

Client Wants Picture of Settlement Check

Folks:

I settled a personal injury case for a client. The check just came from Allstate. The client is demanding that I take a picture of the check and send it to her. In all of my years of doing PI work, I've never had anybody ask for that before. My concern is that my clients going to take this picture and do a mobile deposit with it. Is there anything else I should be concerned about? I really am not a huge fan of sending her a picture of the settlement check.

Why not put a piece of paper that says "non-negotiable" over the check, especially over the bank routing numbers. That way the client can see it, but not deposit it.

Frank Kautz, Massachusetts

Ok, thanks. I hadn't thought about that.

Jonathan Stein, California

Or just scan a B&W copy of the check and email a pdf of that perhaps? With electronic deposits, many banks have a maximum \$ amount that they will allow for e-deposits. My own bank won't let me do e-deposits of checks >\$500 for instance, so I'd imagine a large settlement check would prohibit that potential scenario from being a problem for you.

Seth Combs, Kentucky

I would be upfront and say you do not provide copies of checks based upon advice about law firm procedures.

Add that s/he should come to your office to sign the check.

Richard P Schmitt, District of Columbia

My bank will do e-deposits in any amount, but I have to send a picture of both sides, showing my endorsement on the back.

Kevin Grierson, Virginia

My bank used to allow considerably larger than that, perhaps up to \$5,000. I don't use remote deposit anymore, because the main place it helped was for the trust account, which isn't accessible from the ATM, but remote deposit there is no longer available. Since the ATMs now scan and confirm the checks deposited, they seem to get processed faster if I can't make it to the drive-through.

Were it me, I'd copy the back of the check AFTER endorsing it for deposit to my trust account and cut it out. I would then take a picture or make a copy of the front and back TOGETHER, with the copy of the back at least partially obscuring the routing/transit and account numbers on the face, "as if by accident," as though you'd laid them side-by-side and one slipped a bit...

Richard J. Rutledge, Jr., North Carolina

I have not looked but would not be surprised if there are not websites which sell copies of check back sides for all the US insurance companies.

Richard P Schmitt

Take a partial photo, without the account numbers or signature showing?

Meg Tebo, Illinois

I don't think you are required to comply with this request in such a way that may risk something going wrong. I think you could follow the advice of

others, to take a photo of some portion of the check but not enough to allow the client or someone else to try to cash it.

Roger Rosen, California

Who is named as payee on the check? If you want to accommodate client and have the PDF tools, create PDF from picture then add "non-negotiable copy" as a watermark and then take a picture of the edited PDF to send to client.

Duke Drouillard, Nebraska

Did you ask her why?

Bobby Lott

Just say "no."

"I'm sorry, but it is against firm policies to text photos of checks. Would you like to schedule an appointment to come in and review your case and the associated settlement?"

Andrew Wentzell, Florida

Not sure why they need to see it since under California law the insurance company will mail them a letter saying how much the check is for and who its made out to.

David Seto, California

Your bank does e-deposits into IOLA accounts? Mine won't. I kind of appreciate that!

Jeena R. Belil, New York

I like Andrew Wentzell's response. Slightly different scenario: I once had an obstinate client that fired me (as is always the client's right) and demanded I return his retainer funds even though the Court hadn't entered the withdrawal Order yet. Once the Order was entered, I sent him a closing statement with the remaining balance of the trust funds. He then altered that same check and e-deposited it into multiple accounts. He altered the image to show the names of family members in the payee line. It was a nightmare scenario. Luckily, it all got worked out and the money was returned. I did have to file a police report.

Ryan Young, Virginia

This is why I use a bounce account. it's an extra account I bounce money into or out of. this way no client will have the account number of the main trust account.

Michael Huerta

Can you explain this more? I have never heard of it. How do you get money from trust account to client without it becoming your funds?

Mitchell P. Goldstein, Virginia

It's a second trust account

Michael Huerta

Lawyers have a duty to keep the client informed about the matter. Some part of the settlement check is the client's property. In my opinion, a lawyer cannot justify refusing the client's request for a copy of the settlement check, although the lawyer should redact all but the last 4 digits of the maker's account number.

If my lawyer refused to show me the settlement check for my case, I would be very suspicious.

Steven Finell, California

Since this was my topic, I went and talked to my branch manager. I then called a branch manager who I know at a different bank. They both said the same thing:

Do NOT send a picture of a check to anyone. It can be used for a mobile deposit. Thus, even if the check says Steven Finnell and COTE, either person could mobile deposit a picture of the check into their account.

Hence, I ended up scanning the check, redacting the routing number and account number, and then sending it as a black and white PDF to the client.

Since her further requests, I am sure she is up to something. I don't quite know what it is, nor do I care, that much.

Jonathan Stein

I've never heard it called that! I call it my ancillary account. It is where things go in, and I transfer TO my operating account but that's it. I put it in place over a decade ago when a fellow Virtual Assistant had a client -- a year AFTER the services had been rendered -- decide they weren't happy and yep... credit card company went right into her operating account and removed the full 5 figure retainer ... until their investigation could be concluded. We all know how those go! Note, it is also why my personal consulting clients pay via check. I've had more than one over the years not do what THEY were supposed to -- and had they paid with a cc, bet they woulda. With a check... nope. <g>

Andrea Cannavina, nope notta lawyer

Yes, the lawyer does have certain duties to their client. But nowhere have I seen that a lawyer has a duty to send a pic of the settlement check to their

client when so requested. If they come in to the office, they can see the check and touch it and smell it (if they so choose) without any concern for virtual theft or other nefarious shenanigans.

I see no conflict between the ethical rules and asking a client to come in to see the check. I mean, that's how it was done for decades prior to this technology, right?

Andrew Wentzell

Can you deposit it into your trust account and then send her a copy marked "Deposited - non-negotiable?" I also like the idea of blacking out the routing/account numbers

Deena L. Buchanan, New Mexico