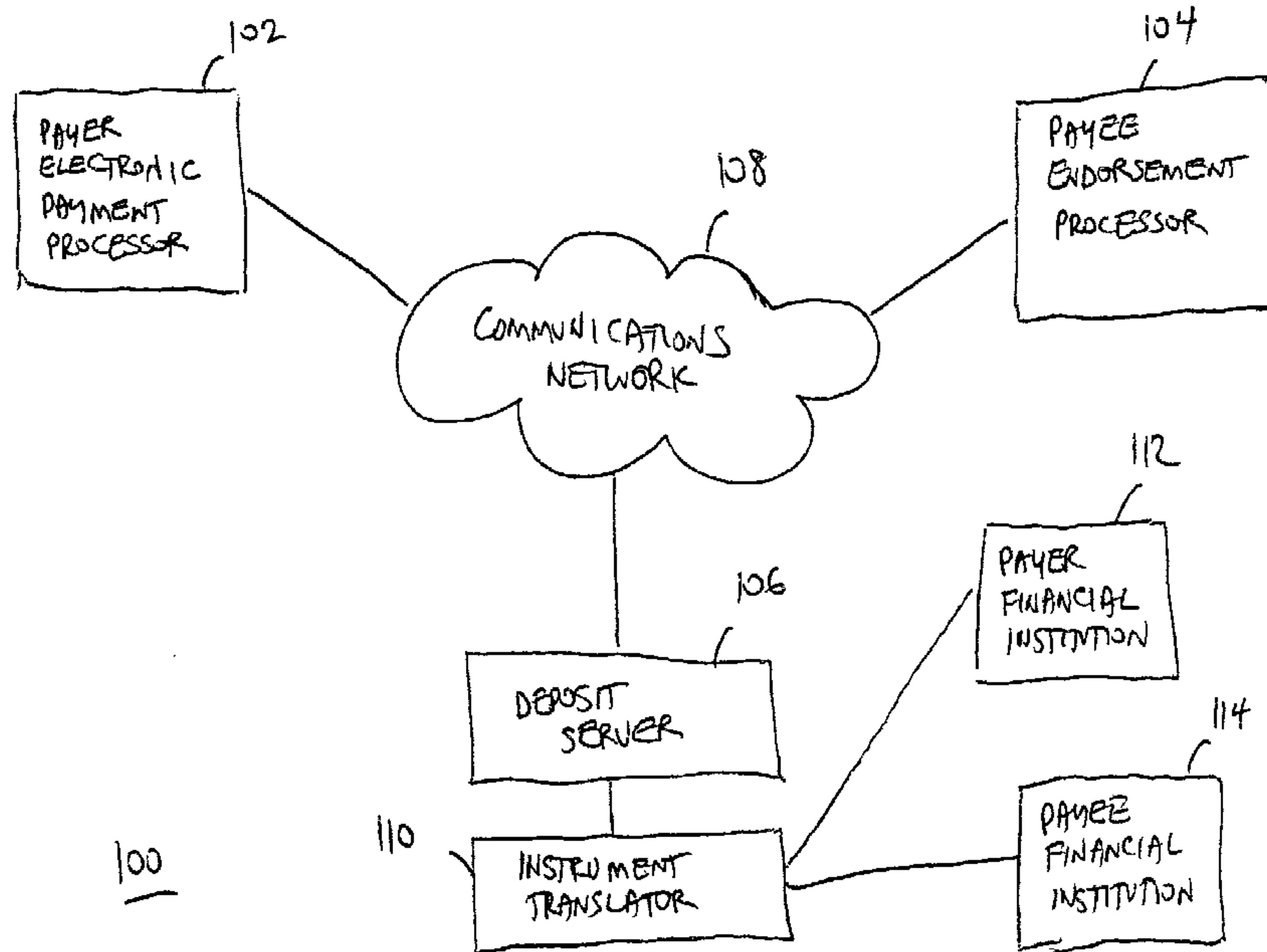




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 (54) **SYSTEME ELECTRONIQUE DE TRAITEMENT DES CHEQUES**
 (54) **ELECTRONIC CHEQUE PROCESSING SYSTEM**



(57) An electronic cheque processing system includes an electronic payment processor, a deposit server and an instrument translator. The payment processor is configured to provide an electronic financial instrument to a payee for effecting a payment transaction between a payer and the payee. The deposit server is coupled to the communications network and validates an endorsement of the electronic financial instrument. The instrument translator is in communication with the deposit server to provide the financial institution associated with the payer with a translation of the endorsed electronic financial instrument, with the translation being determined in accordance with electronic document formats implemented by the payer and the payee. The payment processor includes a user interface for defining the electronic financial instrument, a payee database including payee records, and a payment parser coupled to the user interface and the payee database. One of the payee records identifies the payee and an associated preferred financial instrument format, and the payment parser provides the payee with a paper check in accordance with the preferred financial instrument format.

ABSTRACT

An electronic cheque processing system includes an electronic payment processor, a deposit server and an instrument translator. The payment processor is configured to provide an electronic financial instrument to a payee for effecting a payment transaction between a payer and the payee. The deposit server is coupled to the communications network and validates an endorsement of the electronic financial instrument. The instrument translator is in communication with the deposit server to provide the financial institution associated with the payer with a translation of the endorsed electronic financial instrument, with the translation being determined in accordance with electronic document formats implemented by the payer and the payee. The payment processor includes a user interface for defining the electronic financial instrument, a payee database including payee records, and a payment parser coupled to the user interface and the payee database. One of the payee records identifies the payee and an associated preferred financial instrument format, and the payment parser provides the payee with a paper check in accordance with the preferred financial instrument format.

ELECTRONIC CHEQUE PROCESSING SYSTEM

FIELD OF THE INVENTION

The present invention relates to an electronic cheque processing system. In particular, the present invention relates to a method and a system for effecting an electronic payment
5 between entities having incompatible payment formats.

BACKGROUND OF THE INVENTION

A payment effected with the conventional cheque processing system requires the payee to
10 issue a paper cheque to a payee for the withdrawal of funds from the payer's bank account. The payee deposits the paper cheque with the payee's bank, and settlement of the payment is then effected with a central cheque clearing house. The cancelled paper cheque is then typically returned to the payee. Although the paper cheque processing system is well established, several business days are typically required for cheque
15 settlement. Further, the paper cheque processing system is particularly susceptible to fraud through the issuance of forged paper cheques.

