

What SAFEChecks can do for Financial Institutions

SAFEChecks is different from other check manufacturers. We did not begin as a printer trying to capture a new market niche by adding a few security features to our checks. We began in 1994 as a division of a Southern California business bank battling an epidemic of check fraud. In the early 1990's the bank's check fraud losses skyrocketed from \$90,000 to over \$3 million in just a few years.

The bank hired Frank Abagnale, the world's most renowned authority on check fraud, and together we created America's first true high security check that would be available to companies of any size. After the bank required its clients to use these checks, and implemented other internal fraud prevention controls, fraud losses and fraud attempts dropped by 95%. Now, as a separate company, SAFEChecks continues to be the leader in check fraud prevention.

Check fraud is one of America's most common forms of payments fraud, and produces the greatest losses. Every organization is at risk. Because of our experience fighting fraud as bankers, we understand the financial damage that check fraud inflicts on companies, individuals, and financial institutions. The following are some of the ways in which SAFEChecks can help a financial institution and its customers fight fraud.

Check Fraud Prevention Education

Greg Litster, president of SAFEChecks, gives outstanding seminars covering various types of fraud, including Check Fraud, Identity Theft, Cyber Crime, Holder in Due Course, the Check 21 Indemnity Provision, and Embezzlement. He has presented for numerous professional associations such as New York Cash Exchange, Windy City Summit, and Texpo, as well as for financial institutions such as Huntington National Bank, Mellon 1st Business Bank, US Bank, Union Bank of California, and Commerce Bank. He has also written articles relating to check fraud that have been published in various professional publications.

SAFEChecks also has written numerous documents to help educate your customers and employees about check fraud prevention.

Check 21 Indemnity Provision

Most people are either completely unaware or are misinformed regarding the Check 21 Indemnity provision. We co-authored an article with Frank Abagnale, which was reviewed by the Federal Reserve Board, explaining what the Indemnity means and how it relates to check fraud. This includes how the Indemnity provision impacts a client's liability when using Remote Deposit Capture, and how banks' financial agreements should convey those risks to the client.

Holder in Due Course

Holder in Due Course is another obscure law that significantly impacts a company's liability for check fraud. We site court cases that illustrate the power of this law, and explain how an organization can protect itself from Holder in Due Course claims.

High Security Business Checks

There are three primary reasons to use high security checks: 1) discourage attempts, 2) thwart attempts, and 3) protect the organization legally.

Check fraud is a "crime of opportunity" and deterrence is your customers' first line of defense in the fight against it. SAFEChecks have 12 safety features to deter criminals. The Abagnale SuperBusinessCheck, with 16 security features, is almost impossible to alter or to replicate without leaving evidence.

Supercheck

The *Supercheck* is America's first high security consumer check, designed by SAFEChecks and Frank Abagnale. It has 12 security features, and gives individuals the same protection from fraud that corporations have enjoyed for years.

Secure Ordering Procedures

We are the only check manufacturer to create and follow strict Secure Ordering Procedures to prevent unauthorized persons from ordering your customers' checks. These procedures are unparalleled in the check printing industry.

Check Security Analysis

We analyze checks, provided to us from companies and individuals, on their level of security. We perform numerous tests on these checks, and give a detailed report on their strengths and weaknesses.

SafePay

We know the power of Positive Pay and believe that every company should use it. Our SafePay software formats a company's check issue file into the layout required by its financial institution and then transmits it. The SafePay package includes a free order of high security business checks and a free order of the *Supercheck*.

SAFEChecks and ChequeGuard

SAFEChecks partners with ChequeGuard, a software company that specializes in MICR laser check printing solutions. Founded in 1991, ChequeGuard's most recent security advancement is a new, state-of-the-art encrypted barcode technology that is laser printed on the face of a check. The barcode contains all the critical information on a check, including payee name, dollar amount, check number, routing and account number, and issue date.

This barcode data can be "read" using Optical Character Recognition (OCR) technology, and compared with the printed information on the check. If the information on the check does not match what is read in the barcode, the check can be rejected. The ChequeGuard software also includes a Secure Name Font and Secure Number Font to prevent added payee names or altered dollar amounts.

SAFEChecks, "*America's Premier Check Fraud Specialists*" understands the serious nature and magnitude of the check fraud problem here in our country. While there is no product, policy, or program that, by itself, will provide 100% protection, we are confident we can help your customers build a strong defense against forgers, counterfeiters, embezzlers, and other criminals involved in check fraud.

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"America's Premier Check Fraud Prevention Specialists"

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