

WHAT TO LOOK FOR WHEN YOU TAKE A CHECK

Avoid Scams: Do not participate in any transactions other than accepting a check written on the day of sale and only in the amount required to buy your goods and services.

Make certain of the check's date: The date must be the same day that you accept the check and the same day that you are providing goods or services. A pre or postdated check cannot be prosecuted. A check that is "held" by you cannot be prosecuted.

Always demand identification: Under banking regulations and criminal law, the burden is on the merchant to verify the identity of the signer. Record the identification presented and record which of your employees accepted it. Many merchants now make photocopies of the ID and even take pictures of check issuer. During prosecution you or your employee will have to be able to prove the identity of the person who issued the check. A Louisiana driver's license is your best protection – it contains photography and a signature for you to use in your comparison to the check writer. Do not accept an expired driver's license.

Altered checks: Be very suspicious of any alteration to a check. Alteration of the amount or the payee is often seen in fraudulent checks.

Contact your bank: The bank can help educate you and your employees on the most recent techniques for preventing check fraud.

Thumb Printing: Consider using thumb printing at the time of an acceptance as an additional form of ID.

Be suspicious: Do not accept a number of checks in a short period of time; the check writer may be scamming you knowing that the checks cannot clear during the short time period. Do not let a check writer rush you or the transaction. Take the time you need to be thorough. Tell the check writer to come back when you will have more time to consider the transaction. Look for signs of nervousness that might indicate you are dealing with a scammer.

Third Party Checks: Do not accept third party checks where the check has already been made out to another person. Have the recipient of the check deposit or cash the check before acquiring goods or services from you. Perforation: Most valid checks have at least one perforated edge on one side. Be suspicious of checks without a perforated side as they may have been produced with a computer or copier.

MICR: These printed numbers at the bottom of the checks are often altered by forgers to create delays in check clearing. When printed by a check company they should appear flat and dull as

they are printed using a special magnetic ink that allows for Magnetic Ink Character Recognition (MICR) by automated banking equipment. Be suspicious of the MICR numbers are shiny or glossy they may have been printed using a laser or ink-jet printer.

Out of town Checks: Do not accept out of town checks unless you can confirm funds availability by calling the bank.

Examine security features: today's checks have security features such as watermarks pantographs that display "void" or "copy", micro-printing that is too small to be responded legibly when copied, chemically treated paper and inks that display the word "void" or distort the check when altered, 3-D reflective holostripes and other warning devices.

Forged Signatures: The best defense to a forged signature is to watch the check writer sign the check before you and compare the signature with that on the driver's license or state identification.

Counterfeit Checks: This is the fastest growing area of check fraud as computers and copies have become more sophisticated. Some of these checks even contain the special MICR encoding. But, by comparing these checks to real checks, you can often spot inconsistencies that should alert you to fraud.

Altered Checks: Be very suspicious of any alteration to a check. Alteration of the amount or the payee is often seen in fraudulent checks.

Initial the check on its font: This will help us during the prosecution to show the court that you or your employee accepted the check.

Record all information on the front: All of the information you collect when accepting a check should be recorded on the front of the check. Banking stamps will obscure any information you record on the back. In order to file a criminal complaint, we must have the date of birth of the check writer, please copy this date onto the front of the check from the check writer's identification.

Verify the correct amount: Both the numerical amount and the written amount are required to agree. Do not cash checks for more than the amount of good purchased.

Consider the check number: Most Fraudulent checks are written on new accounts, less than 1 year old.

Do not accept 2 party checks: Checks made out to 2 people are often indications that a forger has added his name to the check.