

Possible Contingency Scenarios where Support from HKICL is required amid the COVID-19 Pandemic – Paper cheque clearing and electronic clearing items

Clearing Service	Contingency Scenario	Support to be provided by HKICL	Actions to be taken by Members
CLG - Outward - (Group A Bank)	Scenario 1) Group A bank encounters difficulties to submit outward clearing data file, image file and/or delivery of physical cheques on time. (Operating Procedures Section 5.2) <u>Existing cut-off time reference</u> Cheque Outward Data & Image File Submission: 22:00 (Day D) Group A Physical Cheque Submission (high value & special handling): 23:00 (Day D)	HKICL can extend the outward submission cut-off time.	The bank should notify HKICL by <u>22:00</u> (Day 1) at the latest. The bank is required to submit: <ul style="list-style-type: none"> • outward data file by <u>00:30</u> (Day D+1) at the latest; • outward image file by <u>01:30</u> (Day D+1) at the latest; and • outward deliver the physical cheque to HKICL by <u>01:30</u> (Day D+1) at the latest.
	Scenario 2) Group A bank encounters difficulties to generate data file and image file.	Subject to the cheque volume, HKICL could process the cheques as group B processing on a first-come-first-served basis.	The bank shall notify HKICL by <u>18:00</u> at the latest. The bank is required to deliver all physical cheques to HKICL by <u>20:00</u> at the latest.
	Scenario 3) Group A bank is able to generate data file and image file, but encounters difficulties to deliver all or some of the physical cheques to HKICL. (Operating Procedures Section 24.1)	HKICL can support the bank to trigger "Missing Physical" contingency measure for paper cheque clearing without physical delivery.	The bank shall notify HKICL by <u>22:00</u> (Day D) at the latest. The bank shall continue to submit data file and image file to HKICL by <u>22:00</u> (Day D) at the latest. The bank is required to submit the signed confirmation letter to HKICL by <u>01:30</u> (Day D+1) at the latest to indemnify the drawee members on making payment decision based on the cheque image without physical cheque; OR The bank could arrange to deliver the physical cheques to the drawee banks directly without providing the confirmation letter with indemnity.
CLG - Outward - (Group B Bank)	Group B bank encounters difficulties to deliver physical cheques to HKICL by cut-off time at <u>20:00</u> . (Operating Procedures Section 5.2)	HKICL can extend the outward submission cut-off time.	The bank shall notify HKICL by <u>20:00</u> at the latest. The bank is required to deliver the physical cheques to HKICL by <u>22:00</u> at the latest.

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CLG - Return	Scenario 1) Drawee bank encounters difficulties to generate the proper return data file by <u>12:45</u> . (Circular No. 2021/311)	HKICL can support the bank to generate the return data file.	<p>The bank shall notify HKICL by <u>12:00</u> at the latest to trigger the contingency measure.</p> <p>The bank is required to provide the following information of the returned cheque(s) to HKICL by <u>13:00</u> at the latest for processing:</p> <p>(i) UID; or (ii) Cheque number & payer's account number.</p> <p>The bank shall continue to submit the physical returned cheque(s) for clearing.</p>
	Scenario 2) Drawee bank encounters difficulties to deliver the physical returned cheques to HKICL by <u>12:45</u> . (Operating Procedures Section 7.1)	HKICL can extend the physical returned cheques submission time to <u>13:45</u> .	<p>The bank shall notify HKICL by <u>12:45</u> at the latest.</p> <p>The bank is required to deliver the physical returned cheques to HKICL by <u>13:45</u> at the latest; OR</p> <p>The bank is required to arrange delivery of the physical returned cheques to the collecting banks directly.</p>
ECG	The bank encounters difficulties to submit outward clearing or return files, or e-Cheque presentment return to HKICL by the respective cut-off time.	HKICL can extend the submission cut-off time subject to the clearing/settlement schedule.	The bank shall notify HKICL as soon as possible to discuss the handling.