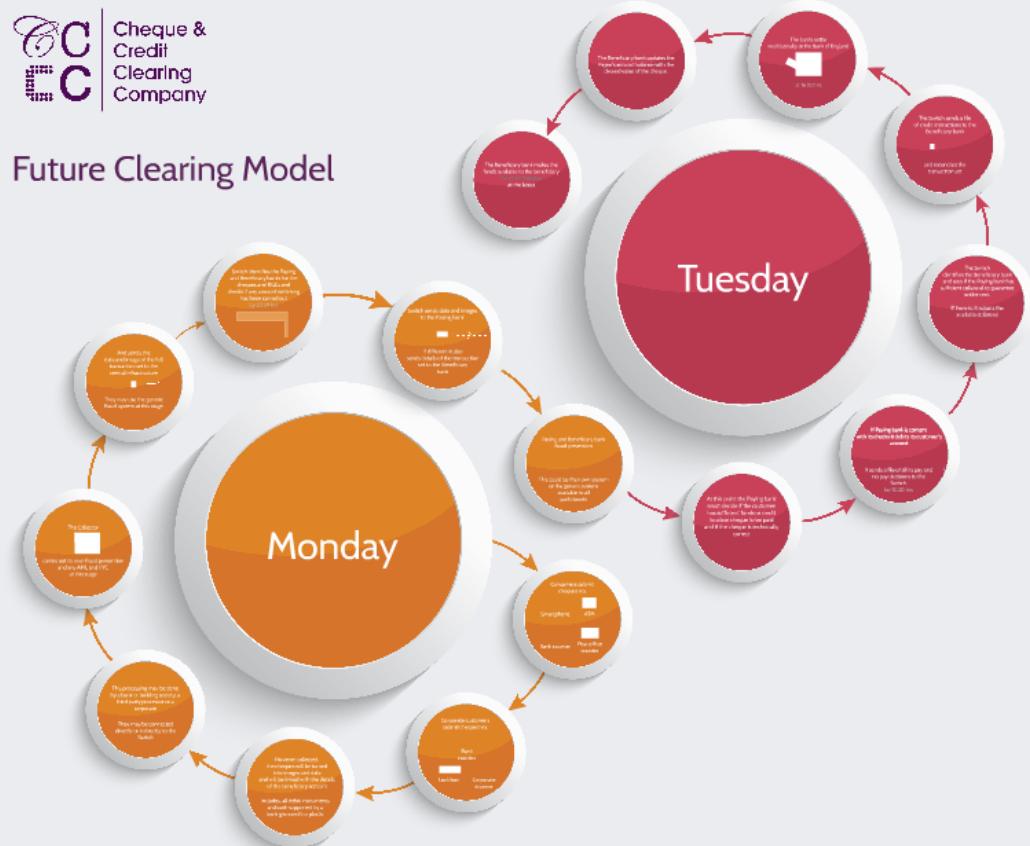
