

## **BLANK CHECK STOCK AND CHECK FRAUD**

Using blank check stock presents two significant security flaws. **First**, if a company is able to purchase checks that are entirely blank, they come from uncontrolled check stock. This means the stock is readily available to anyone across the country, including forgers, counterfeiters, embezzlers, and other criminals involved in check fraud.

When check stock is uncontrolled, it does not matter how many security features it has. For example, a criminal won't need to bother copying, chemical washing, or lifting printing off a check if he can easily get an original, new check. So, having a copy void pantograph, chemical reactivity, or toner anchorage becomes a moot point. If multiple companies have access to the same original check stock, a company is left with no legal defense against their bank if the bank pays a counterfeit check which is made on check stock identical to their own. (See Robert J. Triffin V. Somerset Valley Bank and Hauser Contracting Company, Superior Court of New Jersey, Appellate Division, A-163-00T5)

SAFEChecks never sells check stock that is not customized specifically for each organization. There must be something visible, such as a logo in the corner, website along the edge, or a different type of background design, to customize the check for that organization. *There are many ways to customize a check to maintain our security policies, while accommodating the fact that a company may need to be discreet regarding its identity on its checks.*

The **second** security flaw presented by blank check stock is that it almost never comes with inventory control numbers. There is no system to determine whether any checks have been stolen, prior to the company printing on them. This is an open invitation for internal fraud, which will not be reimbursed by a financial institution. Our check stock that is not numbered on the front with a MICR line always comes with sequenced inventory control numbers printed on the back of the check to deter theft and embezzlement.

SAFEChecks, "*America's Premier Check Fraud Specialists*" understands the serious nature and magnitude of the check fraud problem in our country. While there is no product, policy, or program that, by itself, will provide 100% protection, our materials will help your organization build the best defense against criminals involved in check fraud.

**SAFEChecks**  
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