
Glossary of Terms

A **BA:** abbreviation for “American Bankers Association.”

Accounts payable check: typically has a voucher attached to identify the goods or services for which the check is issued.

Aligning edge: the bottom edge of a check. MICR characters are parallel to the aligning edge.

Alignment: the arrangement of characters along a common base line. See character alignment.

Amount Field: on the MICR line of a check, the field where the dollar amount is encoded. The Amount Field is the field located farthest to the right on the MICR line.

ANSI: abbreviation for “American National Standards Institute,” a non-profit clearing house and coordinating body for voluntary standards activity in the United States.

Arrow points: special symbols to be used before and after the nine-digit routing number in endorsements by institution of first deposit. For example, >11122223<.

ATM: abbreviation for “automated teller machine.” It is an unattended electronic device that performs basic bank teller functions such as deposits, withdrawals, balance inquiries, and transfers of funds between accounts. The device is usually activated by a magnetically encoded card and the transmission of a code via a keyboard or keyset.

Auxiliary On-Us Field: the MICR line of a check (usually a commercial check), the area used for a MICR consecutive number. This field is to the left of the Transit Number Field.

Average edge: an imaginary line that divides the irregularities on a printed MICR character or symbol. The summation of the white areas on one side of this line is equal to the summation of the black areas on the other side.

B **AI:** abbreviation for “Bank Administration Institute.”

BFD: bank of first deposit. (*see Institution of First Deposit.*)

Background: the basic appearance of a document, apart from lines and information printed on it.

Background reflectance: the optical quality of a background surface, such as paper. It is described in terms of the amount of radiant energy received from the surface by a sensing device. Reflectance is expressed as a percentage of a standard reference material.

Bank card: a card issued by or on behalf of a financial institution, generally used to identify parties of a financial transaction and to provide input data for a transaction.

Bank check: a draft drawn by a bank on itself or on its own account held in another bank. Bank checks are used by the bank to pay its obligations.

Basis weight: the designated fixed weight of 500 sheets of paper (one ream) in the paper’s basic sheet size and used as the basis for measuring the substance of paper by weight. Different classes of paper, such as writing, cover, and book, have fixed basic sizes that determine the designated weights. For banking papers this is normally the weight in pounds of 500 17" x 22" sheets.

Batch: a group of records considered as a single unit for processing purposes.

Batch header: a serially numbered process control document preceding a batch of items to be entered for processing.

Bit map: a graphic image or text formed by a pattern of dots. The bit map stores the image or text in a format that allows it to be correctly displayed or printed.

C**aliper:** the measure of a paper's thickness expressed in thousandths of an inch (mils).

Carbonized strip: a band of carbonized material on the back of a check to facilitate a carbon impression of critical information (usually used in pegboard systems). The most common form of this band extends from leading edge to trailing edge on the reverse of the check.

Carbonless strip: a band on the back of a check made with a CB (coated back) coating, used with a second sheet of the system which is a CF (coated front) paper. Carbonless strips are usually used in pegboard systems.

Cashier's check: a bank's own check drawn upon itself and signed by an authorized official. It is a direct obligation of the bank.

Cash item: any instruction to pay a fixed sum of money to a third party. Examples are checks and drafts.

CD-ROM: an abbreviation for "Compact Disk-Read Only Memory," which is a data storage system using CDs as the medium. CD-ROMs hold more than 600 megabytes of data.

Certified Check: a customer's check which has been presented to a bank for authentication and guarantee. By its certification, the bank guarantees that sufficient funds have been set aside from the depositor's account to cover the amount of the check when payment is demanded. Legally, certification of a check transfers the responsibility for the promise of its payment to the bank.

Character (MICR): any of the ten numerals or four special symbols comprising the MICR type font known as E-13B.

Character alignment: the vertical or horizontal positioning of letters with respect to a given reference line.

Character dimension: the height and width of the character, the height and width of the horizontal and vertical bars comprising the character, and the common radii of the characters.

