

Electronic Cheque (e-Cheque)

E-Brochure

e-Cheque service

e-Cheque – The smart new way to pay !

What is e-Cheque?

e-Cheque is an electronic counterpart of paper cheque. It turns the cheque writing and deposit processes totally online. Paying with e-Cheques will be an entirely paperless experience.

Key features

- It is in PDF format. It has similar layout of a paper cheque with the display of a standardized e-Cheque logo on the face of e-Cheque
- It has the same legal status as paper cheque
- It is not negotiable nor transferable
- It must be addressed to a payee and deposited to the payee's bank account only
- It can be used to make Hong Kong Dollar, US Dollar and Renminbi payments

Benefits

- It can be issued anytime anywhere
- It removes the need for physical delivery and deposit
- It carries enhanced security features
- It removes the need of physical cheque book. The e-Cheque book is kept by the paying bank

- It is environmentally friendly

How secure is e-Cheque?

- The payer is required to pass through Two Factor Authentication (2FA) before issuing an e-Cheque
- The e-Cheque issuance record kept by the paying bank provides an additional channel for the bank to verify the e-Cheques
- Adoption of Public Key Infrastructure (PKI) technology in the digital signature of e-Cheque prevents e-Cheque tampering
- Centralized presentment checking mechanism avoids multiple deposits of e-Cheques
- The payer may consider encrypting an e-Cheque before delivery to further improve security

How to issue e-Cheque

Before issuance of e-Cheque

- Sign up for the e-Cheque service through your Internet banking account and apply for a digital certificate for the purpose of e-Cheque signing*
- Obtain the payee's agreement and the latest email address for receiving e-Cheques

* Some paying banks may offer to apply, renew and keep custody of the digital certificate on behalf of the payers. The application and renewal can be completed online in a short period of time.

Issuance of e-Cheque

Step 1 – Log onto your Internet banking account

Step 2 – Select e-Cheque Issuance service

Step 3 – Input the payee name, cheque date and cheque amount in figures

Step 4 – The bank will generate the e-Cheque with the digital signature based on the payer's given instruction[^]

Step 5 – Download and send the e-Cheque to the payee through electronic means (e.g. by email)

[^] Some paying banks may send a SMS notification to the registered mobile number of the payer after an e-Cheque is issued.

How to deposit e-Cheque

Before deposit of e-Cheque

- Sign up for the e-Cheque deposit service through your Internet banking(if any)[@] and/or the e-Cheque Drop Box service provided by Hong Kong Interbank Clearing Limited (HKICL)[#]
- The e-Cheque Drop Box can be accessed through its website <http://www.echeque.hkicl.com.hk> or mobile application

[@] Please enquire your bank for details.

[#] HKICL is the clearing house for processing interbank clearing and settlement in Hong Kong. It is a company equally owned by the Hong Kong Monetary Authority and the Hong Kong Association of Banks.

Deposit of e-Cheque through your bank⁺

Step 1 – Log onto your Internet banking account

Step 2 – Select e-Cheque Deposit service

Step 3 – Choose the deposit account and upload the e-Cheques that you have received

⁺ The deposit procedures of different banks may vary.

Deposit of e-Cheque through the e-Cheque Drop Box service

Step 1 – Log onto the e-Cheque Drop Box service through its website

<http://www.echeque.hkicl.com.hk> or mobile application*

Step 2 – Register the bank and bank account number for the e-Cheque deposit (in case it is not registered before)

Step 3 – Upload the e-Cheque(s)

Step 4 – Select from the pull down list for the bank and bank account number for the e-Cheque deposit

Step 5 – Assuming that the bank-in information is correct, click “Proceed” button followed by “Confirm” button to complete the e-Cheque deposit

Step 6 – A notification email will be sent to the user’s registered email address. The user can also enquire the e-Cheque status through the “Presentment Enquiry” function of the e-Cheque Drop Box service

* A one-off user account registration is necessary before the user can use the service.

Smart tips to use e-Cheque

Dos

- Obtain the payee’s agreement and the latest email address for receiving e-Cheques
- Ensure that the e-Cheque information has been correctly filled in before issuance
- Use a secured electronic channel for the delivery of e-Cheques or encrypt the e-Cheques before delivery if necessary
- Remove the e-Cheques from the computer and/or smart phone after the issuance and/or deposit (where applicable) unless record-keeping is necessary

Don’ts

- Don't input any personal data (e.g. HK Identity Card number, Telephone number etc) other than the payee name when issuing e-Cheques
- Don't scan an image of paper cheque and treat it as an e-Cheque
- Don't print out the e-Cheques for deposit at bank branches
- Don't deposit an e-Cheque more than once
- Don't offer any credit facility to the payee based on an e-Cheque as collateral

FAQs

Q1. Can I still issue paper cheques once I have signed up for the e-Cheque service?

A1. Yes, banks will continue to offer paper cheque as a basic banking service.

Q2. Do I need to bear any costs in relation to the issuance and deposit of e-Cheques through the Internet banking (including the costs for the digital certificate for the purpose of e-Cheque signing)?

A2. Whether to charge a bank customer or not is subject to the individual banks' commercial decision. Nonetheless, based on our understanding, most if not all banks have prepared to offer e-Cheque service to their retail banking customers free of charge.

Q3. Do I need to bear any costs for the usage of the e-Cheque Drop Box service?

A3. No, it is completely free of charge.

Q4. Can I issue bearer cheque or cash cheque for e-Cheques?

A4. No, an e-Cheque must be addressed to a payee and deposited to the payee's bank account. Besides, it cannot be exchanged for cash over the bank counter.

Q5. Can I issue e-Cheques to pay the Government bills?

A5. The public can pay the General Demand Notes and tax bills and demand notes issued by the Inland Revenue Department by e-Cheques in the initial phase. It will be gradually

expanded to cover the bills issued by the other Government departments.

Q6. What should I do if I do not know how to deposit an e-Cheque?

A6. You can ask other trusted persons (e.g. family members) to deposit e-Cheques on your behalf through the e-Cheque Drop Box service, or refer to the information on the HKICL website, or approach your bank for assistance if necessary.

Q7. What is the cut-off time for e-Cheque deposit?

A7. The cut-off time for e-Cheque deposit through the e-Cheque Drop Box service is 5:30p.m. of each business day for same day clearing. For e-Cheque deposit through the Internet banking, you should refer to the cut-off time specified by individual banks.

Q8. Can I decline to receive e-Cheques?

A8. Yes, you can ask the payer to use other payment instruments (e.g. paper cheque) if you do not prefer to receive e-Cheques.

Further Information

Please contact your bank directly for details relating to the bank service and/or the e-Cheque Drop Box service.

Please visit the HKMA website (www.hkma.gov.hk) for the publicity materials of e-Cheque.
