



For Immediate Release
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Michigan bankers and retailers offer new system to streamline check deposits and processing

LANSING — “Remote Deposit,” a new system to enable financial institutions and their commercial customers to reduce the time and cost of depositing and processing checks, was announced today by two of the state’s leading business associations.

The Michigan Bankers Association (MBA) and Michigan Retailers Association (MRA) will work together to make the Internet-based service available to businesses throughout the state, including the MBA’s more than 2,300 member bank branches, the branches’ tens of thousands of business customers and MRA’s more than 13,000 member stores.

“This partnership between the bankers and retailers organizations will make available the latest imaging technology to streamline the costly and time-consuming activities of depositing and processing checks,” said James P. Hallan, MRA president and chief operating officer.

“Streamlining will produce significant cost savings, for both financial institutions and their commercial customers. For businesses, saving time is saving money,” said Dennis Koons, MBA president and CEO.

Under the new Remote Deposit system, a business will use a rapid image scanner to convert checks from paper to electronic images. The business will then send the deposit to the bank of its choosing, via the Internet using secure and encrypted software, where it will be received and deposited into the appropriate account. The system also links the bank to major check-clearing channels, allowing faster access to the funds by financial institutions and depositors.

“The system allows businesses to make deposits without ever visiting a bank. They will also benefit from increased accuracy, security and reduced risk of check fraud,” said Koons.

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“In addition, Remote Deposit provides online review of deposits, account activity and other valuable reports,” said Hallan.

While check writing by consumers has declined in recent years, some 75 percent of business-to-business transactions are still made by paper checks, according to 2004 data. For small businesses under \$1 million in sales, there has been virtually no decline in check writing.

MRA is a leader in processing credit and debit card payments for merchants and other businesses, processing nearly \$700 million in card payments annually. MRA has entered into an agreement with iStream Imaging of Wisconsin to deploy the remote deposit system in Michigan. MRA and MBA entered into an agreement to make the system available to Michigan financial institutions and their business customers.

Businesses will pay a low monthly fee and small per-check fee to take advantage of the cost-saving system.

“The Remote Deposit system is a win-win for businesses and their banks by helping everyone become more streamlined and efficient. We look forward to an immediate and successful rollout,” said Hallan.

The Michigan Retailers Association is the unified voice of retailing in Michigan and the nation’s largest state trade association of general merchandise retailers. Its 5,500 members represent more than 13,000 stores across the state.

The Michigan Bankers Association, the state’s largest banking group, is the voice of the banking industry. Comprised of Michigan financial institutions with over 2,300 branches located throughout the state, the MBA promotes strong communities and economic activity in Michigan by advancing a positive business environment for Michigan.

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