Electronic cheque processing systems have been developed in response to the deficiencies of the conventional cheque processing system. According to an electronic cheque
20 processing system, proposed by the Financial Services Technology Consortium (US 5,677,955), the payer generates a FSML-based electronic cheque on the payer's computer, and then electronically signs the electronic cheque with the payer's private encryption key. The payer then electronically transmits the signed electronic cheque to the payee for withdrawal of funds from the payer's bank account. The payee electronically endorses
25 the electronic cheque with the payee's digital signature, and transmits the endorsed electronic cheque to the payee's bank. The payee's bank then establishes a secure electronic communications link with the payer's bank in order to effect settlement of the electronic cheque. This approach is advantageous since it limits the system's susceptibility to fraud, however it also requires that both the payer's bank and the payee's

bank employ the same electronic cheque processing software and the same electronic cheque formats.

According to another electronic cheque processing system, the payer electronically
5 transmits an electronic cheque, implemented in Automated Clearance House (ACH)
format, to the payee for withdrawal of funds from the payer's bank account. The payee
electronically endorses the electronic cheque, and transmits the endorsed electronic
cheque to an electronic cheque server which acts as an electronic cheque clearing house.
The electronic cheque server then initiates the transfer of funds between the payer's bank
10 and the payer's bank in the traditional manner. Alternately, the payer electronically
transmits an electronic cheque, implemented in Electronic Document Interchange (EDI)
format, to the payee. The payee then transmits the endorsed electronic cheque back to the
payer's bank, and the payer's bank then effects settlement of the electronic cheque with
the payee's bank. Although these latter two approaches require only the electronic cheque
15 server (or payer's bank) to implement electronic cheque processing software, typically the
payer and the payee must agree upon the transaction in advance, particularly if the parties
require the payment to be effected on a periodic basis. Consequently, the ability of the
payer and the payee to effect settlement upon flexible terms is limited.

20 Conventional electronic payment methods, such as implemented with ACH or EDI
format, also limit the amount of information included with the electronic cheque. As a
result, conventional electronic payment methods increase the difficulty of the payer in
reconciling the electronic payment with accounts payable and the difficulty of the payee
in reconciling the electronic payment with accounts receivable. Therefore, there remains
25 a need for an electronic cheque processing system in which the availability of the
electronic transaction is limited by the compatibility of the electronic cheque formats
employed by the payer and the payee, and which allows the parties to effect settlement
upon flexible terms. Further, there remains a need for an electronic cheque processing

system which more readily facilitate reconciliation of the electronic payment with accounts payable and accounts receivable.

SUMMARY OF THE INVENTION

5 According to the invention, there is provided a method for effecting electronic payment and an electronic cheque processing system which address deficiencies of the prior art.

The method for effecting electronic payment, according to the present invention, includes the steps of (1) providing a payee with an electronic financial instrument for effecting a
10 payment transaction between a payer and the payee; (2) providing an endorsement of the electronic financial instrument, the endorsement including an acceptance of a payment term; (3) translating the endorsed electronic financial instrument in accordance with electronic document formats implemented by the payer and the payee for effecting the payment transaction; and (4) with the translated instrument initiating a funds transfer
15 between the payer and the payee in accordance with the payment terms.

The electronic cheque processing system, according to the invention, includes an electronic payment processor, a deposit server and an instrument translator. The electronic payment processor is configured to provide an electronic financial instrument
20 to a payee over a communications network for effecting a payment transaction between a payer and the payee. The deposit server is coupled to the communications network and validates an endorsement of the electronic financial instrument. The instrument translator is in communication with the deposit server to provide the financial institution associated with the payer a translation of the endorsed electronic financial instrument, with the
25 translation being determined in accordance with electronic document formats implemented by the payer and the payee.

In a preferred implementation of the electronic cheque processing system, the deposit server includes an endorsement receiver for receiving at least one payee payment option

from the payee, and a correlation processor coupled to the endorsement receiver for validating the endorsement in accordance with a correlation of at least one payer payment option with the at least one payee payment option. The endorsement receiver is configured to receive financial data associated with the payee, and the deposit server also includes an account database in communication with the endorsement receiver for securely storing the financial data received from the payee. The electronic payment processor includes a payment database for recording the payment transaction, and the correlation processor is configured to determine the correlation in accordance with the recorded payment transaction and the electronic financial instrument. The correlation processor is also configured to provide the payee with remittance information identifying the payment transaction. The payment processor includes a user interface for defining the electronic financial instrument, a payee database including payee records, and a payment parser coupled to the user interface and the payee database. One of the payee records identifies the payee and an associated preferred financial instrument format, and the payment parser provides the payee with a paper cheque as determined by the preferred financial instrument format.

BRIEF DESCRIPTION OF THE DRAWINGS

The preferred embodiments of the invention will now be described, by way of example only, with reference to the drawings, in which:

Fig. 1 is a schematic view of the electronic cheque processing system, according to the present invention, depicting the payer electronic payment processor, the payee payment endorsement processor, the deposit server, the instrument translator, the financial institution associated with the payer, and the financial institution associated with the payee;

Fig. 2 is a schematic view of the payer electronic payment processor shown in Fig. 1, depicting the document transmitter, the user interface the central processing unit, the payee database, the payment database, and the payment parser;

5 Fig. 3 is a schematic view of the payee electronic payment processor shown in Fig. 1, depicting the document transmitter, the user interface the central processing unit, the payee database, the payment database, and the payment parser;

10 Fig. 4 is a schematic view of the deposit server shown in Fig. 1, depicting the endorsement receiver, the correlation processor and the account database; and

Figs. 5a, 5b and 5c together comprise a flow chart depicting the method for effecting electronic payment implemented with the electronic cheque processing system.

15 DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENT

Turning to Fig. 1, an electronic cheque processing system, denoted generally as 100, is shown comprising a payer electronic payment processor 102, a payee payment endorsement processor 104, a deposit server 106, and a communications network 108 interconnecting the payer electronic payment processor 102, the payee payment endorsement processor 104 and the deposit server 106 for facilitating electronic communication from the payer electronic payment processor 102 to the payee payment endorsement processor 104 and from the payer electronic payment processor 102 and the payee payment endorsement processor 104 to the deposit server 106. The electronic cheque processing system 100 also includes an instrument translator 110 in communication with the document server 106, and a payer financial institution 112 and a payee financial institution 114 in communication with the instrument translator 110.

Preferably, the communications network 108 comprises an open land-based network, such as the Internet. However, the communications network 108 may instead comprise

an open wireless network for communicating with wireless devices. Typically the electronic cheque processing system 100 includes a plurality of payer electronic payment processors 102 and a plurality of payee payment endorsement processors 104. However, for clarity, only a single payer electronic payment processor 102 and a single payee payment endorsement processor 104 are shown in Fig. 1.