Character edge irregularity: the peaks and valleys occurring in the edges of a printed character.

Character skew: the tilt of a character in relation to the bottom edge of the document.

Character spacing: the horizontal distance between two characters. In the MICR line, the .125" space within which one and only one printed character or symbol can appear.

Check: a draft or order upon a bank purporting to be drawn upon a deposit of funds for the payment of a certain sum of money to a person named or to a bearer and payable upon demand.

Check digit: a digit suffixed to a number for the purpose of performing a mathematical check to ensure the accuracy of the read. Also called modulus number or check number.

Check number: the sequential number located in the upper right corner of a check. Check numbers are used for the account holder's record keeping purposes.

Check paper: bond or ledger paper, made of cotton or chemical wood pulps, or mixtures thereof, that is used for checks. It is usually made in basis weights of 20 to 24 pounds (17" x 22"—500). This paper may or may not be treated, either in the beater or on the surface, with chemicals or dyes or both to make chemical or mechanical alteration difficult or impossible. Strength, writing quality, and in some cases, sensitivity to chemical and mechanical erasure, are significant properties.

Check Routing Symbol: the denominator of a fraction, of which the ABA transit number and state code are the numerator, appearing on checks drawn on all Federal Reserve member banks. The check routing symbol consists of three or four digits, the first one or two of which identify the Federal Reserve district in which the drawee bank is located. The remaining digits identify the collection arrangements made for these checks and the availability (immediate or deferred) assigned to them by the Federal Reserve.

Check safekeeping: a system whereby the On-U's bank retains an account's canceled checks and the customer receives a descriptive statement of checking activity.

Check truncation: the conversion of information recorded on a check into electronic impulses after a check

enters the processing system. It is called truncation because the amount of physical processing of the check is cut short.

Clear band: on a form, space reserved for characters or codes to be read by a machine. No extraneous read ink or non-reflective marks may appear in this area.

Clearinghouse: (1) A voluntary association or corporation acting as a medium through which banks exchange items drawn on each other and make settlement for them. The member banks are said to belong to a Clearinghouse Association. (2) In a geographical area, a group of banks that adjusts accounts among themselves.

Collection system: see payment system.

Commercial check: a check that is drawn on the account of a business, company, etc. as opposed to that of an individual.

Common field: a field on a document in which the information content follows a fixed format that is common to all users.

Comparator: hand-held testing device that is used to evaluate character dimension, edge irregularities, voids, and extraneous ink on the MICR line of a check or document.

Compression: a technique that reduces the amount of electronic information making up an image. Images can be compressed 20 to 30 times, greatly reducing the demands that they make on processing power, storage capabilities, and networks.

Consecutive number: on forms, numbers printed in a series to allow for control by the form user. On checks of sufficient length, (more than 6") it normally appears in the Auxiliary On-Us field. On personal checks, it may appear to the left or to the right of the account number.

Continuous form checks: checks manufactured in a method that results in many checks joined together for automatic feeding and printing in data-processing printers.

Convenience Amount: the dollar value on a check or other document that is expressed numerically and used to transfer funds from one party to another. Also known as courtesy amount.

Convenience Amount Clear Area: the area above and below the convenience amount that is held clear of printing that would interfere with the convenience amount.

Convenience Amount Constraint Area: a rectangular area within the convenience amount scan band that restricts the location of the convenience amount to a fixed position.

Convenience Amount Scan Band: the rectangular area on the right side of a check which contains the convenience amount constraint area and its associated clear area.

Correspondent Bank: a bank that maintains an account relationship or exchanges services (such as check collection) with another bank.

Counter check paper: a bond paper used for printing checks, deposit slips, etc., used within banking offices. Such paper is normally made in a 16 to 24 basis weight range (17" x 22"—500) and is devoid of safety features.

Courtesy amount: the convenience amount in figures on a payment document that shows the valid payable amount of the document. Also known as convenience amount.

Cycle period: a fixed or predetermined period of time qualifying the validity of certain transactions.

