

MONEY MATTERS

From The Federal Reserve Board

Check Out These Check Facts

(NAPSA)—Checking accounts have changed and you may want to spend some time checking out the changes and how they affect you.

To start, checks are being processed more quickly these days. This means that when you write a check the money may be deducted from your account sooner. To avoid bounced checks, be sure you have enough money in your account at the time you write a check. A bounced check charge could cost you \$25 per check or more.

Here are some other changes you should make note of:

- Some of your checks may be converted to electronic funds transfers from your account—called electronic check conversion. Your check is now like a debit and the money may come out of your account sooner. If you don't want the checks you write to pay bills converted, contact your creditors to find out how to opt out. If you need a copy of a check that was converted, you will have to contact your bank, which will then contact the creditor who converted your check.

- Some of your checks may be processed as a check (instead of being converted), but the banks may exchange payment information electronically. Banks do this by creating “substitute checks.” Substitute checks are special paper copies of the front and back of the original check. When banks use substitute checks, the money may come out of your account sooner.



WHEN YOU WRITE A CHECK, the money may be deducted from your account sooner.

- The items listed in your checking account statement may look different from one another. Some items may be listed by check number and others may be listed by the name of the company you paid. Always review all of the charges listed on your account statements to make sure they match your receipts or records.

If you have questions about how your checks are processed, contact your bank, savings and loan or credit union.

Remember, under federal law you are protected against errors in your account when electronic funds transfers are used. But you have to read your bank statements each month or go online to check your account transactions. And you need to notify your bank as soon as you spot an error. To learn more, visit www.federalreserve.gov.