

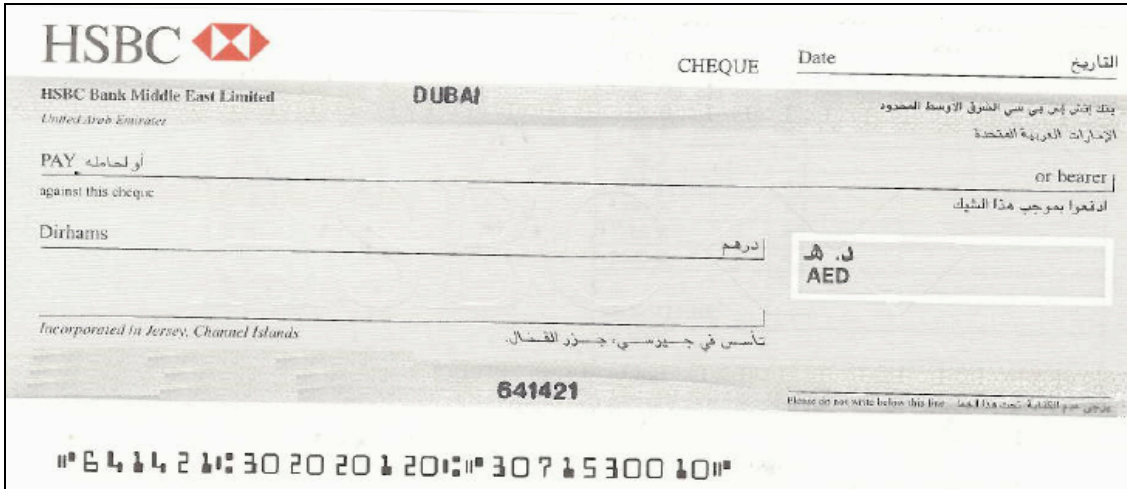
## Implementation of Cheque Security Features Personal and Corporate Customers

### Frequently Asked Questions (FAQs)

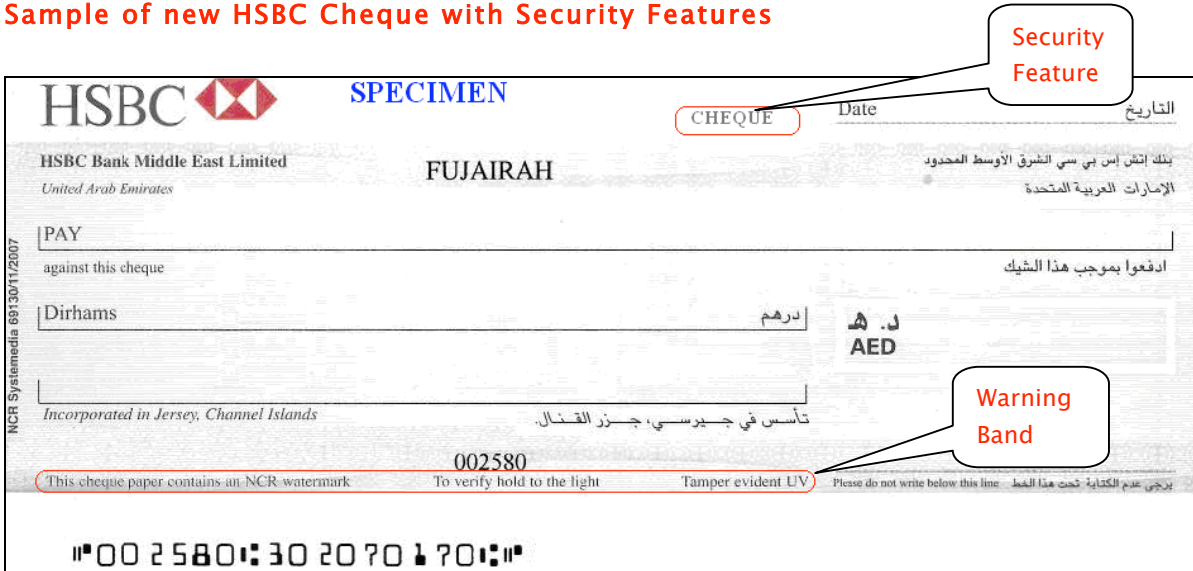
1. What are Cheque Security Features?
  - UAE Central Bank has specified that all cheques issued by Banks in UAE must contain a minimum set of security features which are designed to allow presenting banks to better verify the authenticity of the cheque.
  - Some of these security features are meant to be visibly identifiable on cheques, others are designed to be technologically identifiable. Details of key security features that are visibly identifiable on cheques are indicated in the “Warning Band” on the cheque.
  