The electronic payment processor 102 is configured to provide an electronic financial instrument to a payee over the communications network 108 for effecting a payment transaction between the payer financial institution 112 and the payee financial institution 114. Typically the electronic payment processor 102 is provided on a single electronic communications device, such as a desktop or portable computer. As shown in Fig. 2, the electronic payment processor 102 comprises a document transmitter 116 for transmitting electronic financial instruments over the communications network 108, and a user interface 118 for defining the electronic financial instrument. Preferably, the user interface 118 is configured to allow the payer to include with the electronic financial instrument at least one proposed payment term. Typical payment terms include a specification of a time period during which payment is proposed to be effected, and an associated interest rate chargeable. Preferably, the user interface 118 allows the payer to specify a number of different proposed payment terms.

The electronic payment processor 102 also includes a central processing unit (CPU) 120 in communication with the document transmitter 116 and the user interface 118, and a non-volatile memory storage device (DISC) 122, such as a magnetic disc, and a read/write memory (RAM) 124 both in communication with the CPU 120. The user interface 118 comprises a data entry device 126, such as keyboard or voice recognition microphone port, for creating the electronic financial instrument; and a display device 128, such as a CRT or LCD display, for viewing the electronic financial instrument created with the data entry device 126. Optionally, the user interface 118 also allows the

payer to include with the electronic financial instrument an indication of the electronic document format (eg. ACH, FEDI, wire transfer) for effecting the payment transaction.

5 The DISC 122 includes a payee database 130 and a payment database 132. The payee database 130 includes payee records, each specifying the name of a payee, the e-mail address of the payee, the public encryption key assigned to the payee, and the preferred format for the financial instrument. Typically, a payee record of the payee database 130 will indicate that the payee desires to receive financial instruments in electronic format, however the payee record may instead indicate that the payee desires to receive paper-
10 based financial instruments (eg. a paper cheque). The payment database 132 includes records, each identifying the payee and amount to be paid to the payee. Further, since the electronic payment processor 102 may be required to provide the payee with a paper financial instrument instead of an electronic financial instrument, in one variation the payment database 132 also includes records which store the proposed payer payment term
15 data. The payment database 132 may also include other information, such as an identification of the purpose of the payment, which may be necessary for accounting purposes.

The DISC 122 also includes instructions which, when loaded into the RAM 120,
20 comprise processor instructions for the CPU 120. The processor instructions comprise a memory object defining a payment parser 134, and a memory object defining an encryption processor 136. The payment parser 134 is in communication with the document transmitter 116, the user interface 118 and the payee database 130, and is configured to provide the payee either with an electronic financial instrument or to
25 initiate mailing of a paper financial instrument to the payee, as determined by the preferred financial instrument format defined in the record associated with the payee in the payee database 130. The encryption processor 136 is configured to digitally sign the electronic financial instrument with a digital signature derived from the payer's private encryption key. The encryption processor 136 is also configured to encrypt the digitally

signed electronic financial instrument with the payee's public encryption key, as stored in the payee database 130. It will be appreciated that the payment parser 134 and the encryption processor 136 need not be implemented as a memory object, but instead may be implemented in electronic hardware, if desired.

5

The endorsement processor 104 is configured to provide the deposit server 106 with an electronically endorsed version of the electronic or paper financial instrument received from the payer. Typically the endorsement processor 104 is provided on a single electronic communications device, such as a desktop or portable computer. As shown in
10 Fig. 3, the endorsement processor 104 comprises a scanner 138 for capturing MICR data and an electronic image of paper financial instruments, a document transceiver 140 for receiving electronic financial instruments over the communications network 108 and for transmitting to the deposit server 106 over the communications network 108 either electronically endorsed versions of the received electronic financial instruments or
15 electronic deposit instructions associated with the received paper financial instruments. In the latter case, the electronic deposit instructions typically include the same information as recorded on the paper financial instrument, such as the payee, the payment amount and the MICR data.

20 The endorsement processor 104 also includes a user interface 142 which allows the payee to electronically endorse the electronic financial instrument. If the payer has not provided an indication of the electronic document format, the user interface 142 allows the payee to specify the electronic document format for effecting the payment transaction. The user interface 142 also allows the payee to specify the requisite financial data (eg. account
25 information) and to specify at least one payment term. Typical payment terms include a specification of a time period during which payment may be effected, and an associated interest rate chargeable. Preferably, the user interface 142 allows the payee to specify a number of different payment terms.

The endorsement processor 104 also includes a central processing unit (CPU) 144 in communication with the scanner 138, the document transceiver 140 and the user interface 142, and a non-volatile memory storage device (DISC) 146, such as a magnetic disc, and a read/write memory (RAM) 148 both in communication with the CPU 144. The user
5 interface 142 comprises a data entry device 150, such as keyboard or voice recognition microphone port, and a display device 152, such as a CRT or LCD display.

The DISC 146 includes a payer database 154 and a remittance database 156. The payer database 154 includes payer records, each specifying the name of a payer, and the public
10 decryption key assigned to the payer. The remittance database 156 includes remittance records, each identifying the name of the payer associated with a financial instrument, a payment amount. In addition, if the payee is configured to receive paper financial instruments from the payer, preferably the remittance records also include the MICR data and the image of the paper financial instrument, as captured by the scanner 138.

15 The DISC 146 also includes instructions which, when loaded into the RAM 148, comprise processor instructions for the CPU 144. Preferably, the processor instructions comprise a memory object defining a payment option module 158, and a memory object defining an encryption processor 160. The payment option module 158 is configured to
20 provide the payee with a list of available electronic document formats, and to allow the payee to select one of the available formats through the user interface 142. Preferably, the list of available electronic document formats is transmitted to the payee along with the electronic financial instrument, however the list may instead be predefined. The encryption processor 160 is configured to decrypt the encrypted electronic financial
25 instrument received from the electronic payment processor 102. The encryption processor 160 is also configured to digitally sign the decrypted electronic financial instrument (or the electronic deposit instructions if a paper financial instrument was received) with a digital signature derived from the payee's private encryption key, and to encrypt the digitally signed instrument (ie. either the electronic financial instrument or the

electronic deposit instructions) with the deposit server's public encryption key. It will be appreciated that the payment option module 158 and the encryption processor 160 need not be implemented as a memory object, but instead may be implemented in electronic hardware, if desired.

5

The deposit server 106 is configured to validate the electronically endorsed instrument and, if the endorsement is valid, to provide the instrument translator 110 with the electronically endorsed instrument to effect payment. Preferably, the deposit server 106 is provided on a single electronic communications device, such as a desktop or portable
10 computer, which is physically located separate and secure from the electronic payment processor 102. However, in one variation, not shown, the deposit server 106 is located on the same computer as the electronic payment processor 102, but with the information stored in the deposit server 106 being secure from the electronic payment processor 102.