Date encoding: a security feature on a check that places the date that the account was opened near the account holder's name.

Debossment: printing that results in the characters being pressed into the paper. When excessive debossment occurs in the printing of the MICR line it can prevent an accurate "read" during processing.

Deposit Slip: a list of items given to a bank to be credited to an account. A copy of the deposit slip may be used as a receipt for the customer.

Descriptive billing: a system of billing in which each monetary transaction posted to an account during a billing period is identified and described on the periodic bill.

Draft: a signed, written order by which one party (the drawer) instructs another party (the drawee) to make payment of a specified sum to a third party (the payee).

Drawee institution: the name of the bank or other financial institution where an account is held.

Dropout: ink colors that cannot be copied or reproduced, and will not image on a photographic plate. Also refers to color not sensed by optical reading devices (such colors vary from model to model).

Duplicate Cash Tickets (Teller Cash-in/Cash-out): duplicate cash tickets are generally prepared by hand entry. Duplicate tickets are normally not used with teller machines. The purpose is to balance the day's activities and prepare the ending proof of deposit report.

E-13B: a 14-character MICR type font developed for use in check processing. It includes the numerals 0 to 9 plus four special symbols used to designate a Dash and the Amount, On-U's, and Transit Number fields.

Electronic analyzer: a testing device that is used to evaluate print quality of the MICR line.

Electronic funds transfer (EFT) system: a broad term used to describe equipment and techniques involved in checkless, cashless financial transactions. It includes data transmission, on-line terminals, and use of credit cards in terminals.

Electrophotography: non-impact type of printing that can be used to apply MICR characters. Provides good toner adhesion and low reject rates.

Embossment: printing that is raised above the surface of the paper; sometimes improperly called "debossment." Embossment is normally achieved on a letterpress, with special male and female dies.

Encoding: translating data from one different character structure to another, commonly into binary form. In the

banking industry, encoding is the imprinting of MICR characters on checks, deposit slips, or other bank documents. It also refers to the magnetized recording of data on to the magnetic strip on a bank card.

Encoding strip: a portion of the MICR clear band. The strip is 1/4" wide and begins 3/16" above the bottom edge of the document. The strip is limited horizontally to an area starting 1/8" from the left-hand edge of the document and continuing over to a point 1/4" from the right-hand edge of the document.

Endorsement: information used to transfer a negotiable document from one holder to another.

Endorsement areas: regions on the back of a check reserved for endorsements of various handlers as the check makes its way through the check processing system.

Expedited Funds Availability Act: legislation that limits the amount of time that a check can be on hold to three days for local checks (within the same processing region) and seven days for non-local checks.

External Processing Code (EPC) field: a single-digit optional field, located to the left of the routing field on a check. It is used for special purposes as authorized by ANSI X9 Financial Services Committee.

Extraneous ink: ink that shouldn't but does appear in a scanned area. On checks, it often refers to magnetic ink (other than that used to print the characters) located within the 5/8" clear band. Often described as splatter, smear, tracking, feathering, stringing out, toning, back offset, background, etc.

Federal Reserve System: the U.S. banking system which consists of 12 banks, with each one serving member banks in its own district.

Field: a specified portion of the clear band that is limited to one character or a set of characters that may be treated as a unit of information.

First-read rate: the percentage of correct readings that will be obtained in one pass of a scanning device over a read area.

Fixed Format: a predetermined description or specification of information content.

Forgery: the illegal production of counterfeit material.

Format: the horizontal and vertical distances from the characters on the MICR line to the edges of the check.

Full Endorsement: the endorsement placed on a document by the institution of first deposit. This endorsement includes the nine-digit routing number, date, institution's name/location, and optionally telephone number, trace/sequence number and branch. The full endorsement will also include the "arrow points" at each end of the nine-digit routing number.

General Ledger Debit and Credit Tickets: tickets that are used as input for making general ledger entries in a bank. These tickets alleviate some of the exception item encoding in the bookkeeping departments. Many tickets are pre-qualified which means they have common uses printed on the tickets and have the MICR line partially encoded for efficiency.

