

how to properly endorse a check and reduce fraud



There is more than one way to endorse a check, and knowing how to endorse properly can help you cash checks or make deposits more securely and protect you from fraud.

Check endorsements are a security measure. As it relates to checks, “endorse” means to sign one’s name on the back of the check to authorize payment. Banks require a valid endorsement before they will take action with a check, whether it be to cash, deposit, or transfer it.

Check endorsements help the bank verify the identity of the payee and the correct recipient of the funds, authorize the bank to complete the transaction, and can even confirm how the payee wants the funds processed.

Different types of endorsements

1

ENDORSE HERE

X 

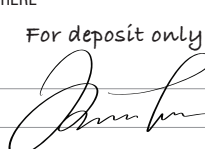
DO NOT WRITE, STAMP, OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE ONLY

Blank – Payee signs the check with no additional direction. When using this type of endorsement, we recommend signing the check immediately before cashing or depositing it.

2

ENDORSE HERE

For deposit only

X 

DO NOT WRITE, STAMP, OR SIGN BELOW THIS LINE
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Restrictive – Payee designates exactly how a check can be deposited by adding, “For deposit only,” “For mobile deposit only,” or “For deposit only to account #xxxxxx,” along with signature.

3

ENDORSE HERE

X 

pay to the order of John Smith

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Third Party – Allows payee to transfer the check to another party using, “Pay to the order of.”

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Different types of endorsements (continued)

4

ENDORSE HERE

X *John Smith* FBO Anne Smith

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FBO (For the Benefit Of) –
Used when a check is payable to a third party, such as a custodian, on another person’s behalf.

5

ENDORSE HERE

X *ABC Company LLC*
[Signature]
President

DO NOT WRITE, STAMP, OR SIGN BELOW THIS LINE
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Business – When a check is made payable to a business, a signer on the business account must endorse the check by writing the name of the business, followed by the signer’s signature below the business name, and include the signer’s title below the signature. Business clients may also choose to use a stamp to add an endorsement.

How to endorse a check securely

Verify check information
Confirm the payee, payment amount, and date are correct.

Sign the back of the check
Sign in the endorsement area, typically a blank line or box labeled, “Endorse Here.”

Handle special cases:

- **Misspelled payee name**
Endorse twice, first with the misspelled name, and add a note “Incorrectly written as,” then endorse with the correct name.

- **Multiple payees**
All payees must sign if the names are listed with “and.” Only one payee needs to sign if listed with “or.”

We’re here to help.

For more information on check endorsement and other fraud prevention tips, contact your local branch or visit key.com/fraud.