15 As shown in Fig. 4, the deposit server 106 comprises an endorsement receiver 162 for receiving the encrypted endorsed instrument from the payee, an endorsement transmitter 164 for providing the instrument translator 110 with a validation indication of the endorsed electronic financial instrument, a central processing unit (CPU) 166 in communication with the endorsement receiver 162 and the endorsement transmitter 164,
20 and a non-volatile memory storage device (DISC) 168, such as a magnetic disc, and a read/write memory (RAM) 170 both in communication with the CPU 166. Preferably, the endorsement transmitter 164 establishes a secure communications channel with the instrument translator 110 before providing the instrument translator 110 with a validation indication of the endorsed instrument.

25

The DISC 168 includes an account database 172 having records which store the specified electronic document format, deposit account information, and payment term data received from the payee. Preferably, the account information is stored in the account database 172 secure from access by third parties, including the payer. The DISC 168 also includes

instructions which, when loaded into the RAM 170, comprise processor instructions for the CPU 166. Preferably, the processor instructions comprise a memory object defining an encryption processor 174, and a correlation processor 176. The encryption processor 174 is configured to decrypt the encrypted endorsed instrument with the deposit server's
5 private encryption key.

The correlation processor 176 is configured to validate the endorsed instrument by comparing the transaction information specified on the electronic financial instrument (or the electronic deposit instructions) with the corresponding information stored in the
10 payment database 132 of the electronic payment processor 102, and by correlating the specified payee payment option(s) with the proposed payer payment option(s) included with the electronic financial instrument. As will be appreciated, if the payee received a paper financial instrument, the correlation processor 176 is configured to correlate the specified payee payment option(s) with the proposed payer payment option(s) stored in
15 the payment database 132 of the electronic payment processor 102.

The correlation processor 176 is also configured to provide the payee with remittance information identifying the payment transaction which the payee stores in the remittance database 156. Optionally, the correlation processor 176 may also provide the payer with
20 similar remittance information. As will be appreciated, the remittance information allows the payee, and optionally the payer, to reconcile the transaction respectively against accounts receivable and accounts payable. As above, the encryption processor 174 and the correlation processor 176 need not be implemented as a memory object, but instead may be implemented in electronic hardware, if desired.

25 The instrument translator 110 is in communication with the deposit server 106 to provide the financial institution associated with the payer a translation of the endorsed electronic instrument, with the translation being determined in accordance with the selected electronic document format.

The method of operation of the electronic cheque processing system 100 will now be described with reference to Fig. 5. In order to effect a payment to a payee, at step 200 the payer defines an electronic financial instrument with the user interface 118 of the electronic payment processor 102. Typically, the electronic financial instrument
5 identifies the payee, the payment amount, and provides an indication of proposed terms for payment. Optionally, the payer also specifies an electronic document format for effecting the financial transaction. Preferably, the electronic financial instrument is defined using Financial Services Markup Language (FSML) or Extensible Markup
10 Language (XML), as these languages allow the electronic financial instrument to include additional information not easily included using conventional electronic document formats. The payment information is recorded in the payment database 132, at step 202.

At step 204, the document parser 134 queries the payee database 130 to determine whether the payee is listed as being enabled to receive electronic financial instruments. If
15 the payee is not so listed in the payee database 130, at step 206 the document parser 134 sends a print string to a printer for printing of a paper financial instrument. The process then continues at step 216.

If the payee is listed in the payee database 130 as being enabled to receive electronic
20 financial instruments, at step 208 the encryption processor 136 digitally signs the electronic financial instrument with the payer's private encryption key. The encryption processor 136 then queries the payee database 130 for the e-mail address and the public encryption key of the payee at step 210, and then encrypts the digitally signed electronic financial instrument with the payee's public encryption key. The document transmitter
25 116 then transmits the encrypted instrument to the payee over the communications network 108, at step 212, using the e-mail address obtained from the payee database 130.

Upon receipt of the encrypted instrument by the payee, at step 214 the encryption processor 160 of the payee endorsement processor 104 decrypts the encrypted instrument

using the private encryption key of the payee, and validates the authenticity of the electronic instrument using the public encryption key of the payer, as stored in the payer database 154. Using the user interface 142, at step 216 the payee enters the payee's preferred payment options and, optionally selects one of the electronic document formats
5 (from a menu produced by the payment option module 158) for effecting the financial transaction, if no electronic document format was previously specified. At step 216, the payee also enters the payee's account information using the user interface 142. The specified information is added to the electronic financial instrument by the payment option module 158. At step 218, the encryption processor 160 then digitally signs the
10 electronic instrument using the payee's private encryption key, and then encrypts the endorsed electronic instrument with the deposit server's public encryption key. The document transceiver 140 then transmits the encrypted endorsed instrument to the deposit server 106 over the communications network 108, at step 220.

15 Upon receipt of the encrypted endorsed instrument by the deposit server 106, at step 222 the encryption processor 174 of the deposit server 106 decrypts the encrypted endorsed instrument using the deposit server's private encryption key, and then validates the authenticity of the electronic instrument using the public encryption key of the payee. At step 224, the correlation processor 176 queries the payment database 132 of the electronic
20 payment processor 102 with the transaction information specified on the electronic financial instrument (or the electronic deposit instructions). If no matching entry is located in the payment database 132, or the entry indicates that the payment has already been made, the process is terminated at step 226. However, if a matching entry is located in the payment database 132, at step 228 the correlation processor 176 attempts to
25 correlate the specified payee payment option(s) with the proposed payer payment option(s).

If the payer payment option(s) cannot be correlated with one of the proposed payer payment options, the parties in essence have failed to reach a suitable solution to the

payment and, therefore, at step 230, the correlation processor 176 notifies both the payer and the payee of the correlation failure. On the other hand, if the payer payment option(s) can be correlated with one of the proposed payer payment options, at step 232 the correlation processor 176 provides the payee (and optionally the payer) with remittance
5 information identifying the payment transaction.

At step 234, the correlation processor 176 transmits the authenticated financial instrument to the instrument translator 110, and the instrument translator 110 translates the financial instrument into the specified electronic document format. The instrument translator 110
10 then effects payment between the payer's and the payee's respective financial institutions, at step 236.

The present invention is defined by the claims appended hereto, with the foregoing description being illustrative of the preferred embodiment of the invention. Those of
15 ordinary skill may envisage certain additions, deletions and/or modifications to the described embodiment which, although not explicitly suggested herein, do not depart from the spirit or scope of the invention, as defined by the appended claims. As employed in the following claims, the words "comprising" and "comprises" are not intended to be synonymous respectively with the words "consisting" and "consists", and
20 should not be used to interpret the claims in a restrictive sense. Instead, the words "comprising" and "comprises" should be used to interpret the claims expansively.

WE CLAIM:

1. A method for effecting electronic payment, comprising the steps of:
providing a payee with an electronic financial instrument for effecting a payment transaction between a payer and the payee;
providing an endorsement of the electronic financial instrument, the endorsement including an acceptance of a payment term;
translating the endorsed electronic financial instrument in accordance with electronic document formats implemented by the payer and the payee for effecting the payment transaction;
and
with the translated instrument initiating a funds transfer between the payer and the payee in accordance with the payment terms.
2. The method according to claim 1, wherein the step of providing an endorsement comprises the steps of receiving from the payee at least one payee payment option, and validating the endorsement in accordance with a correlation of at least one payer payment option with the at least one payee payment option.
3. The method according to claim 2, wherein the step of providing an endorsement further comprises the steps of receiving from the payee financial data associated with the payee, and maintaining the received financial data secure from the payer.
4. The method according to claim 2, wherein the step of providing an electronic financial instrument comprises the steps of recording the payment transaction in a payment database, and transmitting the electronic financial instrument to the payee, and the endorsement validation step comprises the steps of comparing the endorsed electronic financial instrument with the recorded payment transaction, and transmitting the determined endorsement in accordance with the comparison.

5. The method according to claim 2, wherein the step of initiating funds transfer comprises the steps of transmitting the correlated payment option to a financial institution associated with the payer, and providing the payee with remittance information identifying the payment transaction.
6. The method according to claim 1, wherein the step of translating the endorsed financial instrument comprises the steps of providing the payee with a plurality of predefined ones of the document formats, and receiving from the payee an indication of a selected one of the predefined document formats.
7. An electronic cheque processing system comprising:
 - an electronic payment processor for providing an electronic financial instrument to a payee over a communications network for effecting a payment transaction between a payer and the payee;
 - a deposit server coupled to the communications network for validating an electronic endorsement of the financial instrument; and
 - an instrument translator in communication with the deposit server for providing a financial institution associated with the payer a translation of the endorsed financial instrument, translated in accordance with electronic document formats implemented by the payer and the payee.
8. The cheque processing system according to claim 7, wherein the deposit server comprises an endorsement receiver for receiving at least one payee payment option from the payee, and a correlation processor coupled to the endorsement receiver for validating the endorsement in accordance with a correlation of at least one payer payment option with the at least one payee payment option.
9. The cheque processing system according to claim 8, wherein the endorsement receiver is configured to receive financial data associated with the payee, and the deposit server further

includes an account database in communication with the endorsement receiver for storing the received financial data secure from the payer.

10. The cheque processing system according to claim 8, wherein the payment processor comprises a payment database for recording the payment transaction, and the correlation processor is configured to determine the correlation in accordance with the recorded payment transaction and the electronic financial instrument.

11. The cheque processing system according to claim 8, wherein the correlation processor is configured to provide the payee with remittance information identifying the payment transaction.

12. The cheque processing system according to claim 7, wherein the deposit server is configured to receive from the payee an indication of a selected one of the electronic document formats.

13. The cheque processing system according to claim 7, wherein the payment processor comprises a user interface for defining the electronic financial instrument, a payee database including payee records, one of the payee records identifying the payee and an associated preferred financial instrument format, and a payment parser coupled to the user interface and the payee database for providing the payee with a paper cheque as determined by the preferred financial instrument format.

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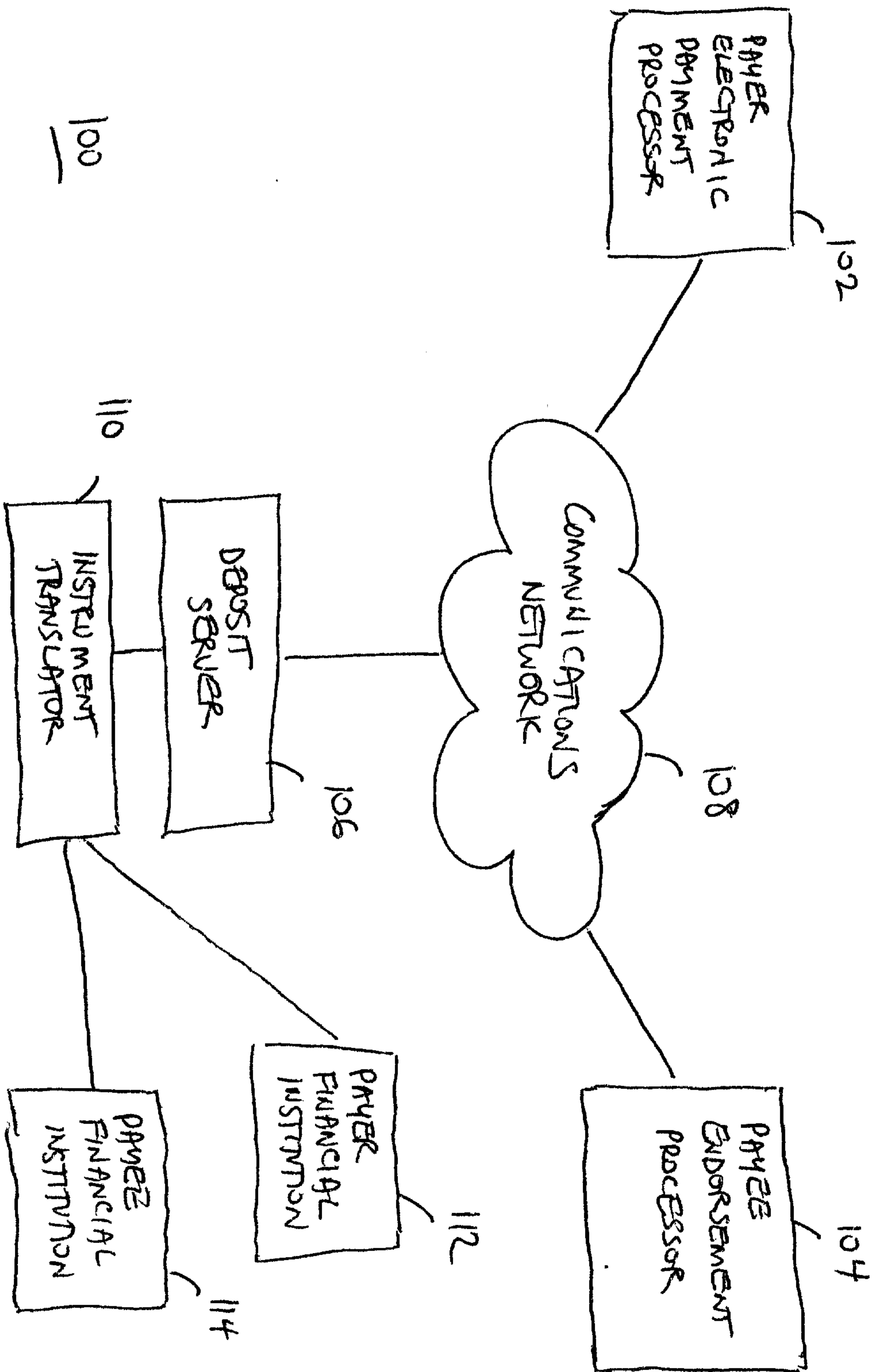