2. Why has UAE Central Bank mandated the inclusion of cheque security features?
  - With the introduction of Image based Clearing, cheques are being cleared based on Images of cheques.
  - It is therefore important that cheques issued by banks have the required minimum security features that will help the collecting bank to validate the authenticity of a cheque before accepting it as a deposit and presenting it through ICCS (Image Based Cheque Clearing System).
  - The security features are mainly aimed at reducing the possibility of producing fraudulent cheques.
  
3. Has HSBC started issuing cheque books and Cashier’s Order with the required security features?
  - HSBC cheque books for Personal and Corporate customers with security features were approved by UAE Central Bank and all new cheque books issued by the bank are with the required security features.
  - Cashiers Orders with new security features are being used by our processing centres and Branches effective end November 09.
  
4. How can I know the difference between a cheque with or without the security features?

Samples of Cheque leaf with easily identifiable visible security features are attached. The security feature area and text are encircled in RED.

## Sample of normal HSBC Cheque without Security Features



## Sample of new HSBC Cheque with Security Features



5. Do the security feature requirements also apply to specially printed cheques used by corporate customers?

Yes, all AED cheque books issued by Banks including specially printed cheque books must comply with the standard security features requirements.

6. What is the final date for accepting cheques without security features?

All new cheques issued by you must carry the mandated security features from immediate effect.

Please ensure that all new cheques collected by you post **31<sup>st</sup> March 2010** carry the mandated security features.

You may have collected cheques without these security features before 31 March 2010. If this is the case, please note that the Central Bank will accept such deposits until 31 December 2010. After this date you will be required to sign an undertaking to HSBC confirming that items dated on or after 1 January 2011 were collected prior to 31 March 2010. The undertaking form will be available at all HSBC branches.

With effect from 01 March 2010, HSBC will only accept cheques as security for new finance agreements (excluding Discounting and Factoring) if they carry the new security features.

7 Do I need to apply for a new Cheque Book?

- Personal Banking: If you are not already holding a cheque book with the new security features then you need to apply using the normal banking channels.
- Corporate Banking – If you already hold specially printed cheque books (e.g. with company logo) you will need to arrange for new ones with the security features. Specially printed cheque books require to be printed by HSBC approved vendor. These cheque books can be ordered via your Relationship Manager.

8 How can I request for a new cheque book?

If your cheque books do not contain the indicated "Warning Band", please raise a new cheque book request preferably using Internet Banking channel at the earliest. To order your new cheque book on-line, follow the instructions below:

**Internet Banking**

- a. Log on to Internet Banking
- b. Click on 'Services' on left hand navigation pane
- c. Click on 'Order cheque book'
- d. Verify the account and click on 'Submit'

**Phone Banking**

You can place your new cheque book request via Phone banking –

Personal Banking: **600 55 4722 (24\*7\*365)**

Corporate Banking: **600 540 004 (Available from 8 a.m. to 8 p.m. daily, except Fridays & Public Holidays)**

**ATM**

You can also place your cheque book through any of the HSBC ATM's. To find an ATM located near you, please visit [www.hsbc.ae](http://www.hsbc.ae)

9. What should I do with the old cheque book once I receive the new one?

- Once you receive the new cheque book, you should destroy (preferably shred) the old cheque book to avoid it being misused.