



# Bank of St. Helena Ltd.

[www.sainthelenabank.com](http://www.sainthelenabank.com)

## **Cheque Book Scheme - Information for Drawers**

Updated 01 August 2020

This document advises **cheque book users** of the details of the operation of the scheme.

**Please also read the Terms & Conditions of Issue**

### **1: PURPOSE AND ADVANTAGES**

The purpose of the Cheque Book Scheme is to permit customers to make payments to retailers, utilities and others by cheque, as an alternative to paying with cash, by account transfers or by Local Debit Card.

#### **1.1 Terminology**

Throughout this document we have used the following terms, which may be unfamiliar:

**Drawer:** the person who writes out the cheque, with the intention of making payment to the acceptor.

**Acceptor:** the person or business that accepts the cheque as payments for goods or services.

### **2: DETAILS OF THE SCHEME**

This section deals with the day-to-day operation of the scheme. It applies to all businesses and individuals that may be drawers of cheques. Where there are different considerations for particular situations, these are identified separately.

#### **2.1 Charges**

A charge of £6.10 per book (of 50) will be deducted from your account when your application is received.

A fee of £5 will be applied to each Bank of St Helena Cheque that does not clear due to insufficient funds in the account. This fee will be taken from the primary account.

**Head Office: Market Street · Jamestown · St Helena Island · STHL 1ZZ**

T. +290 22390 · F. +290 22553 · E. [info@sainthelenabank.com](mailto:info@sainthelenabank.com) · W. [www.sainthelenabank.com](http://www.sainthelenabank.com)

Established and regulated under the Financial Services Ordinance, 2008, the Company Ordinance, 2004 and the Company Regulations, 2004

### How to correctly complete a cheque

The format of the Bank's cheques is as shown below.

 <b>Bank of St. Helena Ltd.</b> <small>www.sthelena.com</small>	Market Street, Jamestown St Helena, STHL 1ZZ T +290 2390	<b>98765432</b> Date: _____
	Pay _____ Amount (Words) _____	<div style="border: 2px solid black; padding: 5px; display: inline-block;"> <b>£</b> </div>
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Bank Use Only</b>      <b>903412</b>          System Ref:          Date Input          Input By:                      Checked By:       </div>		

To ensure that the cheque has been correctly completed ensure the following:

- Write clearly and legibly, in the spaces provided;
- The amount in words must match the amount in figures;
- The cheque can only be drawn by the person whose name appears on the cheque form, the acceptor;
- It must be signed with your normal signature (as you would use when visiting Bank of St Helena);
- Always write the correct date on the cheque;
- If you make a mistake while writing out the cheque, you may make one correction. You must sign next to the correction to show that it is an authorised correction. If you make more than one mistake, cancel the cheque form and complete another one.

### 2.2 Unpaid Cheques

When you present a business or another person with a cheque you are **promising to make payment**. This means that you must be sure that you will have sufficient funds in your account to cover the value of the cheque when it is presented to Bank of St Helena for payment.

If, when the acceptor presents the cheque at the Bank for payment, there are insufficient funds in your account to cover the cheque, it will be returned, unpaid, to the acceptor, who will then contact you to demand payment by another means (acceptors may decline to accept cheques from you if you frequently make this mistake). A fee of £5 will be applied to each cheque that does not clear due to insufficient funds in the account.

### 2.3 Usage overseas

The cheques provided by Bank of St Helena can only be paid if the recipient has an account with Bank of St Helena. They cannot be paid into any other bank. Therefore, if you send a cheque to a relative overseas, they will only be able to cash it if they have a Bank of St Helena account and they send it to one of Bank of St Helena's branches.

For this reason, cheques are unlikely to be the preferred means of sending money to people who do not reside in St Helena or on Ascension Island.

However, there is no reason why persons outside St Helena and Ascension Islands (e.g. in the UK or the Falkland Islands), who have Bank of St Helena accounts, cannot use cheques to send payments to people or businesses on St Helena and Ascension Island.

### **3: ADVICE TO CHEQUE USERS**

#### **3.1 Safety and Security**

The following rules are for your safety:

- Keep your cheque book safe. **If it has been lost, or suspect it has been stolen, please inform Bank of St Helena immediately** (if you suspect theft please also inform the police).
- You should not pre-sign your cheques. This could allow someone else to use them to get goods or services, charged to your account. Only sign the cheque after you have finished filling in all the other details.