FIG. 1

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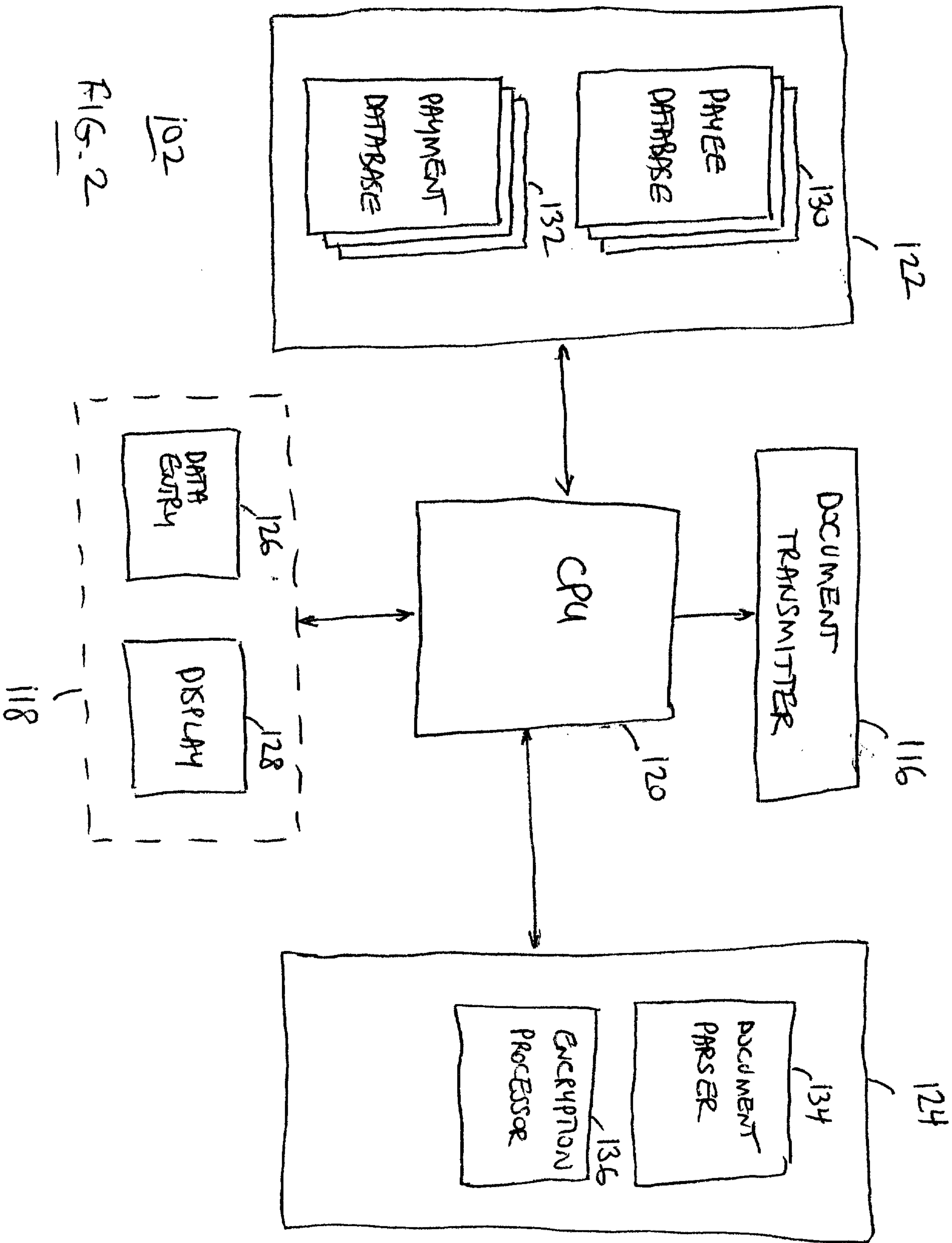


