

- Concluded that the consumer's claim was not valid [§229.54(c)(4)(i)];
- Drafted a notice of reversal of recredit [§229.54(e)(3)], accompanied by the following:
 - The original check or a sufficient copy [§229.54(e)(2)(i)];
 - Information or explanation to demonstrate to the consumer that the substitute check was properly charged (or that the consumer's warranty claim is not valid) [§229.54(e)(2)(ii)];
 - Information or documents (in addition to the original check or a sufficient copy), if any, on which the bank relied in making its determination (or a statement that the consumer can request such) [§229.54(e)(2)(iii)];
 - A description of the amount of the reversal, including both the amount of the recredit and the amount of interest paid on the recredited amount, if any, being reversed [§229.54(e)(3)(i)]; and
 - The date on which the bank made the reversal [§229.54(e)(3)(ii)].
- Sent the notice no later than the business day after the banking day on which the bank made the reversal [§229.54(e)(3)].
- *Availability of recredited funds*
Under circumstances detailed above, where the financial institution determined that it was appropriate to recredit its consumer customer's account, determine whether the bank took the following actions:
 - Next day availability – Did the bank make any recredited amount available for withdrawal no later than the start of the business day after the banking day on which the recredit was provided? [§229.54(d)(1)]
 - Safeguard exceptions – If necessary for reasons of (1) new account status, (2) overdrawn account status, or (3) well-reasoned suspicion of fraud, did the bank invoke its right to delay immediate availability of recredited funds? If so, was the delay invoked because the bank had not yet determined the validity of the claim? Were the funds made available no later than the business day after the banking day on which the final determination was made **OR** the 45th calendar day after the bank received the claim, whichever occurred earlier? [§229.54(d)(2)]
 - Overdraft fees – If the bank chose to invoke its right to delay immediate availability of recredited funds, did it refrain from imposing an overdraft fee until the appropriate five-day period had elapsed? [§229.54(d)(3)]

References

Expedited Funds Availability Act

<http://www.fdic.gov/regulations/laws/rules/6500-3240.html#6500ceb602>

Part 229: Availability of Funds and Collection of Checks (FRB Regulation CC)

<http://www.fdic.gov/regulations/laws/rules/6500-3210.html>

FIL 116-2004: Final Amendments to the Federal Reserve Board's Regulation CC

<http://www.fdic.gov/news/news/financial/2004/fil11604.html>

FIL 54-2004 Check Clearing for the 21st Century Act

<http://www.fdic.gov/news/news/financial/2004/fil5404.html>

FIL 28-97: Availability of Funds and Collection of Checks

<http://www.fdic.gov/news/news/financial/1997/fil9728.html>

FIL 67-96: Delayed Availability of Funds

<http://www.fdic.gov/news/news/financial/1996/fil9667.html>

Job Aids

Check 21

The FDIC along with the other FFIEC member agencies has developed a computer based training package that may be used to gain familiarity with the Check 21.

This "InfoBase" is accessible through the following link to the FFIEC website: <http://www.ffiec.gov/exam/check21/default.htm>. It features a 30 minute audio slide presentation, frequently asked questions, and links to other resources. The slide presentation includes discussion about the examination procedures that the FDIC and other FFIEC agencies will use to evaluate compliance with Check 21.

Specific Types of Check Schedules

The flow charts on the following pages detail applicable availability schedules for deposits.

Case-By-Case Hold - The time frames listed in the flow charts are the maximum amounts of time that a bank may delay the availability of a deposit. Most banks have a policy of making funds from deposits available sooner than the time periods allowed by the regulation. These banks may, on a case-by-case basis, delay the availability of funds up to the time frames established by the regulation (those shown in the flow charts). When a bank imposes a case-by-case hold, a written notice including the following information must be given to the depositor: