

State Department Federal Credit Union

Topics of Interest

How To Deposit A Check

There are simple steps to follow to deposit a check and keep your account safe from fraud.

You must endorse (sign) a check before you can deposit it. If there is an error in your name on the face of the check, you must endorse the check showing the error. Then, sign your name correctly just below the first signature for verification.

Often, you will use a "blank" endorsement by simply signing your name as shown on the face of the check. The problem with a blank endorsement is that it makes the check negotiable by anyone presenting it for payment. Anyone finding a lost and endorsed check, can cash it for its face value.

You can protect yourself if you specify that a check is "for deposit only" above your signature; this is called a restrictive endorsement.

Another common endorsement is "special" and limits the use of the check. You can use the special endorsement "pay to the order of" and then the name of the person to whom you are signing over the check.

When you deposit a check, you may not have access to the funds right away. Many institutions place a "check hold" on your account until funds are verified. Holds vary based on where you deposit your check (such as ATM, with a teller or by mail), and where the check is from.