FIG. 2

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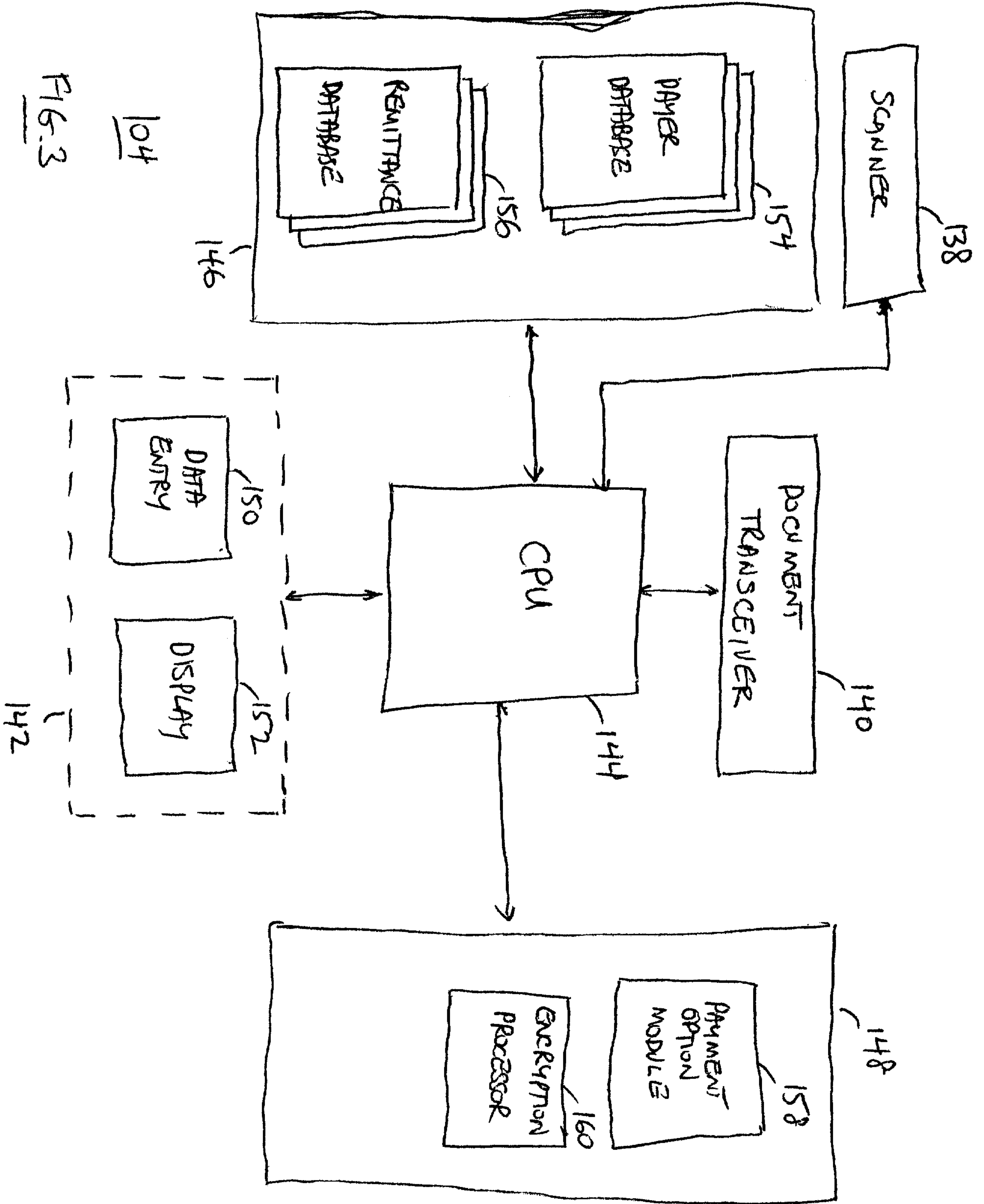
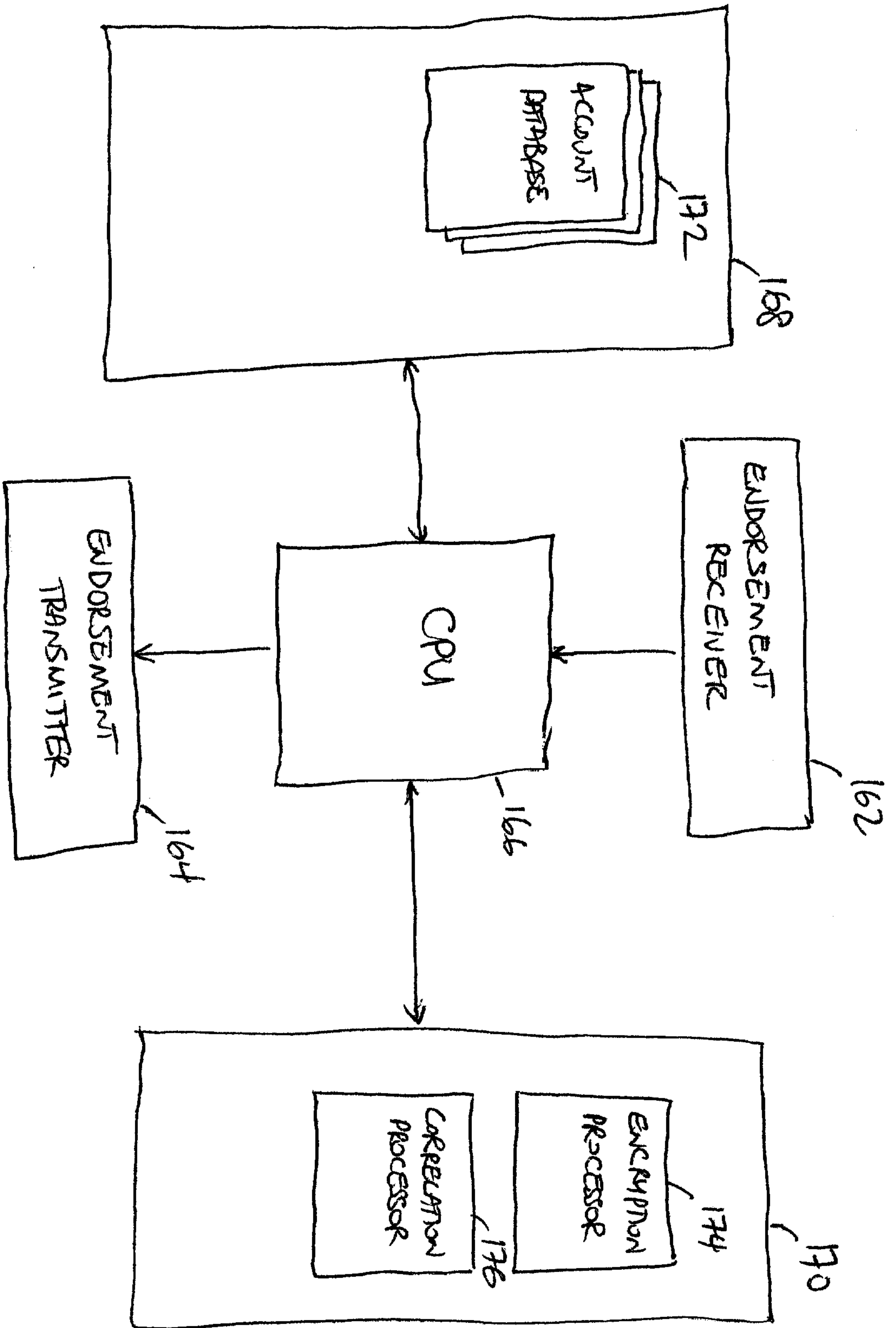


