 100 bills of the same denomination per strap.
   • Use the correct colored Federal Reserve Bank (FRB) standard currency strap (see Exhibit 6).
   • Stamp or write your company name, account number, and location on each strap (see Exhibit 7).
     – We recommend that the preparer initial and date each strap.
     – Stamps should use large and easy-to-read font with black ink to help ensure good quality images.

<table>
<thead>
<tr>
<th>Strap Color</th>
<th>Bill Denomination</th>
<th>Bill Count</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue</td>
<td>$1.00</td>
<td>100</td>
<td>$100.00</td>
</tr>
<tr>
<td>Green</td>
<td>$2.00</td>
<td>100</td>
<td>$200.00</td>
</tr>
<tr>
<td>Red</td>
<td>$5.00</td>
<td>100</td>
<td>$500.00</td>
</tr>
<tr>
<td>Yellow</td>
<td>$10.00</td>
<td>100</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Violet</td>
<td>$20.00</td>
<td>100</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Brown</td>
<td>$50.00</td>
<td>100</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Mustard</td>
<td>$100.00</td>
<td>100</td>
<td>$10,000.00</td>
</tr>
</tbody>
</table>
3 Partial strap bills:
• Fewer than 100 bills.
• Reverse currency strap to the blank side.
• Mixed or same denomination.
• Notate actual strap value (see Exhibit 8).

Exhibit 7: Standard currency strap

Exhibit 8: Partial strap with notated actual value

Preparing cash-only deposit bags
1 Use a two-pocket, self-seal deposit bag (see Exhibit 9).
2 Complete all the requested information on the bag.
   • Place original deposit ticket in the small lower pocket.
   • Place currency and duplicate deposit ticket in the large upper pocket of the self-seal bag.
     – You may include more than one deposit in a single bag.
3 Remove the bag’s numbered tear-off receipt and retain it with the third copy of the deposit ticket for your records.
4 Seal bag according to the instructions on the bag.
5 Write the self-seal bag’s unique identification number on the carrier receipt.

Exhibit 9: Two-pocket self-seal cash deposit bag

Completing cash-only deposit ticket
1 Use a three-part deposit ticket and indicate the following information:
   • Date
   • Currency count
   • Total currency amount and total coin amount
   • Total deposit amount

HANDLE CASH BAGS WITH CARE
• Keep prepared cash deposit bags in a secure place until the armored carrier arrives.
• Do not place any check courier labels or stickers on any bag containing currency.
• Never release to an armored carrier any bag that has been tampered with, torn, or re-sealed. If in doubt, always prepare another bag.

CASH HANDLING TIP
For your protection, we recommend that two employees prepare cash deposits. Each employee should count and initial all currency straps and deposit ticket.
Preparing multiple cash-only deposit bags
1. Use a two-pocket, self-seal deposit bag and complete all requested information on the bag.
2. Identify the bag as your “Primary Bag” and indicate “Bag 1 of X.” (Replace “X” with total number of bags used for the deposit.)
3. Prepare additional bags. Complete all requested information and indicate “Bag 2 of X,” etc.
4. Place the original copy of the deposit ticket in the small lower pocket of the primary bag. Do not place anything in the small pocket of any additional bag.
5. Place currency in large upper pocket of each bag.

Coin deposits
You may include 30 pieces or fewer of loose coins (not rolled) with your currency deposit. Place loose coins in the large upper pocket. Coin pieces of 30 or more will classify as a bulk coin deposit. Bulk coin processing frequently requires special handling.

Preparing standard bulk coin deposits
1. Prepare a three-part deposit ticket for each bulk coin deposit bag.
   • Use the individual bag total for the deposit ticket information.
2. Remove all coin wrappers and place loose coins in bag. Do not include any cash, checks, or other items.
3. Prepare FRB-specification “Standard” bags for large quantities of a single denomination. This type of deposit must be placed in separate bags as follows:
   • $50 in pennies (5,000 piece count)
   • $200 in nickels (4,000 piece count)
   • $1,000 in dimes (10,000 piece count)
   • $1,000 in quarters (4,000 piece count)
4. Follow instructions from the “Preparing Cash-Only Deposit Bags” section (page 5).

Preparing non-standard bulk coin deposits
1. Prepare a three-part deposit ticket for each bulk coin deposit bag.
   • Use the individual bag total for the deposit ticket information.
2. Remove all coin wrappers and place loose coins in bag. Do not include any cash, checks, or other items.
3. Prepare an FRB-specification “Non-Standard” bag. Mixed denomination can be included in the same deposit bag.
4. Follow instructions from the “Preparing Cash-Only Deposit Bags” section (page 5).