#### **3.2 How to manage your account better with a cheque book**

##### **Remembering what cheques you have written**

The cheque book has a 'counterfoil', which remains in the book after you have torn off and presented the cheque to the acceptor. You are strongly advised to complete on this counterfoil the details of the cheque. This is a reminder of the cheques you have written.

##### **Allowing for cheques when you view your account balance**

When you see your account balance you must remember to consider any cheques that you have written that have not yet been presented by the acceptor for payment.

For example, if you see a balance of £100, but know that you have just written out a cheque for £30, then there is only £70 in your account that you can draw out and spend. If you draw out more than this, and do not pay in further funds, when the cheque is presented it will be rejected because there are not enough funds in your account and you will be charged the applicable fee.

You can tell which cheques have been presented by comparing the counterfoil in your cheque book with your bank statements.

#### **3.3 Cancelling a cheque**

Should you wish to cancel a cheque after you have written it, you must ask the person to whom you gave it, to return it to you. You must then cancel it.

The Bank cannot cancel a properly completed cheque.

### 3.4 Special issues regarding the use of cheques to pay bills

Cheques can be used to pay bills, and have the advantage that they can be posted without the risks associated with sending cash.

You may be asked to write additional information on the rear of the cheque so that, if the cheque and the payment slip become separated, the payment can still be allocated to the correct account.

Please note that you should only write such information on the **rear** of the cheque. Additional details completed on the face of the cheque could invalidate it.

### 3.5 Proof of Identity

If you plan to use cheques at shops or other merchants where you are not well known it may be prudent to carry with you an identity document, preferably one that carries your signature.

The shop or merchant may ask to see this to prove your identity.

### 3.6 Do I have to make payment by cheque?

There is no obligation for businesses or individuals to make payment by cheque.

The Bank hopes businesses and individuals will see the advantages of making payment by cheque, and will actively participate in the scheme.

## 4: APPLICATION FORM

Cheque Books can only be issued on application from the account holder. Please read the following notes before completing the application form.

### 4.1 Account Number

Please select a Current Account that you are actively using. The Bank will look for evidence that you are managing this account properly as part of its process for deciding whether to issue you with a cheque book. A Current Account would normally have a number ending in 002 or 012.

*Note: the Bank can only issue Cheque Books against a Current Account.*

### 4.2 Account Holder Details

For joint accounts, please fill in the details of both account holders, even if you are only requesting a cheque book for a single account holder.

If cheque books are required for both holders, separate forms must be completed.

### 4.3 Cheque Book Title

Please complete this to show how you would like your name(s) printed on the cheque book.

This does not need to match exactly the name stored on the account but must be related to it. For example:

Account Name	Cheque Book Title	Permitted?
Mr & Mrs Flintstone	Mr Fred Flintstone	Yes
Mr & Mrs Flintstone	Mrs Wilma Flintstone	Yes
Mr & Mrs Flintstone	Barney Rubble	No (unrelated)
Mr & Mrs Flintstone	Flintstone Construction	No (could cause confusion between personal and

		business accounts)
Flintstone Construction	Mr Fred Flintstone	No (could cause confusion between personal and business accounts)

If in doubt, please ask.

#### 4.4 Collecting your cheque book

We will contact you when your cheque book is ready and you can then collect it from the office your specified on the application form<sup>1</sup>.

#### 4.5 Signatures

**The person for whom the cheque book is being issued needs to sign.** This signature must be your normal signature and must match with the signature you will use on your cheques. NB: If you change your signature without notifying us your cheques may be declined for payment.

For sole accounts, and for joint accounts that can be operated by a single person, only the person for whom the cheque book is being issued needs to sign. In other cases, the signatures necessary are as is normally required to operate your account.

### 5: OTHER INFORMATION

#### 5.1 Information for cheque acceptors (shops, utilities, etc.)

A separate information document is available for the acceptors of cheques. Where you also run a business or expect to accept cheques you should obtain a copy of this.

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<sup>1</sup> Please note that cheque books are printed in St Helena so collection in Ascension Island will be subject to ship deliveries.