

Changes to Canadian Checks

The new [Canadian Payments Association \(CPA\) Standards](#), which will take effect in June of 2007, calls for some distinct design changes to checks drawn on Canadian bank accounts.

Clients must use a Canadian check that conforms to the CPA standards when drawing funds from a bank account physically located in Canada. Canadian checks will not be accepted in the United States as they do not conform to the ANSI [Check 21](#) (American) Standards. There are changes to both the face and the back of the check stock.

MHC has added a new line of CPA Compliant Checks to meet the needs of our customers. The new items in our Canadian Stock Check line incorporate all of the new Canadian check standards laid out by the CPA and are available in Cut Sheet Laser Formats and Pressure Seal Formats.

Check printers, software providers and organizations that print their own cheques are strongly encouraged to provide pre-production samples of their new cheques to their financial institution's Quality Assurance Division to verify that they meet the new specifications. These organizations should contact their financial institutions for more information about the testing process and timelines.

If your organization uses laser printing software then some changes to your software may also be required. Please note, shading of boxes is not allowed (i.e. check amount), date formatted as specified previously, Cheque rather than Check, and special characters may be required if using positive pay.

For more information regarding our Canadian Check Stock offerings, please contact Michelle Bauman at (800) 588-3676, ext. 290 or michelleb@mhccom.com

The deadline for all Canadian business checks to conform to the new specifications as outlined in CPA Standard is June 30, 2007. The deadline for compliance with the specifications was originally set for December 31, 2006, but it has since been extended in order to allow businesses more time to make the necessary changes to their checks and modify or update their software involved in check production. This timeline will continue to ensure that checks are "image-friendly" in preparation for the transition to image-based clearing.

Key changes to the check specifications include:

- New printing requirements on the reverse of the cheque so that image capture can be verified. The new backer requirements mandate a new stock for printing Canadian checks as the backer is different than the backer found on American checks. The backer will now include the addition of a Teller Stamp area, and the word “Back” printed in both English and French. The most noticeable difference on the new Canadian Check Stock is that all of the information is printed portrait.
- Adoption of a numeric date field in one of three specified formats (YYYYMMDD, MMDDYYYY or DDMMYYYY). Field indicators must be printed below the date field to indicate which format is being used. Bilingual date field indicators are accommodated for checks using the international date format (YYYYMMDD);
- A mandatory serial number in the MICR line encoded on the bottom of the check (until now the serial number has been optional);
- An increase in the minimum length of a cheque from 6” to 6.25”, or 15.88 cm, to ensure there is sufficient space to accommodate the mandatory serial number in the MICR line;
- Standardized positions for key fields on the check, such as the date field and the amount in figures; Disallowance of elements that may hinder the capture of images or data from the checks (e.g. inverse printing, italics or slanted fonts, a bottom border printed below the MICR line and the use of black carbon on the reverse of cheques will not be permitted);
- A provision to ensure that security features do not interfere with key data, or “areas of interest” as defined in Standard 006, Part A, either prior to imaging or post imaging;
- Some revisions to technical specifications (e.g. maximum Print Contrast Signal) to ensure high-quality images can be captured.