

# ASC X9 Technical Report

**ASC X9 TR 2–2005**

# Understanding, Designing and Producing Checks



A Technical Report prepared by:  
Accredited Standards Committee X9, Incorporated  
Financial Industry Standards

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## Foreword

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This technical report is an effort by the industry to provide direction for the common location of required data elements on checks. This report has been published with the hope that its availability will simplify the check design process, make checks more amenable to automated processing and help to reduce the number of different check designs. Adoption of these recommendations by the various producers of checks will result in an improvement of the operational efficiency of the paper document payment processing system.

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<b>Table of Contents</b>	<b>page no.</b>
Foreword .....	iii
Table of Figures .....	viii
Introduction .....	vxxi
<b>Understanding, Designing and Producing Checks.....</b>	<b>1</b>
<b>1. Scope, purpose and application.....</b>	<b>1</b>
1.1 Scope and purpose .....	1
1.2 Application .....	1
<b>2. References.....</b>	<b>2</b>
2.1 Additional references.....	2
<b>3. Terms and definitions .....</b>	<b>3</b>
<b>4. Understanding checks.....</b>	<b>3</b>
4.1 General .....	3
4.1.1 What is a Check? .....	3
4.1.2 What is check design?.....	4
4.1.3 What Financial Institutions want you to know .....	4
4.2 Life cycle of a check .....	4
4.2.1 Design and manufacturing cycle .....	4
4.2.2 Check processing cycle .....	5
4.3 Minimum check completion requirements.....	7
4.3.1 The Amount – how much money is involved?.....	7
4.3.2 The Payor – whose signature is authorizing the transfer?.....	8
4.3.3 The Payee – who is receiving the money? .....	8
4.3.4 The Date – when can the transfer occur?.....	8
4.4 Best practices for check preparation .....	8
4.4.1 Check design .....	8
4.4.2 Check preparation and handling .....	9
4.4.3 Automated check preparation .....	13
4.4.4 Check design and payee responsibilities.....	14
4.5 Check processing technologies.....	15
4.5.1 Magnetic ink character recognition (MICR) .....	15
4.5.2 Image capture .....	16
4.5.3 Convenience amount recognition (CAR) .....	17
4.5.4 MICR repair .....	18
4.6 MICR and the United States Payments System.....	19
4.6.1 Serial Number usage on documents .....	20
4.6.2 Routing Field usage on documents .....	20
4.6.3 Routing Field and document design management .....	20
<b>5. Check design.....</b>	<b>20</b>
5.1 General .....	20
5.1.1 MICR document specification form .....	21
5.1.2 Document Design Management .....	21
5.2 Requirements for all MICR documents .....	23
5.2.1 Format .....	23
5.2.2 Check size .....	25
5.2.3 Paper .....	25

**ASC X9 TR 2 (2005)**

5.2.4	The MICR line .....	26
5.3	Legal and regulatory requirements .....	30
5.3.1	Date .....	30
5.3.2	Amount .....	30
5.3.3	Payee area .....	33
5.3.4	Signature area .....	33
5.3.5	Payor institution name.....	34
5.3.6	Fractional Routing Number.....	35
5.4	Optional design elements.....	36
5.4.1	Account Title.....	36
5.4.2	Memo/for line.....	37
5.4.3	Check Serial Number.....	38
5.4.4	Decorations .....	38
5.4.5	Preprinted data .....	40
5.4.6	Security features .....	40
5.4.7	The back of the check.....	43
5.5	Deposit tickets design requirements.....	45
5.5.1	Design considerations for deposit tickets.....	45
5.5.2	Data elements for deposit tickets .....	46
5.6	Personal-size checks .....	48
5.6.1	General.....	48
5.6.2	Standard features.....	48
5.6.3	Personal-size deposit tickets .....	49
5.6.4	Personal-size check security.....	50
5.7	Business-size checks .....	52
5.7.1	General.....	52
5.7.2	Standard features.....	52
5.7.3	Variable features .....	53
5.7.4	Business-size deposit tickets.....	53
5.7.5	Business-size check security.....	54
5.8	Special use checks.....	54
5.8.1	General.....	54
5.8.2	Checks for window envelopes.....	55
5.8.3	Pre-authorized checks or drafts .....	56
5.8.4	One-Write checks.....	57
5.8.5	Payable-through drafts.....	58
5.8.6	Bank official checks.....	58
5.8.7	Travelers cheques.....	59
5.8.8	Rebate checks.....	59
5.8.9	Gift checks.....	59
5.8.10	Money orders .....	60
5.9	Check design examples .....	60
5.9.1	Ideal designs .....	60
5.9.2	Poorly executed designs.....	62
<b>6.</b>	<b>Check production considerations.....</b>	<b>63</b>
6.1	Check ordering and production cycle .....	63
6.1.1	Check production for subsequent completion .....	63
6.1.2	Simultaneous check production and completion .....	66
6.1.3	Common requirements for all check production.....	67
6.2	Check stock background printing.....	67
6.2.1	Paper requirements .....	68
6.2.2	Security features .....	68
6.2.3	Check background and forms design .....	68
6.2.4	Shipment and storage preparation.....	68

