



RESCINDED

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Office of Thrift Supervision
Department of the Treasury

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This rescission applies to the transmitting document only and not the attached interagency guidance. Refer to (OCC 2009-04) for the status of the attached interagency guidance.

January 14, 2009

MEMORANDUM FOR: CHIEF EXECUTIVE OFFICERS

FROM:

Timothy T. Ward

SUBJECT:

Risk Management of Remote Deposit Capture

On January 14, 2009, the Office of Thrift Supervision, along with the other federal banking agencies, issued *Risk Management of Remote Deposit Capture* guidance. This issuance provides guidelines for examiners, financial institutions, and technology service providers to identify risks in financial institutions' remote deposit capture (RDC) systems and to evaluate the adequacy of controls and applicable risk management practices.

RDC is a delivery system that enables customers to initiate deposits in digital format at their homes or places of business without having to physically take the deposits to the financial institution. The digital information captured at the remote location is transmitted to the financial institution or its service provider(s) for presentment, clearing, and settlement. In addition to customer locations, some financial institutions may implement RDC in their branches and ATMs to facilitate deposit processing.

When properly managed, RDC can decrease processing costs, support new and existing banking products, and accelerate customers' funds availability. However, RDC also introduces new risks and increases existing risks inherent in traditional deposit processing, including legal, compliance, reputation, and operational risks. These risks increase when RDC is implemented at the premises of commercial or retail customers of the financial institution, or when RDC transactions originate at the customers of correspondent banks domestically and abroad.

This guidance addresses the necessary elements of an RDC risk management process: risk identification, assessment, and mitigation, as well as measuring and monitoring exposure to residual risk. It also discusses the responsibilities of the board of directors and senior management in overseeing the development, implementation, and ongoing operation of RDC in their financial institutions. An electronic version of *Risk Management of Remote Deposit Capture* is available at <http://files.ots.treas.gov/481145.pdf>.

Questions regarding this guidance should be directed to William H. Henley, Information Technology Examinations Manager, (202) 906-6540.