

Guideline



Best Practice Guidelines
for Business Users of
Cheques

**Using Laser Printers to Infill
Company Cheques**

October 2017

Introduction

About our series of Best Practice Guidelines

This is one of three Guidelines for business users of cheques. This Guideline provides advice to companies, schools and public sector bodies that use computer software and laser printers to infill their cheques. It aims to help ensure the security and print quality of your cheques to prevent processing errors occurring. It also provides specific recommendations relating to the use of laser printers and the Guidelines also contain important security information for ordering, storing, handling and distributing cheques prior to infilling. Any staff infilling cheques should comply with all the advice given in these Guidelines.

What does cheque infilling mean?

It involves completing a pre-printed blank cheque using computer software and a printer to infill the cheque with the payee's (i.e. beneficiary's) name, date, amount in words and amount in figures. Occasionally, a facsimile signature may also be printed.

What kind of laser printer should my business use?

The majority of businesses use laser printers rather than an impact printer. However, the printed output from laser printers (or non-impact printers) is more vulnerable to fraudulent alteration.

Smithers Pira International Ltd and C&CCC maintain a list of laser printers that, if used alongside these guidelines will produce levels of printing comparable with average impact print (Smithers Pira, works on behalf of the C&CCC to test laser printers and their output). This list is updated as new machines and models are successfully tested.

If you intend to use a laser printer to infill cheques, we recommend that you check that it has been approved by Smithers Pira as Grade 1, suitable for infilling cheques. The Smithers Pira list can be downloaded from www.chequeandcredit.co.uk or ask your bank.

Inclusion of a particular printer model on the Smithers Pira list does not, of course, constitute a guarantee that cheques infilled by this method will be completely fraud-proof but it may help combat the risk of fraud.

It is recommended that only black ink is used to infill cheques.

Best Practice Advice for the purchase and maintenance of laser printers

1. Purchasing:

- Check with your bank or the Cheque Printers section of our website at www.chequeandcredit.co.uk that the printer that you intend to use is on the Smithers Pira list of those approved for infilling cheques.

- Buy your printer direct from the manufacturer or a reputable supplier.
- Ensure your printer is serviced in accordance with the manufacturer's recommendations, including relevant regular preventative maintenance. Work should only be carried out by the printer manufacturer or one of its approved maintenance companies.

2. Consumable Supplies:

- Toner and other consumable supplies must be renewed regularly, preferably more frequently than the manufacturer's recommendation. Once the 'replace toner' light appears on your machine, replace the cartridge immediately as toner adhesion deteriorates when the amount of toner is low.
- Only use toner specified by your printer manufacturer.
- Do not keep excessive stocks of toner, as it will deteriorate over time.

3. Cheques:

- When ordering new cheques, you MUST ensure your cheque supplier knows that they will be infilled on a laser printer. Ask for the pre-printed blank cheques to be printed on laser grade CBS1 paper.
- Embossed cheques should be avoided as they are likely to cause paper jams.

Best Practice Advice for storing and handling cheque stock

All paper, whether supplied in continuous form or in sheets, is vulnerable to variations in temperature and humidity. This can cause changes to the inks used in the security background on the cheques, paper distortion, and consequential problems with print quality. If the paper is cold and/or damp then the adhesion of toner to the paper is adversely affected, thus reducing the security of the cheques.

Although it may not always be practicable to provide the ideal storage and print room conditions, in order to ensure the most secure printing results we recommend that you comply with the following top tips:

- Always ensure the printer is fully warmed up before starting to infill cheques. The printer's handbook should give further information. If the printer has a powersave mode, it is advisable either to turn this feature off, to ensure that the toner fuser is always hot, or to print at least a few pages after the printer has been in "sleep" mode before doing a cheque run. This will ensure that the printer has reached its optimum operating temperature before cheques are infilled.
- Keep cheque stock sealed in original wrapping until it is to be loaded into the printer.