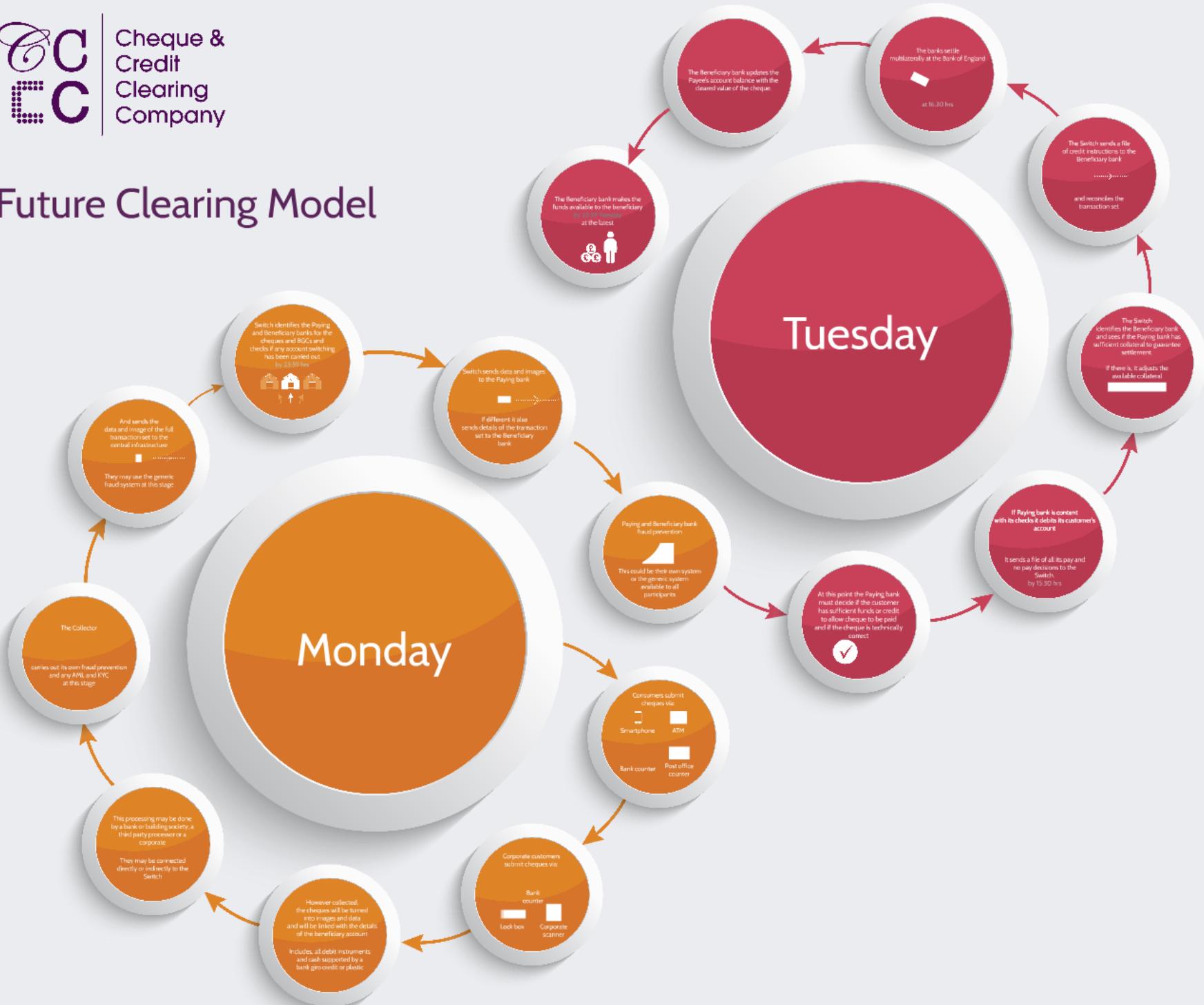