Grain direction: in paper, the predominant alignment of fibers corresponding to the direction in which the paper flows on the wire screen of the papermaking machine. "Short grain" describes grain direction parallel to the short dimension of a cut sheet. "Long grain" describes grain direction parallel to the long dimension. Grain may be determined by tearing the paper; if it tears easily with relatively few broken edges, it is torn with the grain. When ordering paper for printing, grain direction should be specified. The dimension with the grain direction is normally underlined—e.g. 17" x 22". On continuous forms, grain direction is parallel to the line holes, and on unit sets, grain direction is parallel to the stub.

Halftone: a reproduction of continuous tone artwork (such as photographs and paintings, including water colors) created by photographing the image through a crossline screen that breaks up the image into closely spaced dots. Uneven spacing and variations in dot size give the final image the illusion of dimension and value.

Halftone screen: a contact screen that breaks continuous-tone copy or artwork into thousands of tiny dots that can then be printed like line copy. Screens vary from 65 to 150 lines for normal use, but in business forms printing applications, a 133-line screen is the most commonly used. The more lines per inch, the more detail can be reproduced in the final image.

Hologram: three-dimensional image that is reproduced on mylar foil film. Holograms are most often used on credit cards to deter forgery.

Image processing: the digitizing, storage, and manipulation of documents that allows them to be managed as electronic images (bit-mapped format) rather than as paper.

Impact printing: any printing device that produces an image through the use of a mechanical device (much like a hammer on a typewriter) having direct contact with the paper.

Institution of First Deposit: the first institution, legally chartered or licensed to collect or pay cash items deposited by a company or individual, in which a cash item has been deposited. It is also the institution to which an item would be returned in the event of non-payment, for return to the depositor.

Intaglio printing: a printing process in which the image or design is cut or etched into the surface of the plate. The etched areas, called "wells," are filled with ink, and then the surface is wiped clean with a doctor blade so that ink is left only in the wells. When paper is pressed against the plate, the ink held in the wells is transferred to the paper to print the image. In printing, the intaglio process is referred to as gravure. In security printing this results in the paper surface being distorted. This technique is generally used as a part of an anti-forgery process with travelers checks.

Interchange: mutual acceptance and exchange of data messages between financial institutions.

Ion deposition: a non-impact print imaging system using an ion projection cartridge to produce a latent electrostatic image on a dielectric drum. The image attracts toner to the drum, which then transfers the

image to the paper. The image is then fused to the paper with heat and/or pressure.

L **leading edge:** the front portion of a moving object that extends beyond (i.e., “leads”) the remaining portion, such as the leading edge of a paper web as it is fed into the printing press. On checks, the leading edge is the right edge.

LED: abbreviation for “light emitting diode,” which in this case refers to a non-impact type of printing that can be used for MICR printing. LED can produce superior edge definition and has good toner adherence.

Lithography: a printing process in which both the image and non-image areas are on the same plane. It is based on the principle that oil (ink) and water do not mix. The image is first transferred to a rubber blanket and then to paper.

M **magnetic ink:** ink made with particles (usually iron oxide) that can be magnetized after printing to enable the printed matter to be scanned and recognized by electronic sensing (reading) or MICR equipment. It is widely used by banks for both printing checks and processing them by machine.

Magnetic readers: waveform or matrix recognition devices that use constant (waveform) or oscillating (matrix) magnetic fields to “read” a magnetic ink character.

Magnetic storage: devices that read and write computer data by aligning magnetic particles on disks or tapes. These magnetic media are especially useful where the fast and frequent retrieval of documents is necessary.

Markup station: an imaging workstation that allows authorized users to attach notes, comments, and questions to an electronic document. It does not allow them to modify the document itself.

Matrix readers: a magnetic reading device that uses a series of microscopic size read heads stacked in close proximity, each of which reads a small strip of the character string. The strings are combined and used to build a digital bit map for each character, which is then

compared to known bit-map patterns to determine the identity of the character.

