



# Payee Positive Pay Guide

Northwest Federal Credit Union

*Revised February 2024*

## Overview: Payee Name Comparison

**Payee Match Service:** Standard Check Positive Pay offers an optional feature that will compare the payee name on checks presented for payment against the payee name in your Issued Check File. This additional feature offers an extra layer of security to the Check Positive Pay service.

You are responsible for entering any Payee Name that you wish to be used in our Positive Pay Payee Match Service. We will only apply the name(s) you enter against checks presented. Check Positive Pay payee name scoring can handle a variety of check styles, fonts, and even hand-written names on a payee line. However, scoring does not indicate with 100% certainty whether the payee name on a check matches the payee name provided with the issue item.

The technology scores on the likelihood of a match and fails or passes. To reduce the number of false exceptions it is recommended all users use the best possible check design and formats as outlined in the best practices below.

**Note:** There is an additional monthly fee for the Positive Pay Payee Match Service (See **Schedule B** of the Positive Pay Services Agreement).

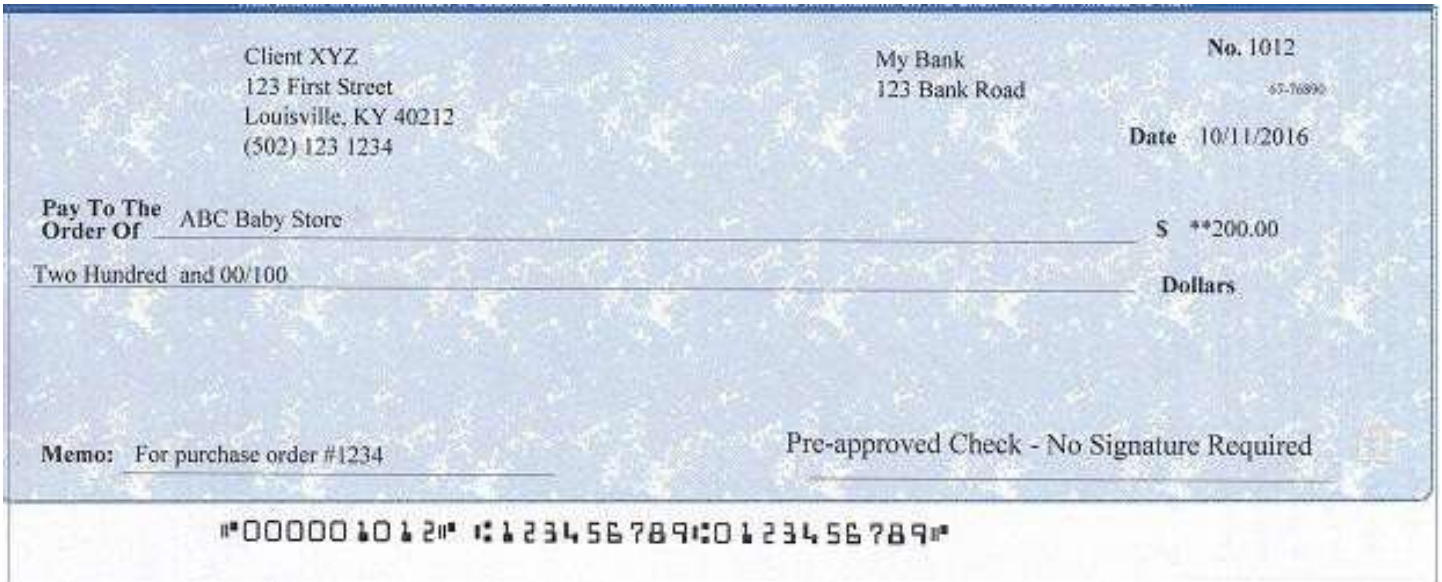
## Best Practices for Payee Name Verification

- Payee name in issue files and Payee Name printed on check must **match exactly**.
- Paper weight should be **24" MICRBond** to ensure better image scan quality.
- Use check stock with no backgrounds or lighter colored backgrounds. No logos or marks in the payee field.
- Checks should be fixed width (fixed spacing).
- **Fonts:**
  - 10 point or higher
    - **Note:** Size 12 or 14 will produce the best results.
  - Sans Serif preferred, use the following:
    - Courier New (Recommended)
    - Courier
    - Lucida Console
    - Terminal
    - Letter Gothic
  - No bold formatting
- Ink jet & laser printers produce the best results.
- **Uppercase characters** produce the best results.
- PAY TO THE ORDER OF:
  - Not *italicized* or underlined
  - Printed horizontally at the same level to the left of the payee name.
- Payee Names:
  - Less than 100 characters
  - Left aligned with single line spacing used.
  - Surrounded by an area of white space.
  - Not *italicized*, **bolded**, or underlined.
  - Printed only once on the check, within the Payee Block.
- Up to 4 payee names are permitted. The Multi-Line Payee Name Separator character designated in the Issue Template must match the loaded Issue Files.
  - The allowable characters are: ; | , - \_ / .
- DPI resolution of 200 or higher.

