CHECK ENDORSEMENT ELEMENTS  
(Reverse Side Of Checks)

(Next Collective Bank) | (Depositary Bank) | (Payee)
------------------------|-------------------|------------------
967654321               | -1234567890-      | HUD Official
February 4, 1992        | ABC Bank          | Endorsement
                        | Anytown, USA      | Stamp
                        | February 3, 1992  | (Para. 5-5)

<----------3"----------> | <----------1.5"----->

In the example above, a standard-sized personal check (approximately 3" by 6") is used to illustrate the endorsement areas.

(Next Collective Bank) | (Depositary Bank) | (Payee)
------------------------|-------------------|------------------
967654321               | -1234567890-      | HUD Official
February 4, 1992        | ABC Bank          | Endorsement
                        | Anytown, USA      | Stamp
                        | February 3, 1992  | (Para. 5-5)

<----------3"----------> | <----------1.5"----->

Business checks can vary widely in size. However, the width of the endorsement area allotted to the Subsequent Collecting Bank and the Payee remains the same, as in this bottom example.

DEFINITION OF TERMS:
1. Payee - the individual, company/corporation or agency to which the check is made payable.
2. Depositary Bank - the first bank in which a check is deposited, even if it is also the Paying Bank or Payee.
3. Subsequent Collecting Bank - the institution that handles a check in the collection process after the Depositary Bank and before the Paying Bank.
4. Paying Bank - the bank at which the check is payable and to which it is sent for payment.