Future Clearing Model



Future Clearing Model



transaction set to the central infrastructure



They may use the generic fraud system at this stage

set to the Beneficiary bank



Monday

This processing may be done by a bank or building society, a third party processor or a corporate

Paying and B fraud p

This could be t or the gen available parti

Consum cheq



Smartphone



Bank counter



Corporate customers

Consumers submit
cheques via:



Smartphone



ATM



Bank counter



Post office
counter

Corporate customers
submit cheques via:



Bank
counter



Lock box



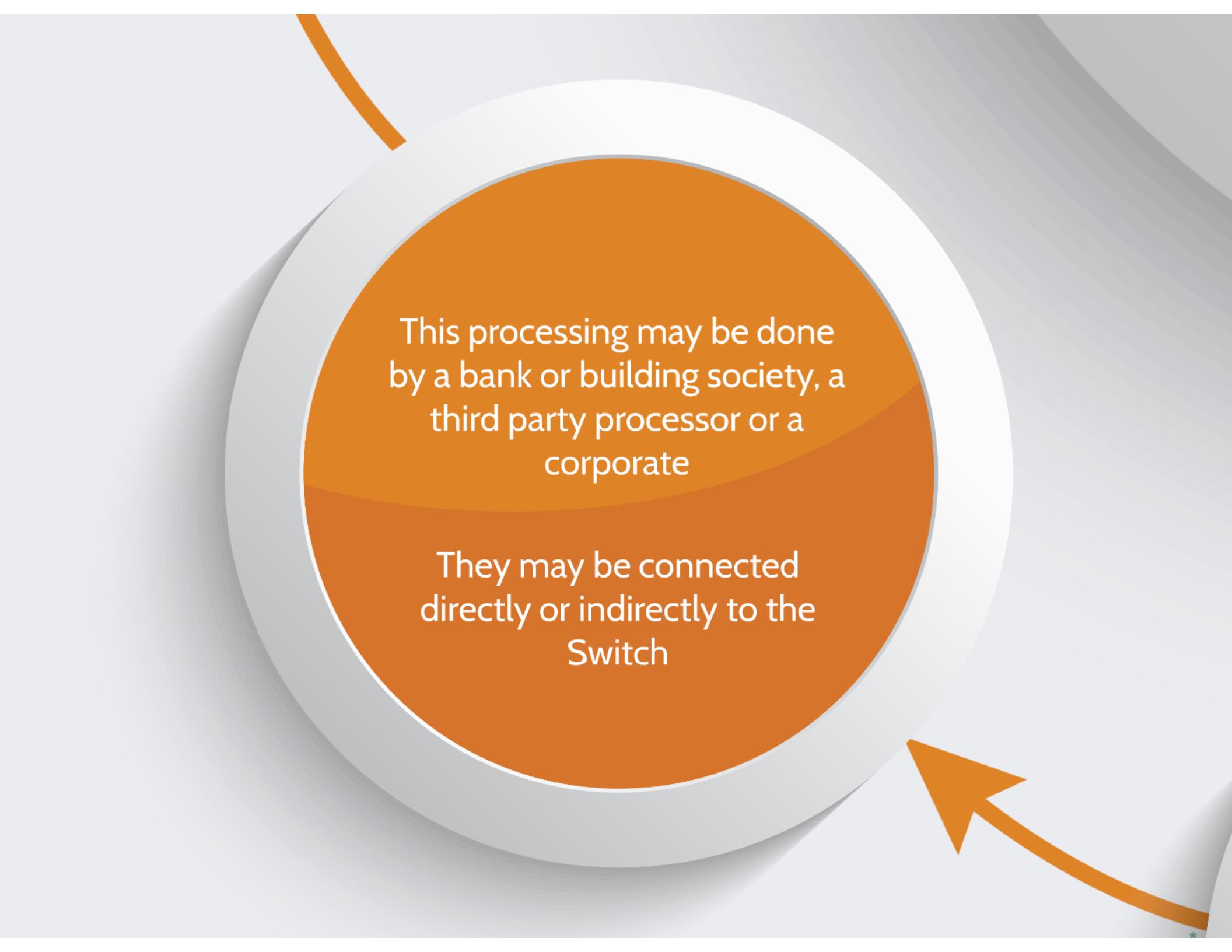
Corporate
scanner





However collected,
the cheques will be turned
into images and data
and will be linked with the details
of the beneficiary account

Includes, all debit instruments
and cash supported by a
bank giro credit or plastic



This processing may be done
by a bank or building society, a
third party processor or a
corporate

They may be connected
directly or indirectly to the
Switch

The Collector



carries out its own fraud prevention
and any AML and KYC
at this stage

And sends the
data and image of the full
transaction set to the
central infrastructure



They may use the generic
fraud system at this stage

Switch identifies the Paying
and Beneficiary banks for the
cheques and BGCs and
checks if any account switching
has been carried out
by 23:59 hrs