- **Handwritten Items:** Effectiveness may be reduced with handwritten checks due to observed variations in handwritten numbers and letters.

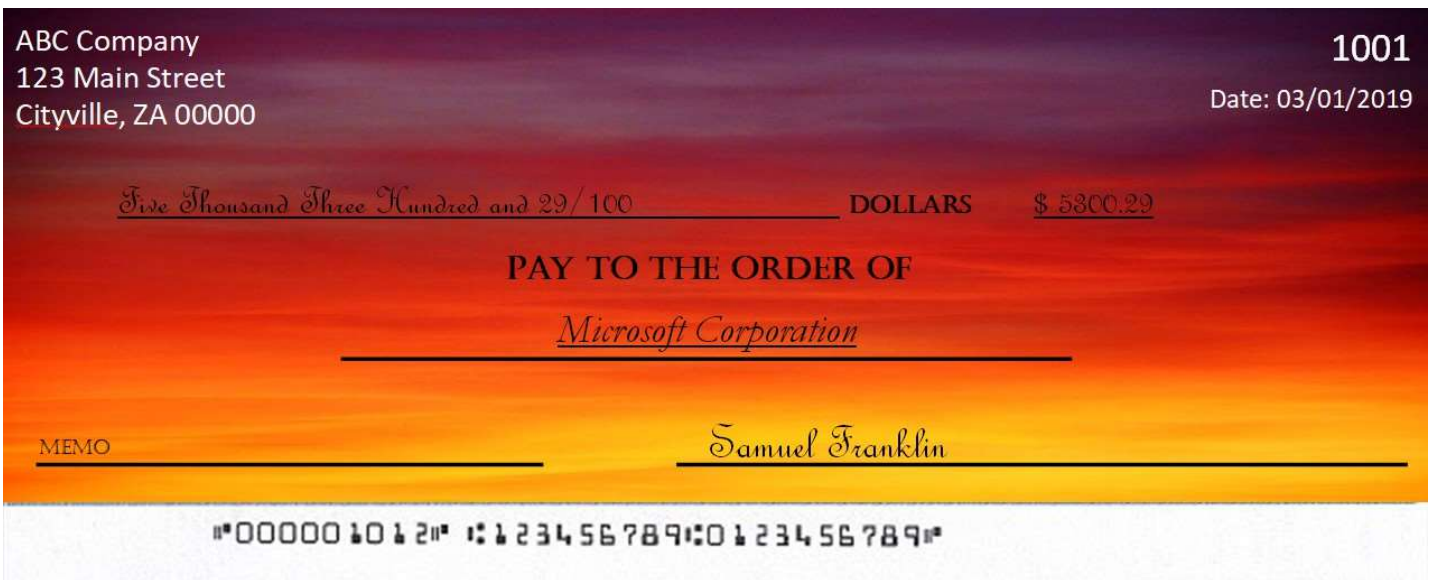
**Figure 1.1**

**Good Example:** A lightly colored check stock with no logos in the payee field.



**Figure 1.2**

**Bad Example:** A check with a background that is too dark and may cause issues when scanning.



**Figure 1.3**

**Good Example:** Payee Block and Amount use fixed width spacing, 12-14 font size sans serif fonts.

ABC Company  
123 Main Street  
Cityville, ZA 00000

1001

Date: 03/01/2019

Amount: **FIVE THOUSAND THREE HUNDRED AND 29/100** \$ **5300.29**

Pay to the order of: **MARK IV SERVICES  
505 ROAN STREET  
MAINVILLE, ZA 00000**

Memo: Consulting Services *Samuel Franklin*

⑈00000 ⑆0 ⑆2⑈ ⑆ ⑆ 2 3 4 5 6 7 8 9 ⑆ 0 ⑆ 2 3 4 5 6 7 8 9 ⑈

**Figure 1.4**

**Bad Example:** Serif font, non-fixed-width spacing, and a 12-14 bolded font size is used.

ABC Company  
123 Main Street  
Cityville, ZA 00000

1001

Date: 03/01/2019

Amount: **Five Thousand Three Hundred and 29/100** \$ **5300.29**

Pay to the order of: **Mark IV Services  
505 Roan Street  
Mainville, ZA 00000**

