

**GUIDELINES WITH REGARD TO CHEQUE PROCESSING FEE
ISSUED BY THE ASSOCIATION OF BANKS IN MALAYSIA**

1. Charging of the cheque processing fee

1.1 With effect from 2nd of January 2015, a 50 sen cheque processing fee will be charged whenever a cheque is received by a bank for processing, whether for encashment over the counter or for depositing into an account.

1.2 The cheque processing fee will be in addition to the stamp duty collected by the bank.

2. Party to bear the cheque processing fee

The fee is to be charged to the drawer or issuer of the cheque or his account.

3. Banker's cheque/bank draft/cashier's order

In the case of a banker's cheque/bank draft/cashier's order, i.e. a cheque issued by a bank, the applicant of the banker's cheque/bank draft/cashier's order will have to pay the cheque processing fee at the time of application. The cheque processing fee will be in addition to the stamp duty and commission collected by the bank.

4. Cheque returned unpaid

4.1 Generally, if a cheque is returned unpaid, the cheque processing fee will not be refunded and will still be charged.

4.2 This would include the case of a post dated cheque which is being presented by the beneficiary before the date of the cheque. The drawer or issuer will still be charged the cheque processing fee.

4.3 However the cheque processing fee will be refunded if the cheque is returned unpaid due to an omission or error made by the bank concerned e.g. in the case where a good cheque is wrongly returned by the bank.

5. Re-presentation

The drawer or issuer will be charged with the processing fee again when the cheque is represented or each time the cheque is re-presented, if it happens more than once.

6. Regularity of collection of the cheque processing fee

Banks will have the discretion of determining when the cheque processing fee will be collected, be it on a cheque by cheque basis or by batch at the end of a banking day or monthly provided always that prior and reasonable notice is given to their customers.