FIG. 3

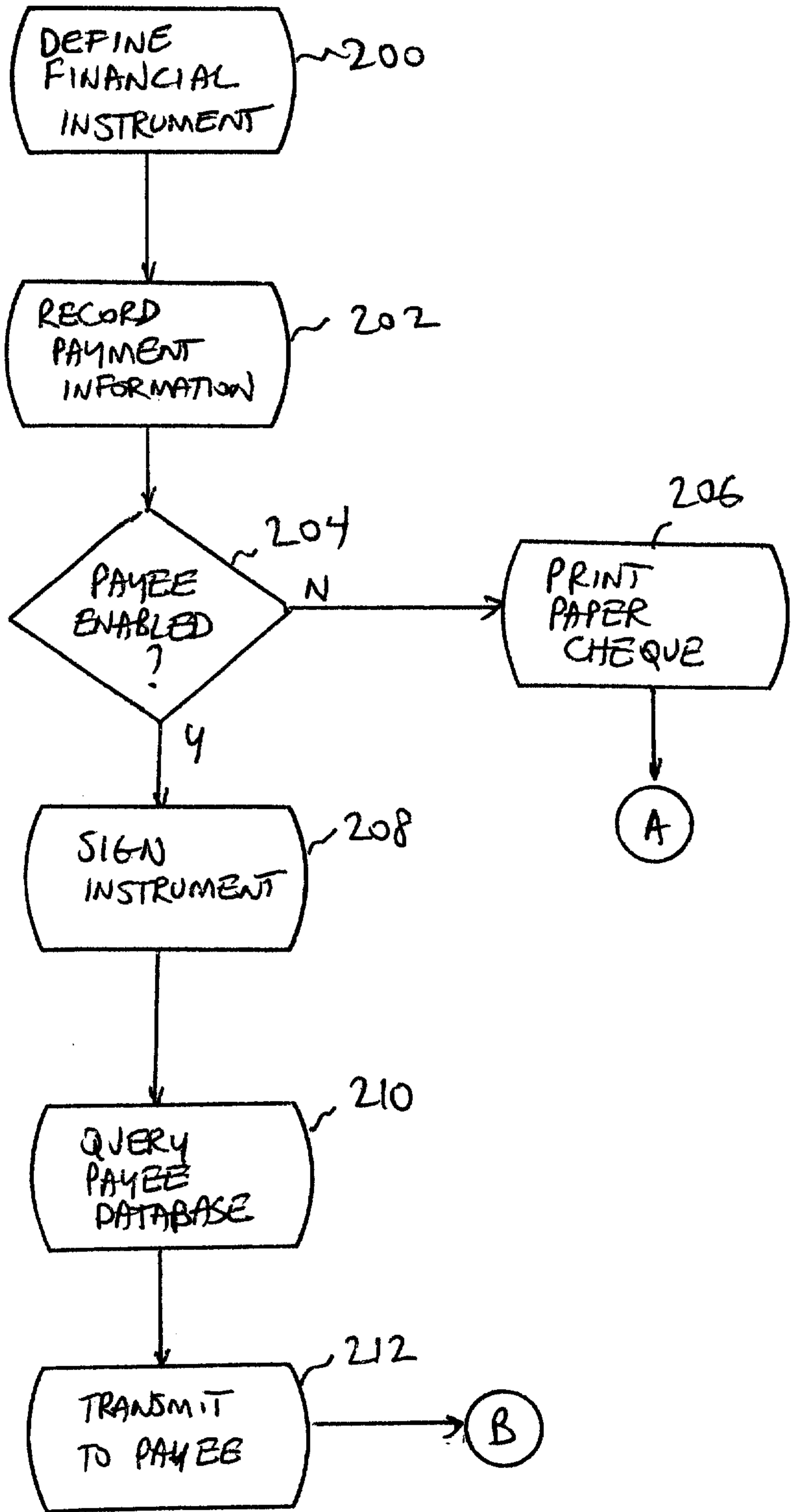
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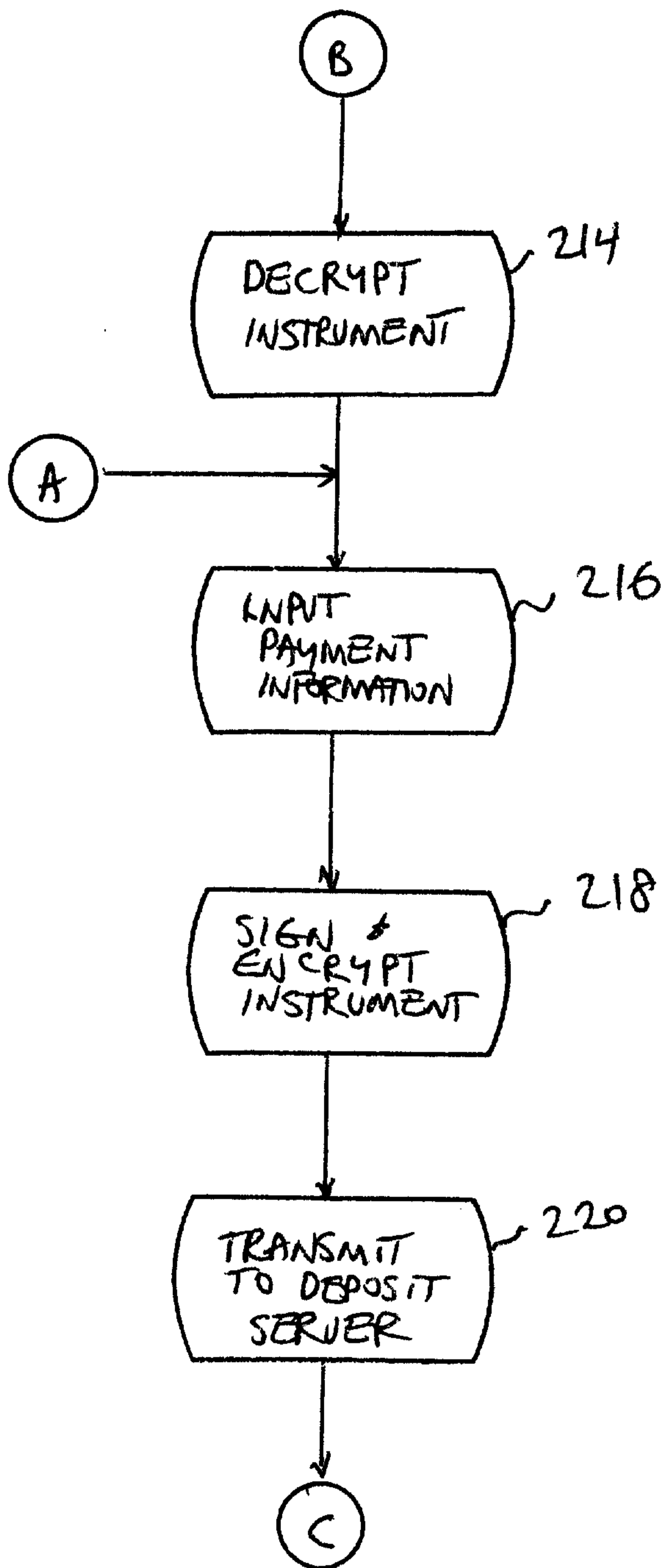
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FIG. 4

5/7 ~~4/7~~



6/7 ~~2/18~~



7/7 ~~8/8~~