Memo: Consulting Services *Samuel Franklin*

⑈00000 ⑆0 ⑆2⑈ ⑆ ⑆ 2 3 4 5 6 7 8 9 ⑆ 0 ⑆ 2 3 4 5 6 7 8 9 ⑈



**Figure 1.5**

**Good Example:** “Pay to the Order Of” is horizontally printed at the same level as the payee name. The font is not italicized or underlined.

ABC Company  
123 Main Street  
Cityville, ZA 00000

1001

Date: 03/01/2019

Amount: FIVE THOUSAND THREE HUNDRED AND 29/100 \$ 5300.29

Pay to the order of: MARK IV SERVICES  
505 ROAN STREET  
MAINVILLE, ZA 00000

Memo: Consulting Services Samuel Franklin

⑈00000⑆0⑆2⑈ ⑆⑆⑆23456789⑆0⑆23456789⑈

**Figure 1.6**

**Bad Example:** “To The Order Of” appears instead of “Pay To The Order Of” and is not horizontally printed next to the Payee Block. The font is italicized.

ABC Company  
123 Main Street  
Cityville, ZA 00000

1001

Date: 03/01/2019

*Five Thousand Three Hundred and 29/100* DOLLARS \$ 5300.29

**TO THE ORDER OF**  
*Microsoft Corporation*

MEMO Samuel Franklin

⑈00000⑆0⑆2⑈ ⑆⑆⑆23456789⑆0⑆23456789⑈

**Figure 1.7**

**Good Example:** Payee name and amount are surrounded by an area of white space. Payee name is left aligned and single spaced. Payee name is printed in uppercase letters, and the payee name is not italicized, bolded or underlined. The payee name is not split into non-adjacent parts and is printed only once on the check.

ABC Company  
123 Main Street  
Cityville, ZA 00000

1001

Date: 03/01/2019

Amount: FIVE THOUSAND THREE HUNDRED AND 29/100 \$ 5300.29

Pay to the order of: MARK IV SERVICES  
505 ROAN STREET  
MAINVILLE, ZA 00000

Memo: Consulting Services Samuel Franklin

⑈00000 10 2⑈ ⑆ 23456789⑆ 0 23456789⑈

**Figure 1.8**

**Bad Example:** Payee name is not surrounded by white space. The font is bolded and upper and lowercase letters are used in the payee block. Payee name is in a separate area than the payee address and is not left aligned.

