

## **e-Cheque (Interactive Animated demonstration)**

Understanding e-Cheque

e-Cheque Demo

Quiz

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### **Stage 1: Understanding e-Cheque**

1. What is e-Cheque?

e-Cheque is a crossed cheque that can be signed, issued, delivered and presented online. It has the same legal status as paper cheque.

The differences between Paper Cheque and e-Cheque:

Paper Cheque  
e-Cheque

Cheque Book:  
Physical  
Virtual

Signature:  
Hand-written signature  
Digital signature

Delivery means:  
Deliver by hand or by post  
Deliver through electronic means

Deposit Channel:  
Bank branches  
Internal banking platform or e-Cheque Drop Box

e-Cheque is an electronic counterpart of a paper cheque and is a Portable Document Format (PDF) document. It shows all essential information such as cheque date, payee's name and cheque amount, etc.

<<Sample of an e-Cheque>>

Not negotiable. Account payee only

Payer can input English or Chinese characters in the Payee name's field

Backdated cheque is not supported. However, post-dated cheques may be offered by some banks.

Payer only needs to input the cheque amount in number, and the bank will automatically generate the cheque amount in words.

It carries payer's and paying bank's digital signatures.

## 2. Who can use e-Cheque ?

Individuals

Joint Account Holders

Corporate Customers

Person to Person

Person to Business

Business to Person

Business to Business

## 3. How to sign, issue and deposit e-Cheque?

James would like to make a payment to Harry by e-Cheque. What should he do?

James creates an e-Cheque through his Internet banking account. Based on James' instructions, his bank generates an e-Cheque with James' and the bank's digital signatures. Then, he can send the e-Cheque together with other electronic documents to Harry via electronic means.

Choose 1. e-Cheque Drop Box or 2. Internet banking platform (if bank provides the e-Cheque deposit service)

When Harry receives James' email with e-Cheque attachment, he can choose to deposit it through the Internet banking platform or HKICL's e-Cheque Drop Box.

Harry uploads the e-Cheque and inputs his bank account number for e-Cheque deposit.

The e-Cheque will go through normal clearing and settlement process.

## 4. What types of currencies do e-Cheques support?

e-Cheques can be used to make Hong Kong dollar, US dollar and Renminbi payments

## 5. How secure is e-Cheque?

### 2-Factor Authentication (2FA)

2-Factor Authentication (2FA) is required for issuing e-Cheque. It means an extra layer of security that requires not only the Internet banking password, but also a one-time password that is generated by the bank and is made known to the user (e.g. through sms notification or generated by the security token)

### Public Key Infrastructure (PKI) technology

Public Key Infrastructure (PKI) technology – Any attempt to tamper e-Cheque will render the digital signature invalid and e-Cheque not presentable

Virtual cheque book and e-Cheque issuance records are kept by paying bank

### Centralized presentment checking

Any e-Cheque that has been deposited more than once will be rejected.

## 6. What are the benefits of e-Cheque?

Anytime

Anywhere

### Other benefits

- Remove the need for physical delivery and deposit
- Protect the environment through reduction of paper usage
- Carry enhanced security features

## 7. Smart tips to use e-Cheque

### Dos

- Obtain the payee's consent and latest email address for receiving e-Cheque
- Use a secured delivery channel or encrypt an e-Cheque before delivery if necessary
- Ensure that the e-Cheque information has been correctly filled in before the issuance

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

8. When is e-Cheque service available?

e-Cheque service will be rolled out on 7<sup>th</sup> December 2015

### **Stage 2: e-Cheque Demo**

#### **Stage 2: e-Cheque Demo - Issuance**

e-Cheque Demo

Start

<<e-Cheque English version >>

#### **Step 1:**

- Please input English or Chinese characters in the Payee name's field: "Harry"
- Please input the cheque date: "07/12/2015"
- Please input cheque amount in numbers "1000"

- The cheque amount in words will be automatically generated.
- (Optional) Please insert payment purpose in the remarks field.
- Paying bank will generate the digital signature for the payer.

### **Step 2:**

#### **Stage 2: e-Cheque Demo - Delivery**

- You may then download the e-Cheque and send the e-Cheque to the payee through electronic means (e.g. by email)

### **Step 3:**

#### **Stage 3:e-Cheque Demo - Deposit**

- When payee receives the email with e-Cheque attachment, he/she can deposit the e-Cheque through Internet banking platform or deposit through the website/mobile application of the e-Cheque Drop Box

<<e-Cheque Drop Box website version>>

- Please logon: “demo@123.com” “000000”
- Note: The e-Cheque presentment cut-off time is 5:30pm Monday to Firday (except public holidays)
- Choose the Deposit Account. You can also deposit an e-Cheque for a third party e.g. your parents
- Locate the e-Cheque (s) in your computer through the browse function [BROWSE...] and then click the button [UPLOAD]
- Preview the details of the uploaded e-Cheque(s) and click [PROCEED] to continue e-Cheque deposit

- Final check the details of the e-Cheque and click [CONFIRM (4:50)] to complete the deposit process
- Click “Presentment Enquiry” tab for e-Cheque status and details

### **Stage 3: Quiz**

**Q1. What currencies do e-Cheques support? (multiple answers are allowed)**

- A. HKD
- B. EUR
- C. RMB
- D. USD

A1. Answer: A. C. D. e-Cheque can be used to make Hong Kong dollar, US dollar and Renminbi payments.

**Q2. Can bank customers issue and deposit e-Cheque when they are in overseas?**

- A. Yes
- B. No

A2. Answer: A. Any customer who have a bank account in Hong Kong can issue and deposit e-Cheque online even if they are out of town

**Q3. How can bank customers deposit an e-Cheque? (multiple answers are allowed)**

- A. Through Internet banking
- B. Through e-Cheque Drop Box provided by HKICL
- C. At bank branches

A3. Answer: A. B. Any customers can deposit an e-Cheque through the Internet banking account or the e-Cheque Drop Box

**Q4. Can anyone alter the information on the e-Cheque once it is issued?**

- A. Yes
- B. No

A4. Answer: B. Each e-Cheque is certified by the paying bank's digital signature. Any attempt to alter the information on the e-Cheque will render the digital signature invalid and thus the e-Cheque not presentable.

**Q5. Can anyone decline to receive an e-Cheque?**

- A. Yes
- B. No

A5. Answer: A. The public can choose the type of payment instrument according to their needs. Under the current practice, both the payer and payee should agree on the choice of payment instrument. The payee can ask the payer to use other payment means if he/she does not prefer to use e-Cheque.

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