Combined check and cash deposits
Combined check and cash deposit standards
Different security standards, deadlines, and processing rules apply to cash and check handling. Combined cash and check deposits are received at our cash vaults and require special handling. Combined deposits may not receive same-day ledger credit.

1. To qualify for same-day ledger credit, cash and checks must be packaged into separate bags, each with its own deposit ticket.
2. Check deposits are not registered as received until delivered to our Check Processing Service Center.
3. Do not combine cash and checks for any location that prepares alternate bank of 1st deposits or pre-encoded check deposits. These procedures require direct shipment to our Check Processing Service Centers.
4. Do not combine cash and checks if your cash deposit is processed by a Bank-authorized special services cash processor. These companies cannot process combined deposits.

Preparing combined check and cash deposits
1. Follow steps 1 to 4 in the “Preparing Unencoded Deposits” instructions (page 2).
2. Follow steps 1 to 3 in the “Preparing Currency Deposits” instructions (page 4).
   • You may include 30 pieces or fewer of loose coins (not rolled) with your currency deposit.
3. Prepare a three-part deposit ticket (see Exhibit 1):
   • Indicate the currency count, total currency amount, and total coin amount.
   • List checks on deposit ticket or include adding machine tape.
   • For more than one check bundle, list each bundle amount on deposit ticket and item count.
   • Enter total deposit amount.
   • Do not staple checks, currency, or deposit tickets.
4. Prepare a two-pocket, self-seal deposit bag (see Exhibit 9):
   • Complete all requested information.
   • Place original deposit ticket(s) along with the check(s) in the small lower pocket.
   • Place currency, loose coin, and duplicate deposit ticket in the large pocket of the self-seal bag.
5. Remove the self-seal bag’s numbered tear-off receipt and retain it with the third copy of the deposit ticket for your records.
6. Seal bag according to the instructions on the bag.
7. Write the self-seal bag’s unique identification number on the carrier receipt.
Damaged currency and coin

Mutilated currency and coin as well as contaminated currency are not accepted for deposit.

- **Mutilated currency** is a note that has been damaged to the extent that one-half or less of the note remains, or is in such condition that the value is questionable. Special examination by experts at the Department of Treasury, Bureau of Engraving and Printing, is required for redemption.

The Bureau of Engraving and Printing recommends that you send mutilated currency by “Registered Mail, Return Receipt Requested” or personally deliver it to the Bureau. Insuring the shipment is your responsibility. A letter should be included stating the estimated value and explanation of how the currency became mutilated.

**Mailing address:**
Department of the Treasury
Bureau of Engraving and Printing
Office of Currency Standards
Room 344-PD, PO Box 37048
Washington, DC 20013

- **Mutilated coin** is coin that has been bent, twisted out of shape, punched, fused, or defaced. If you choose to redeem mutilated coin, it should be shipped to the U.S. Mint for evaluation and redemption.

**Shipping address:**
United States Mint
Independence Mall, PO Box 400
Philadelphia, PA 19106

- **Contaminated currency** is a note damaged or exposed to a contaminant to the extent that it cannot be processed under normal procedures or may pose a health or safety risk.

We cannot process contaminated currency, but it may qualify for processing, within a controlled workspace, by experts at the U.S. Federal Reserve Bank (FRB). With prior notification and approval, the Bank may elect to accept correctly packaged contaminated currency, on a collection basis only, for forwarding to the FRB.

Contact your Commercial Customer Service Unit for assistance and detailed instructions.

Deposit corrections

A deposit correction is made when the declared deposit amount on your deposit ticket differs from the amount verified by the Bank.

We will notify your company of the deposit correction. Deposit corrections will be posted as separate entries to your bank account.

Check deposit corrections

For all deposit differences, a deposit correction notice is mailed to the primary address of the account or as designated by your company (see **Exhibit 10**).

A deposit correction exceeding $50.00 may also include copies of the deposit ticket, deposit bundle listing, bank deposit listing, and/or the particular check.

If a correction is posted due to deposit of foreign checks (e.g., Canadian items in Canadian dollars), the Bank will return the original item.

Foreign items must be resubmitted for collection; contact your Commercial Customer Service Unit for more information.

**Exhibit 10: Deposit correction notice**

![Deposit correction notice image]

**Deposit handbook supplements**

Procedure supplements are available from your Commercial Customer Service Unit.
Cash vault deposit corrections
Cash adjustment notices are available daily by email for discrepancies. The transaction information is clearly detailed including reason codes and available in PDF or Excel format (see Exhibit 11 and 12). Contact your Commercial Customer Service Unit for setup.