6.2.5	Compatibility .....	69
6.3	Check personalization and MICR code line .....	69
6.3.1	Account holder and issuing bank data locations .....	69
6.3.2	MICR code line and fractional routing number .....	69
6.3.3	Serialization .....	69
6.4	Finishing operations .....	69
6.4.1	Quality issues.....	70
6.5	Check completion .....	70
6.5.1	Completion by hand .....	70
6.5.2	Completion by machine .....	71
6.6	Common problems .....	71
6.6.1	Toner adhesion .....	71
6.6.2	Clear band infringement .....	72
6.6.3	Sticky checks.....	72
6.6.4	One-piece mailers (self mailers).....	72
6.7	MICR document production processes .....	72
6.7.1	MICR printing methods .....	72
6.8	Finishing operations .....	74
6.8.1	Cutting .....	74
6.8.2	Font considerations.....	77
<b>Annex A</b>	<b>The History of the Check .....</b>	<b>79</b>
A.1	Early history .....	79
A.2	Possible automation solutions .....	79
A.3	The orange book standard publication 147 .....	80
A.4	American National Standards and ISO Standards .....	81
A.5	The future of the check.....	81
<b>Annex B</b>	<b>Federal Reserve Bank Codes.....</b>	<b>83</b>
<b>Annex C</b>	<b>City and State Prefix Numbers.....</b>	<b>85</b>

<b>Table of Figures</b>	<b>page no.</b>
Figure 1 - Example of a typical check .....	3
Figure 2 - Life cycle of a check.....	6
Figure 3 - Example of good scenic check design.....	9
Figure 4 - Neatness counts! .....	10
Figure 5 - Right and Wrong Ways to Complete the Convenience.....	10
Figure 6 - Machine Printed Amount in Words Field Structures .....	11
Figure 7 - Acceptable Variations for a Handwritten Amount in Words .....	12
Figure 8 - Location of Payee Endorsement Area .....	12
Figure 9 - Common Machine Printed Amount Problems .....	14
Figure 10 - Acceptable Machine Printed Amounts.....	14
Figure 11 - Character Set for the E-13B MICR Font .....	16
Figure 12 - Scanned image appearance of a check .....	17
Figure 13 - Location of the Convenience Amount Recognition (CAR) scan area on personal-size checks. ....	18
Figure 14 - Example of a check with repair strip .....	19
Figure 15 - Example of a MICR document specification form .....	22
Figure 16 - Check design cycle .....	24
Figure 17 - Example of a typical personal-sized check.....	25
Figure 18 - Data element locations on a typical check.....	25
Figure 19 - Example of a typical business-sized check .....	26
Figure 20 - Location of the MICR Clear Band .....	27
Figure 21 - Location of the Optical Clear Band .....	27
Figure 22 - Location of the MICR Print Band.....	28
Figure 23 - Character positions and field structures in the MICR line .....	28
Figure 26 - Convenience Amount Location.....	32
Figure 27 - Example of Convenience Amount Rectangle contrast requirements.....	33
Figure 28 - Payee location.....	33
Figure 29 - Signature area location.....	34
Figure 30 - Payor institution name location.....	35
Figure 31 - Fractional Routing Number location.....	35
Figure 32 - Fractional Routing Number format.....	36
Figure 33 - Account Title location.....	37



Figure 34 - Memo/for line location.....	37
Figure 35 - Serial number location.....	38
Figure 36 - Example of a check with a background design.....	39
Figure 37 - Example of a check with a scenic background.....	40
Figure 38 - Border requirements for MICR documents.....	41
Figure 39 - Acceptable lock icon design.....	42
Figure 40 - Example of a typical check with the lock icon.....	43
Figure 41 - Example of the "Warning Box" that accompanies use of the lock icon.....	43
Figure 42 - Areas of endorsement on a personal-size check.....	44
Figure 44 - Data element locations for deposit tickets.....	46
Figure 45 - Transaction ID area location.....	47
Figure 46 - MICR line area location.....	49
Figure 47 - Example of a personal-size check.....	50
Figure 48 - Example of a personal-size deposit ticket.....	51
Figure 49 - Example of a business-size check.....	52
Figure 51 - Example of window envelope check and its associated envelope.....	56
Figure 52 - Example of a One-Write check.....	57
Figure 53 - Well executed design of a personal-size check.....	61
Figure 54 - Well designed business-size Check.....	61
Figure 55 - Design problem(s).....	62
Figure 56 - Design problem(s).....	62
Figure 57 - Design problem(s).....	63
Figure 58 - Check ordering and production cycle pre-printed checks for subsequent completion.....	65
Figure 59 - Check ordering and production simultaneous production and completion.....	66

Tables

page no.