MICR: abbreviation for “Magnetic Ink Character Recognition.” It is an automatic data entry system that uses characters printed according to strict specifications and read by a device that responds to the magnetic flux imparted by each character. MICR is used extensively on checks and other documents in the banking industry.

MICR bond: one of the most frequently used papers for MICR encoding; it is strong and flexible to withstand high speed sorting and handling.

MICR characters: the E-13B font characters that are used in the printing or encoding of information on documents to enable the documents to be processed by sorting machines.

MICR clear band: on a check, the area where the MICR characters appear. It is an area 5/8" wide (0.625") along the bottom edge of the check and extending the entire length of the check. No extraneous MICR ink can appear in the clear band.

MICR encoder: any equipment that applies MICR E-13B font characters to a check or other document. The term is usually used to designate a ribbon encoding device.

MICR encoding: imprinting of MICR characters on checks, deposit slips, and other bank documents.

MICR encoding strip: a 1/4" high band within which E-13B characters are located.

MICR ink: specially formulated ink, comprised largely of highly magnetic iron oxide particles. This ink is magnetized by processing equipment so a document can be “read” (recognized) and sorted by machine rather than by hand.

MICR repair strip: a paper strip affixed to the bottom of a check to permit correct encoding of a MICR line. Typically used for repairing rejected checks.

Microprinting: a security technique which uses very fine print that is difficult to reproduce with desktop publishing.

Mixed deposit: a deposit of both cash and checks.

Modulus/mod: any self-checking number system used to automatically check for errors in transcription, transmission, or reading into a system. Weighted numbers and simple arithmetic systems are used.

Money Order: an order issued by a post office, bank, or telegraph office for payment of a specified sum of money usually at another office. Two types of money orders are available. The first is a product marketed by firms under the strict security rules of a franchise agreement with various outlets. The second type is sold by individual institutions as a convenience to their customers. Both types are imprinted by check-writing equipment that produces amounts that cannot be easily altered.

Nominal signal level: the signal level obtained from a MICR Calibration Standard (usually designated as 100%). See *signal level*.

Non-impact printer: a printing device that uses techniques other than mechanical impact to produce an image. It may be described by the type of media used (plain paper, coated paper), by process (electrostatic, magnetic, electrosensitive, electrolytic), by method of image generation (laser, multiple styli), or by method of image transfer to the paper (direct, as in ink jet, or indirect, via reusable photoconductive or magnetic material).

Non-uniformity: in a MICR environment, the term describes uneven deposits of magnetic toner material across the MICR character and/or the strokes making up that character. Where non-uniformity exists, characters that may appear to be visually correct will still cause irregularly shaped waveforms on testing equipment.

OCR: abbreviation for “Optical Character Recognition,” which is machine reading by optical means of human-readable characters (as opposed to optical mark reading or optical bar code reading).

On-Us Field: on the MICR line of a check, the field reserved for the internal use of the drawee bank. The On-Us Field is located between the Amount Field and the Transit Number Field.

On-Us Items: items drawn on the processing bank.

Opacity: the quality of being impenetrable by liquids or light. With paper, it is the ability to keep print from showing through on the other side.

Optical Character Recognition (OCR): the ability of machines to scan and recognize letters and numbers. As the technology improves, OCR may allow image systems to index documents automatically.

Optical Storage: devices that rely on lasers to read and write information on the surface of a disk. Large amounts of computer data can be stored optically; a single 12-inch disk, for instance, can hold the equivalent of about 40,000 pages of text.

Pantograph: a printed pattern that creates an overall background tone on documents; used especially on checks and stock certificates for increased security. Pantographs are generally reproduced from original engravings or artwork, from screened patterns placed at different angles, or from symbols or logotypes repeated over and over (usually referred to as a “step-and-repeat” pantograph).

Paper Check: a payment document, normally printed on 24 lb. MICR bond.

Payee line: the line on a check that provides for the entry of the name of the party to whom the check is to be paid.

