



AEBC Cheque Collection Policy

Table of Contents

1.0	OVERVIEW AND PURPOSE	2
2.0	POLICY SCOPE.....	2
3.0	POLICY REQUIREMENTS	2-4



American Express Banking Corp. Policy

1.0 OVERVIEW AND PURPOSE

This document governs the customer cheque collection policy and criteria established by AEBC to control and manage the credit of payments to the card member's accounts in a timely manner upon the receipt of the cheque payment. The policy and criteria shall apply to the following areas for all Bank products:

- Time frame for collection and credit of cheque (Local and Outstation both)
- Dishonored Cheques
- Non-CTS-2010 standard instruments
- Cheque lost in transit

2.0 POLICY SCOPE

This Policy shall apply to the cheque collection process and application of credit to customer account.

In the event of any conflict between the Policy and the regulatory requirements applicable to AEBC, the latter shall take precedence.

3.0 POLICY REQUIREMENTS

- Time frame for collection and credit of cheque (Local and Outstation both)
- Dishonored Cheques
- Non-CTS-2010 standard instruments
- Cheque lost in transit

Time frame for collection and credit of cheque (Local and Outstation both)

Mode of Clearing	Amount	Time Frame
Local * Subject to clearing house presentation of outward clearing.	Any amount	4/6 working days >> Credit limit would be refreshed upon realization of cheque effective November 1, 2021. Above time frame is not applicable for any discrepant cheques e.g. account number not available, title differs etc. In case of Bank Holiday, the above mentioned time frame may be extended by another 2 days. **(drop boxes are cleared on a daily basis and latest by 4 pm, the collected cheques are deposited at the processing center of SCB)



American Express Banking Corp. Policy

Cheques presented in Metro and other locations where American Express Banking Corporation ('AMEX') Partner Bank is having their branches but drawee bank/Branch not available/ participating in local clearing/CTS Grid clearing. Such cheques to be sent directly to respective AMEX's Partner Bank locations for presentation under local clearing/CTS Grid Clearing	Any Amount	10 working days
Cheques payable at any other locations	Any Amount	12 working days
Cheques payable at all other Centers.	Any Amount	16 working days

OUTSTATION CHEQUES

Cheques presented in Metros and other locations where SCB is having their branches but drawee bank/Branch not available/ participating in local clearing/CTS Grid clearing. Such cheques to be sent directly to respective SCB locations for presentation under local clearing/CTS Grid Clearing.	10-12 working days.
Cheques payable at other locations	10-12 working days
Cheques payable at all other Centers.	14- 15 working days

Dishonored Cheques

- Instruments which have been issued in favor of AEBC to make payment of card dues but dishonored due to insufficient fund, can be held back by Banks to file Sec 138 proceedings as we are the payee/beneficiary.
- Instruments which have been issued in favor of AEBC to make payment of card dues but dishonored due to non-derogatory reasons, can be held back as Amex are the payee/beneficiary.

Non-CTS-2010 standard instruments

RBI vide its directive DPSS(Che)/569/01.02.003/201718 dated 21 June, 2018 has reduced the frequency of the clearing sessions of cheques that are not compliant to CTS-2010 standards. A separate clearing session for clearing of noncompliant cheques has been discontinued from 31 December, 2018. Therefore, payments to your



American Express Banking Corp. Policy

card accounts may get impacted which may result into levying of late payment fee / Interest charges. We encourage customers to make payments via CTS (cheque truncation system) compliant cheques to ensure timely processing of payments. Currently American Express does not accept any such cheques from our customers. In case of receipt of any such instruments, they are considered as Non Presentable quality cheque. (This is referred to in AMEX MITC)

Cheque lost in transit

In the event a cheque or an instrument accepted for collection is lost in transit or in the clearing process or at the paying bank's branch, the AMEX shall immediately on coming to know of the loss, bring the same to the notice of the cardmember so that the cardmember can inform the drawer to record stop payment and also take care of the Cheques.

In line with the compensation policy of AMEX, cardmember will be compensated in terms of reversing the corresponding late payment fee and finance charges for the delayed credit resulting from lost cheque.

In line with the compensation policy of the AMEX, cardmember will be compensated in terms of reversing the corresponding late payment fee and finance charges for any delayed collection.

Link of compensation policy

<https://www.americanexpress.com/content/dam/amex/en-in/benefits/CustomerCompensationPolicyWebsiteVersion.pdf>

Force Majeure

AMEX shall not be liable to compensate customers for delayed credit if some unforeseen event (including but not limited to civil commotion, sabotage, lockout, strike or other labour disturbances, accident fires, natural disasters or other 'Acts of God', war, damage to the AMEX facilities or of its correspondent bank(s), absence of the usual means of communication or all types of transportation, etc. beyond the control of the AMEX prevents it from performing its obligations within the specified service delivery parameters