ABC Company  
123 Main Street  
Cityville, ZA 00000

1001

Date: 03/01/2019

Amount: Five Thousand Three Hundred and 29/100 \$ 5300.29

Pay to the order of: Mark IV Services 505 Roan Street  
Mainville, ZA 00000

Memo: Consulting Services Samuel Franklin

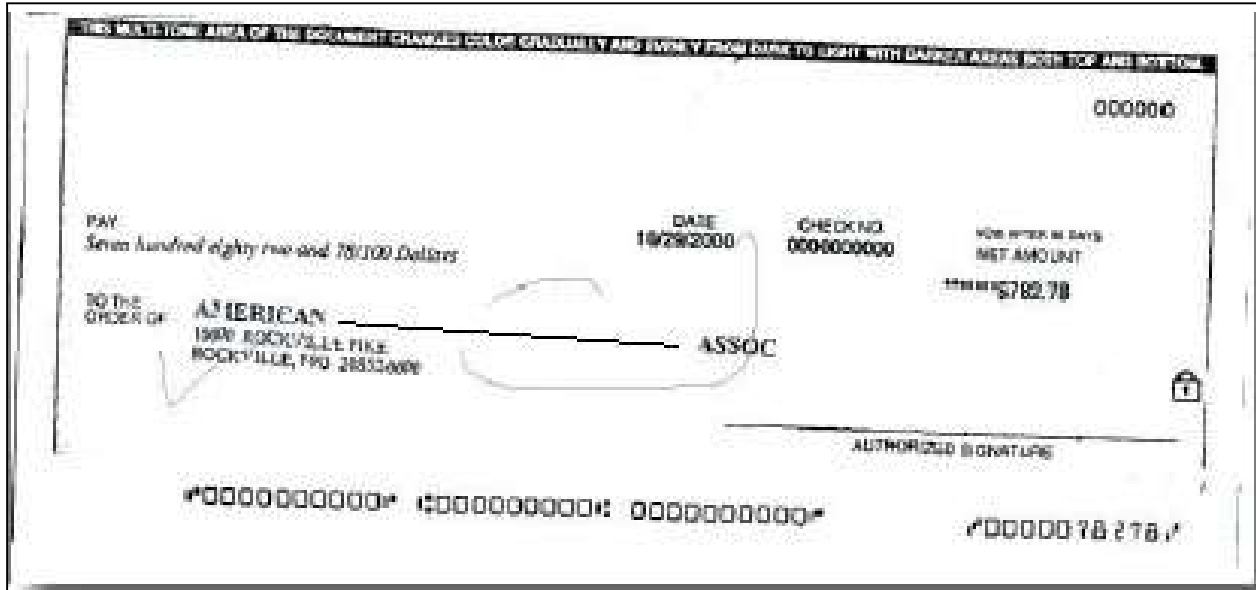
⑈00000 10 2⑈ ⑆ 23456789⑆ 0 23456789⑈

The following are examples of check formats causing processing errors and issues with payee scoring.

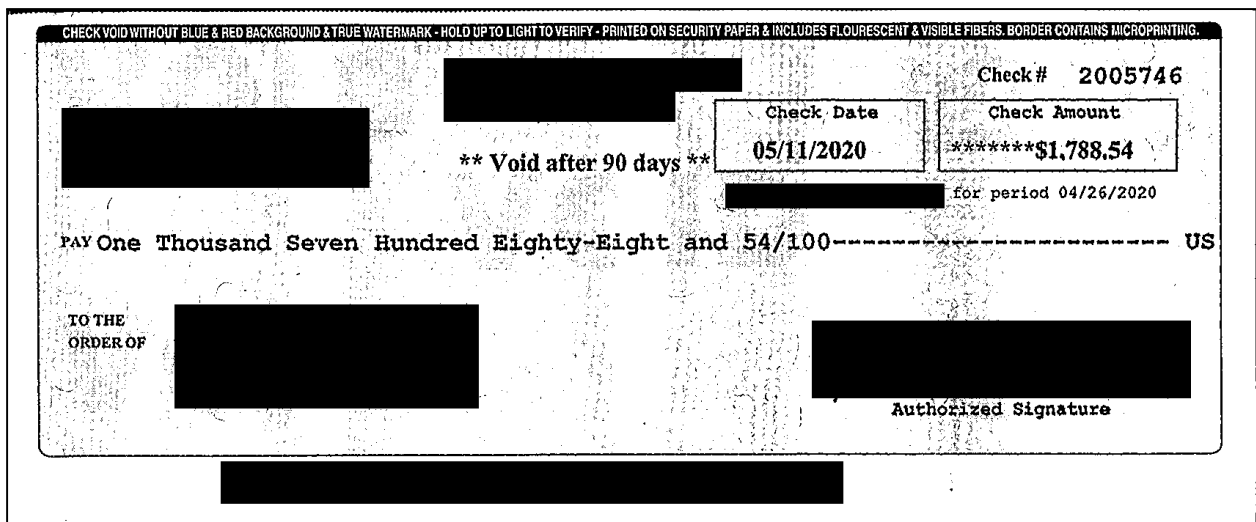
### Bad Scans & Poor Image Quality

Poor image quality can interfere with scans.

It appears the check paper was inserted into the printer improperly, causing the payee name information to print in a blurred/slanted condition. This caused issues with scanning. [Payor name, Payee name, and bank name are partially removed for confidentiality]



Poor Image Quality. Payee area only states "To the Order of" and is not horizontally printed. The boxes around date and amount might cause issues with scanning.





Poor image quality. Check fields are in non-serif fonts. Boxes around check fields may cause issues with interpreting fields on the check. Pay To The Order Of is not horizontally printed.

[REDACTED]						1-1335/200
PAYROLL ACCOUNT						
06758		3931.0000	10573		06/03/20	\$920.34
Check No.	Co. ID	Department	ID Number	Social Security Number	Pay Date	Net Pay
Pay This Amount						
*****NINE HUNDRED TWENTY DOLLARS & 34 CENTS*****						
Acme Commercial Bank						
PAY To The Order Of	MARK LEWIS 987 Ridge Road Franklin, ZA 00000			[REDACTED]		
[REDACTED]						