Payee line restraint: a vertical mark at the right end of the payee line showing the point where writing should end.

Payment document: any paper document that is used to transfer funds from one party to another.

Payment system: the process utilized by financial institutions to expedite the handling, processing, and clearing of checks.

PDS: abbreviation for “pre-delivery sample” of MICR encoded documents specified by a financial institution.

Pegboard form: a form designed to control or shingle related forms in simple accounting systems. A pegboard form uses a lightweight board with a row of pins.

Different systems may have considerably different pin hole diameters and spacing.

Personal check: a check that is drawn on the account of an individual, as opposed to that of a business, company, or organization.

Phantom: a screened image printed on a form for decorative or protective purposes. It is usually light so that it can be clearly written over when the form is executed.

Pixel: abbreviation for “picture element.” The smallest, most basic component of an image on a display screen. A pixel is comparable to an individual dot in a printed photograph. The number of pixels in an image determines the resolution of the image.

Postprinted (MICR data): information encoded on a check after it is presented for processing through the payment system. It is normally the Amount Field that is postprinted.

Pre-Encoding: Amount Field encoding of deposited items prior to their being received by a bank

Preprinted (MICR data): information encoded on a check before delivery to the purchaser, normally the Routing and ON-Us Fields.

Print contrast signal (PCS): a measurement of the difference in light reflected by two different colors.

Printed information: lines or text printed on a payment document to convey the informational content of the document and not considered to be part of the background.

Process Control Code: an optional code which generally identifies document type. May be up to six positions long. Usually located to the right of the ON-Us account number. Sometimes called a transaction code.

Process Control Documents (or Control Documents): every bank utilizes these products to control the processing of checks or internal bank forms. They come in a variety of sizes and designs. Several common types are:

Batch Headers—consecutively numbered control documents that treat a group of records as a single unit.

Block Headers (separators)—designate the end of a group and indicate the need for the computer to provide a block total.

Block Tickets—used to define more than one batch.

Tracer Documents—establish boundaries and identify work. Sometimes include book and page numbering.

Proof Department: bank department that sorts, distributes, and checks or proves all transactions arising from the bank's customer operations.

Proof Machine: equipment that simultaneously sorts items, records the dollar amount for each sorted group, and balances the total with the original input amounts.

Punched card check: a check which has been printed on card stock in tab card format. Punched holes facilitate machine readability.

Reader/Sorter: high speed automated paper handling machine that can recognize printed characters magnetically and/or optically and sort documents into stackers.

Reference edge: the edge of a form used for alignment so that the normal reading line will be parallel to the direction of scanning. The reference edge may differ from one form to another depending on the scanning equipment used.

Reflectance: the optical quality of a surface (paper, printed characters, etc.) described in terms of the amount of radiant energy (light intensity) received from that surface by a sensing device. Reflectance is expressed as a percent of a standard reference material.

Reject: in optical or MICR reading, a document that contains a character or mark that is on the page but is not recognized by the reading device. It can also refer to the page or document containing such marks.

Routing Field: see *Transit/Routing Number Field*.

Routing number: the nine-digit numeric identifier of a financial institution as assigned by the American Bankers Association or its agent. It normally appears twice on a check: once in the MICR line and once, for visual purposes, in the upper right corner of the check.

Safety paper: paper that has been coated or printed to produce a warning word (such as “void”) if an attempt is made to alter the writing on the paper. Safety paper is often used to manufacture checks, so it is often called *check paper*.

Scanner: a device that examines the areas of a spatial pattern and generates digital signals corresponding to the pattern. Scanners include optical mark readers, character readers, and bar code readers.

Share draft: a type of check used by credit union members to write drafts on their deposits.

Signal level: voltage wave form obtained when DC magnetized printed characters are scanned with a magnetic reading head.

Single Cash Tickets (Teller Cash-in/Cash-out): used for every transaction at a teller window to account for all receipts and disbursements. They become the means of balancing each teller’s daily activity without using the actual cash or checks involved. These are very high volume items that are pre-encoded for efficient use. The Proof Department also encodes tickets in larger banks.