Deposit correction inquiries
If you question a deposit correction, please take a few moments to:
• Review procedures followed by your staff.
• Examine your records and documentation.
If you still disagree with the deposit correction, promptly forward your inquiry to your Commercial Customer Service Unit.

Missing deposits
If you have reason to believe that we did not receive a deposit transported by an armored carrier or check courier service:
• Contact the transport vendor immediately.
• Obtain proof of delivery to us from your transport vendor.
• Contact your Commercial Customer Service Unit as soon as possible with this required information.
Additional information, including important dispute reporting deadline requirements, is provided in our disclosure “All About Business Accounts & Services and Treasury Management.”

Exhibit 12: Code definitions

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Addition/Listing Error</td>
</tr>
<tr>
<td>02</td>
<td>Amount brought forward incorrectly</td>
</tr>
<tr>
<td>03</td>
<td>Deposit Ticket not received</td>
</tr>
<tr>
<td>04</td>
<td>Invalid Deposit ticket received</td>
</tr>
<tr>
<td>05</td>
<td>Coin/Checks Listed not received</td>
</tr>
<tr>
<td>06</td>
<td>Coin/Checks Received not listed</td>
</tr>
<tr>
<td>09</td>
<td>Cash Order Re-Deposited</td>
</tr>
<tr>
<td>10</td>
<td>Currency Less Than Declared Amount—shortage</td>
</tr>
<tr>
<td>11</td>
<td>Currency Exceeds Declared Amount—overage</td>
</tr>
<tr>
<td>12</td>
<td>Mutilated Currency Deposited</td>
</tr>
<tr>
<td>13</td>
<td>Counterfeit Suspect</td>
</tr>
<tr>
<td>14</td>
<td>Mixed Denomination within a strap</td>
</tr>
<tr>
<td>20</td>
<td>Coin Less Than Declared Amount—shortage</td>
</tr>
<tr>
<td>21</td>
<td>Coin Exceeds Declared Amount—overage</td>
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<tr>
<td>22</td>
<td>Mutilated Coin Deposited</td>
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<td>40</td>
<td>Bond Coupons less than declared amount</td>
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<tr>
<td>41</td>
<td>Bond Coupons exceed declared amount</td>
</tr>
<tr>
<td>50</td>
<td>Cash Order reversal</td>
</tr>
<tr>
<td>51</td>
<td>Adjustment for Cash Order difference</td>
</tr>
<tr>
<td>99</td>
<td>Other</td>
</tr>
</tbody>
</table>

Exhibit 11: Cash adjustment notice

![Cash Adjustment Notice Example](image-url)
Ordering supplies

Please contact your Commercial Customer Service Unit for all personalized supplies, including:
- Pre-printed courier shipping labels
- Pre-printed three-part deposit ticket
- Endorsement stamps

A complete selection of Bank-approved deposit supplies is available at unionbank.com/supply. All supply orders are normally shipped via UPS within 48 hours.

Courier shipping labels for check-only deposits

Pre-printed, personalized self-adhesive courier shipping labels must be attached to each check-only deposit bag to:
- Expedite tracking.
- Track receipt of check courier delivery.
- Identify the type of work and processing required.
  (Labels are color coded.)
- Scan and assign receipt time of check-only deposits.

We track usage of all courier shipping labels, so reordering is not required.
- The system will automatically print and mail a new order of labels when your supply runs low, if used in numerical order.
- Please use only one label per bag; do not use labels on cash vault bags.
- These labels are specially printed for each of your deposit locations with custom details about each location’s deposit processing mode.
- Labels are unique to each location and should not be shared with other locations.

Supply orders may also be placed by:
- Supply desk phone: 800-990-6466
- Supply desk fax: 562-948-2617
- Online: unionbank.com/supply

Supply order inquiries and returns:
To inquire about a requested or pending order, contact our supply desk at 800-990-6466.

To return supplies received in error:
- Repackage the items.
- Circle the items on the original shipping receipt.
- Mark receipt “Returned for Credit.”
- Return to warehouse via UPS.
Thank you for choosing Union Bank

Union Bank®, through its subsidiaries, offers a nationwide depository service to facilitate efficient processing for quicker access to your cash. With more than 100 cash vault locations that are strategically located throughout the U.S., we can provide fast, accurate handling and reporting of your deposits.

By following the procedures in this handbook, you’ll ensure your deposits are properly routed within our service centers—and help us provide the best possible service to you.

KEY CONTACTS

We are here to help whenever you have questions. All questions should be directed to your Commercial Customer Service Unit.

Your Commercial Customer Service Unit Is:

(               )