Table 1 - Commercial MICR Printing Method Characteristics.....	73
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## Introduction

This Technical Report is a product of the Accredited Standards Committee X9 Financial Industry Standards, and was generated by the ASC X9B Check Related Transactions Subcommittee. This document is the first revision of the original document, reflecting changes in the check printing and processing industry since initial publication in 1988.

This technical report is an effort by the industry to provide direction for the common location of required data elements on checks. This report has been published with the hope that its availability will simplify the check design process, make checks more amenable to automated processing and help to reduce the number of different check designs. Adoption of these recommendations by the various producers of checks will result in an improvement of the operational efficiency of the paper document payment processing system.

In addition to easing some of the stresses currently imposed on the payment system and the existing microfilm processes, adoption of these guidelines will help to facilitate the emerging technology associated with digitized electronic image systems.

The initial thrust of the effort that led to the generation of this Technical Report was directed towards an attempt to produce a standard that would identify and codify the data element locations that are typically used in checks. As this effort progressed, it was decided that a standard was not appropriate; however, it became apparent that the check provides many services to the various segments of the payment system and producing a technical report would provide significant benefits for everyone. In addition to defining the transfer of funds, the check is used to handle bookkeeping requirements, the legal rendering of claims, and the details of remittances. Some details of the formatting of checks were also found to be a function of the production processes and the methods used to complete the check. The processes and methods range from documents produced by computer-controlled printers to personal checks that are bound in sets and completed with handwritten entries.

This Technical Report attempts to take all of the various factors into consideration. Both the original document and this revision are the result of a cooperative effort of bankers, check printers, equipment manufacturers, and paper suppliers.

The user's attention is called to the possibility that compliance with the recommendations in this technical report may require use of an invention covered by patent rights.

By publication of this technical report, no position is taken with respect to the validity of this claim or of any patent rights in connection therewith. The patent holder has, however, filed a statement of willingness to grant a license under these rights on reasonable and nondiscriminatory terms and conditions to applicants desiring to obtain such a license. Details may be obtained from the developer of the patent.

Suggestions for the improvement or revision of this Technical Report are welcome. They should be sent to the X9 Committee Secretariat, Accredited Standards Committee X9, Inc., Financial Industry Standards, P.O. Box 4035, Annapolis, MD 21403 USA.

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# Understanding, Designing and Producing Checks

## 1. Scope, purpose and application

### 1.1 Scope and purpose

This report presents guidelines for the design and production of a check and describes the proper location of the data elements on the check, along with the rationale for those requirements. Certain elements of check design are specified in American National Standards Institute (ANSI) standards or are mandated by the Uniform Commercial Code (UCC) and the Federal Reserve Board's Regulation CC. This report provides a summary of these requirements and other optional elements, with references, where appropriate, to standards and legal documents. Method of check production depends on a user's specific needs, with benefits coming at the cost of added responsibility. The guidelines contained in this report are intended to promote greater uniformity in the design and production of checks, which will improve processing and handling throughout the check processing system.

This goal will, in part, be achieved by encouraging widespread distribution of this report throughout the population of check designers and suppliers, as well as to financial institutions and commercial check users. Although the guidelines in this report are not as restrictive as a standard, they do provide many suggestions on the preferred ways to achieve a functional check format within the bounds of existing standards, along with a discussion of the reasons for these requirements.

All recommendations described in this report are compatible with the existing check standards, and should be used to supplement the standards. Certain recommendations may be outside the scope of current standards. Check designers should always, therefore, refer to the details contained in the standards, and consult with the issuing financial institution to ensure proper design and control of the format of the check.

Computer controlled printing systems are becoming more popular. Use of these systems shifts the responsibility for many elements of check design and production, such as check format and MICR quality, from the business form manufacturer or check printer to the check issuer. Organizations that choose to issue checks with these systems will find this report to be a necessary and valuable aid during implementation of an automated check issuing process.

### 1.2 Application

Because of the large variety of check formats, this report does not cover every possible check design requirement. The majority of check formats produced in significant volume will be discussed in Clause 5.6, Personal-size checks; Clause 5.7, Business-size checks; and Clause 5.8, Special use checks. The primary users of these recommendations will be the designers and printers of checks. Other interested parties include developers and users of business software that control the printing of finished checks, and developers and users of check digitization and electronic check image interchange equipment and software.

In addition to checks, this report also includes the design of deposit tickets, since they are frequently printed and distributed with pre-printed checks. Deposit tickets contain many of the same design elements as checks, but there are certain unique requirements that warrant a separate discussion. This discussion parallels that for check formats; most designs are discussed in Clause 5.6.3, Personal-size deposit tickets or Clause 5.7.4, Business-size deposit tickets.