



Name

Title

Company

Cutting Edge

Check Security Solutions

Protecting Yourself Against Check Fraud



Agenda

- Check Fraud Trends
- Why should we care?
 - UCC Code
 - Check 21
- How can I protect the Church against this threat?
- Uncompromised Check Solutions

Check Fraud Statistics

- Check Fraud is one of the fastest growing financial crimes in America
 - 25% per year
- More than 1.2 million fraudulent checks enter the bank system every day
- Nielson report estimates check fraud losses to be \$20 billion annually

Why Should I Care?

- Uniform Commercial Code (UCC) defines responsibilities for checks to issuers and paying banks
- Banks can only charge items against a customer's account if they are properly payable
- Issuer may be liable if they failed to exercise ordinary care

Why Should I Care?

- UCC ordinary care statute requires account holders to follow “reasonable commercial standards”, prevailing in their area and for their industry or business
- Accepting institution may be deemed a “holder in due course” and not liable for a loss
 - Check looks real and bears no evidence of forgery
 - Holder took check at face value in good faith with no knowledge it had been forged

Why Should I Care?

- Check 21 allows accepting banks to convert checks into electronic images for presentment
- Issuer may be liable for loss even though electronic copy of check was presented to paying bank
- In check 21 world issuers must:
 - Utilize checks that contain security features that will not survive an imaging process
 - Fourdrinier Watermarks, Holograms, thermochromic ink

How Can I Protect My Church?


- Adopt secure procedures beyond the actual product
- Add a string of asterisks above and after authentic payee name
- Print statement such as "This check expires and is void 90 days after issue date"
- Use Positive Pay or Reverse Positive Pay services available from their banks
- Implement secure shipping and storage practices for secure documents

How Can I Protect My Church?

- Design checks that will provide adequate protection
- Layer security features on checks with multiple overt and covert security features
- Layering 8 security features on a check should meet UCC ordinary care requirement


How Can I Protect My Church?

Overt security features

- Holograms
 - Fourdrinier Watermark
 - Thermochromic Inks
 - Prismatic printing
 - 3 Dimensional Images
 - Laid Lines
 - Warning Bands
 - Artificial Watermarks
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How Can I Protect My Church?

Covert Security Features

- Toner Grip Stock
 - Fluorescent Fibers
 - Chemical Sensitivity
 - Microprinting
 - High Resolution Borders
 - Copy Void Pantographs
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Uncompromised Check Solutions

- Perfect solution for the needs of your Church
- Custom check features at a standard price
- Standard checks in today out tomorrow
- One day proof service
- No charge for custom logos
- Full compatibility with most Software packages

Uncompromised Check Solutions

- Three levels of security available; each layered with at least 8 security features
- Hologram/Foil Secure
- 3D/Financial Secure
- Granite/Parchment/Linen

Uncompromised Check Solutions



This program looks great, what should I do next?

Contact Melba at IDS

Questions?

Please fill out session evaluation!
<http://DynamicChurchConference.com/survey>



Thank you for your time and attention!

