

## Cheque Collection Policy

As per the revised guidelines of Reserve Bank of India, ABN AMRO Bank (AAB) has formulated a Cheque Collection Policy, which covers Local, Outstation and foreign currency cheques.

The details of the policy are as follows:

<u>Deposit Location</u>	<u>Payable Location</u>	<u>Credit Arrangement</u>
Any AAB Branch	Same AAB Branch as the deposit location  Cut off time for receipt of cheques (local clearing) for the next clearing cycle: - for HV cheques : 1030 hrs (where applicable) - for NHV cheques : 1530 hrs	For HV cheques (wherever applicable) credit will be given with same day value For NHV cheques, credit will be given with next working day value (The above is subject to local clearing house arrangements for clear funds)
Any AAB Branch	All locations (different from the deposit location) where ABN AMRO has a branch, as per Annexure I (21 locations)	Within 7 working days
Any AAB Branch	All State Capital & metro locations (different from the deposit location) where AAB has a representative presence and a Correspondent Banking arrangement (102 locations) as per Annexure II	Within 10 working days
Any AAB Branch	All other locations other than those mentioned above	Within 14 working days

Note 1: All Outstation cheques received at the AAB branch by 1500 hrs, shall be dispatched within 24 hours to the clearing location / correspondent bank

Note 2: All the above arrangements are subject to clearing arrangements for clear funds for each of the locations where the cheques are payable

Note 3: The above arrangements are not applicable for clients availing Cash Management facilities of the Bank.

### **Foreign Currency Cheques\***

<b>CURRENCY</b>	<b>COOLING OFF PERIOD (Indian Calendar Days from the date of receipt)</b>
USD – Payable at New York	15 Days
USD – Payable outside New York	21 Days
GBP	15 Days
AUD	10 Days
SGD	5 Days
EUR	15 Days

*\*Note: The conversion rate applicable would be the applicable card rate/rate provided by treasury as on the date of credit to the customer account*

### **Immediate Credit**

AAB has a policy of providing immediate credit to its corporate customers on the basis of certain relationship parameters and credit approvals. Corporate customers may approach their Relationship Managers for the same.

### **Intimation to client**

AAB will intimate its clients if the cheque has not been realised within the above credit arrangement.

### **Interest on Delayed Credit**

AAB shall pay to its customers, interest on delayed credit (for outstation INR cheques only) beyond the time frames mentioned above. This interest will be paid only if the delay in realisation of the cheque is on account of AAB. Interest shall be paid by AAB @ the applicable Fixed Deposit rate for the period of delay beyond the time frames mentioned above.

The above is subject to the following:

- Timely receipt of instruments at the processing hubs (which is dependent on external agencies)
- All days considered for calculations are working days only
- Force Majeure situations
- Reasons and situations beyond control of the bank
- RBI / Clearing house delays / cases of strikes, lockout etc

### **Cheques payable in foreign countries.**

Cheques payable at foreign centres where AAB has a correspondent banking arrangements (either with AAB groups entities operating in such countries or other bank) will be collected through the existing arrangements.

The average realization time for foreign currency cheques is within 30 working days from the time the cheque is received at the centralised processing centre of AAB.

Cheques drawn on foreign banks at centres where the bank or its correspondent do not have a direct presence will be sent directly to the drawee bank. For collection & remittance of proceeds either vide a locally payable INR draft or vide credit to the Nostro Account of AAB maintained with one of the correspondent banks.

Wherever the funds are received in the Nostro –credit shall rest till the end of the cooling of period (as specified above) post, which a value date credit shall be extended to the customer's a/c.

Wherever the funds are collected against a locally payable draft received from the overseas drawee bank – the cheque will be processed as per local clearing/ collection arrangements and credit shall be released to customer accordingly.

AAB reserves the right to debit the customers account for the value of any Foreign currency cheque/s sent through AAB for collection, in the event of the cheque being returned unpaid (for any reason whatsoever) by the drawee bank at a later date after crediting the customers account. As per the existing US regulations the return liability would last for 1 year for altered cheque and 3 years for forgeries. The conversion rate used is the rate prevalent on the day of credit to the customers account.