Skew: see *character skew*.

Solid printing: a printing process that applies a single solid color to a piece of paper. The color seen by the eye will be the ink color. It can be likened to paint applied to a surface.

Spacing: see *character spacing*.

Split Deposit: a check deposit that includes cash-out.

Statement: a cumulative record of an account’s transactions maintained for the purpose of providing the account’s status.

Step-and-repeat: in the graphic arts, a technique to produce multiple images with extremely close tolerances on a film or plates. It also refers to a pantograph that has symbols or logotypes repeated over and over.

Stop Payment: a request made at the drawee bank by the drawer to withhold payment of a specific check.

Symbol (MICR): any of the four special characters in the E-13B font used to identify fields of information (Amount, On-Ups, Transit/Routing Number, and Auxiliary On-Ups), or to create a separation between groups of digits.

Tab card checks: these checks are usually manufactured from 99 lb. tab card stock and punched for processing.

Teller Receipt: receipt from a transaction, provided by the teller with details such as amount, date, type, and account numbers. The receipt is the customer’s record of the transaction.

Thermal transfer: a non-impact printing technology that uses a temperature-sensitive ribbon coated with thermal ink. When the necessary temperature is reached, the ink is transferred to the substrate to produce an image.

Toner: a dry ink powder which has been electrically charged. Used in printers, fax machines and copiers. Generally, the image is translated into bit mapped charges of the opposite polarity on a special drum in the printer. The toner is attracted to the charged areas, where it is transferred to paper. The toner is then “set,” usually by heat. Sometimes, the toner is attracted directly onto the paper.

Trailing edge: the left edge of a check when its face is viewed.

Transit endorsement: an endorsement placed on a document by an institution handling it after the institution of first deposit. This endorsement is limited to the nine-digit routing number and date, with trace/sequence numbering optional. Arrow points are not allowed.

Transit number: the identifying number assigned to each bank by the American Bankers Association (ABA). The transit number is a two-part number; the first part designates the bank's city, state, or territory, and the second part identifies the bank itself. On checks, the transit number appears in the MICR field and also in the upper right corner as the numerator of a fraction.

Transit/Routing Number Field: on the MICR line of a check, the field where the combined routing symbols and the number assigned to the bank by the American Bankers Association (ABA) are encoded. The Transit/Routing Number Field is located to the left of the On-U's Field.

Transit/Routing Number Symbol: see *symbol*.

Traveler's check: a fixed-amount, highly secure payment document issued by financial institutions and other companies, which is sold to allow travelers to carry money without the risk of loss or theft since the purchase fee of these checks guarantees their rapid replacement in such cases.

Truncation: the bank of first deposit (BFD) keeps a deposited check and electronically transmits the data in its MICR line and its electronic data image to the On-U's bank.

Uniformity of ink: the evenness of coverage of ink used to form a character.

Variable format: a description or specification of information content that will vary according to the needs of a user.

Void: the absence of ink within the specified outline of a printed character.

Void pantograph: a special screened pattern used to combat fraud related to the copying of negotiable documents on color copiers. When the original document is photocopied, a warning or "void" mark appears on the copy.

Voucher Check: a form of check to which a voucher is attached. The voucher describes the purpose of the check, and is used as a posting medium by the seller of an item, showing receipt of the check.

Warning bands: these are written on a check to announce a security feature, such as "this check has a colored background."

Watermarked papers: a localized modification of the formation and opacity of a sheet of paper so that a pattern, design, or work group can be seen when it is held up to the light. Often used as a security feature.

Waveform reader: a magnetic reading device that has one read head which covers the height of the entire character string (within the 5/8" clear band). A waveform signal is produced by each of the MICR characters passing through the read slot, and compared against the known waveforms of the MICR character set to determine which character was read.

WORM: an abbreviation for "Write Once Read Many" optical storage devices on which data is permanently recorded. Data can be erased, but not altered, and no additional data can be added.