- Remove unused cheque stock from the printer after the print run and carefully reseal in the original wrapper to minimise moisture absorption from the atmosphere.
- Always use stock in rotation: first received, first used.
- Create a secure location within your business to house both the printer and stored cheque stock.
- Ensure the temperature in your secure print room is regulated. Ideal print room conditions are 23°C and 50% relative humidity. Ideal cheque storage conditions should be a maintained temperature of between 18-24°C, with a relative humidity of 40-60%.
- Keep all identifying batch/delivery labels in case of problems, and always check the wrapping of each delivery to make sure it is undamaged.
- Store wrapped boxes of cheque paper off the floor, e.g. on a pallet or shelf, to avoid damage and to reduce the possibility of moisture absorption. When stacking pallets, use top boards to reduce distortion due to uneven load, and do not store heavy items on top of cheque paper stock.
- Make sure paper is stored away from extremes of temperature and humidity, i.e. away from radiators, air conditioning grilles and direct sunlight.
- Avoid excessive use of antistatic chemicals when cleaning printers and keep them well away from cheque stock.
- Never use cheque stock which appears damaged, whether torn, stained, curled or with 'wavy' edges. This can not only affect print quality, but also cause paper jams and misfeeds, leading to omissions and duplications.
- If possible, introduce an independent audit function to monitor the receipt of cheques from your supplier and the infilling and distribution of completed cheques.

Top tips for infilling cheques safely using computer software

Cheques must be infilled in a way that deters fraudulent alteration. We recommend you follow our top tips:

1. Payee Name

- The payee (i.e. beneficiary's) name should always be left-justified. The payee name may be terminated by adding the word 'only' after it or the space to the right of the name should be filled with asterisks or ruled through, preferably with a pair of horizontal parallel lines.
- Where two lines are allowed for a payee name, the second should be treated as a continuation of the first and asterisk filled or ruled through, even if the name does not overflow into the second line.

- If a name and address appears on the cheque, e.g. for use in a window envelope, then the payee name must appear separately even if it is the same as the name in the address field.
- Make sure the name of the payee is correct as this will help ensure that the cheque is paid into the correct account.
- Use the largest font available to fill in as much space as possible.

2. Amount in Words

- The amount in words should spell out in full the value in pounds, with the pence written in figures, eg. 'Forty three thousand five hundred and forty pounds 60p.
- It is recommended that the amount in words is printed on a single line rather than adopting the practice of having separately printed boxes to be filled with values. If they are used, however, then all boxes must be completed with values 'Zero' to 'Nine', as appropriate, to reduce the risk of fraudulent alteration.

3. Amount in Figures

- The amount in figures should be preceded and followed by two asterisks and left-justified in the Amount Box, taking care that the leftmost asterisk does not touch or overwrite the '£' symbol which is to the left of, and just outside the Amount Box.
- The amount should not include commas and the pounds/pence separator should be a hyphen (without spaces). E.g. ****43540-60****.

4. Updates

It is best practice to apply upgrades to computer software as often as they become available. This will ensure that the software version in use contains the most up to date fraud protection measures.

About the Cheque and Credit Clearing Company

The Cheque and Credit Clearing Company manages the cheque clearing system in Great Britain – it also covers bankers' drafts, building society cheques, postal orders, warrants and government payable orders. The list of Cheque and Credit Clearing System Members can be found on our website www.chequeandcredit.co.uk. We also manage the systems for clearing paper bank giro credits and euro cheques. Our main objective is to ensure the integrity and efficiency of the cheque clearing system for cheque users is maintained. We also manage CPAS.

Further Information

In addition, we recommend you use the other Guidelines in our series:

- *Best Practice Guidelines for Using Company Cheques Safely*
- *Best Practice Guidelines for Personalising Company Cheques*

All the Guidelines are available from your bank or can be downloaded from www.chequeandcredit.co.uk

For further information please contact your bank or C&CCC:

Cheque and Credit Clearing Company Limited
2 Thomas More Square
London E1W 1YN

Tel: 020 3217 8200

Email: cpashelpdesk@chequeandcredit.co.uk