Switch sends data and images
to the Paying bank



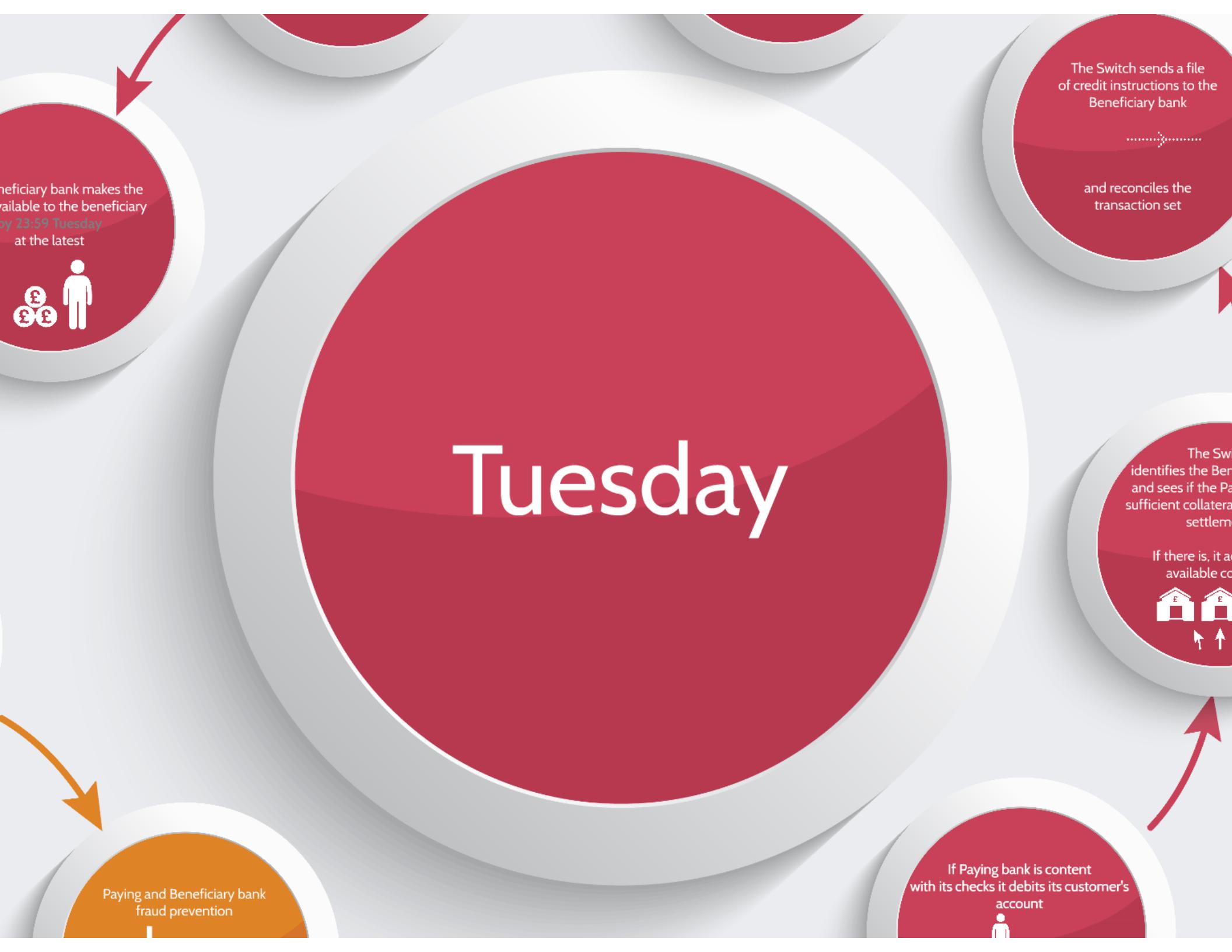
If different it also
sends details of the transaction
set to the Beneficiary
bank

Paying and Beneficiary bank fraud prevention



This could be their own system
or the generic system
available to all
participants

Tuesday





At this point the Paying bank must decide if the customer has sufficient funds or credit to allow cheque to be paid and if the cheque is technically correct



If Paying bank is content
with its checks it debits its customer's
account



It sends a file of all its pay and
no pay decisions to the
Switch.
by 15:30 hrs



The Switch
identifies the Beneficiary bank
and sees if the Paying bank has
sufficient collateral to guarantee
settlement.

If there is, it adjusts the
available collateral



The Switch sends a file
of credit instructions to the
Beneficiary bank

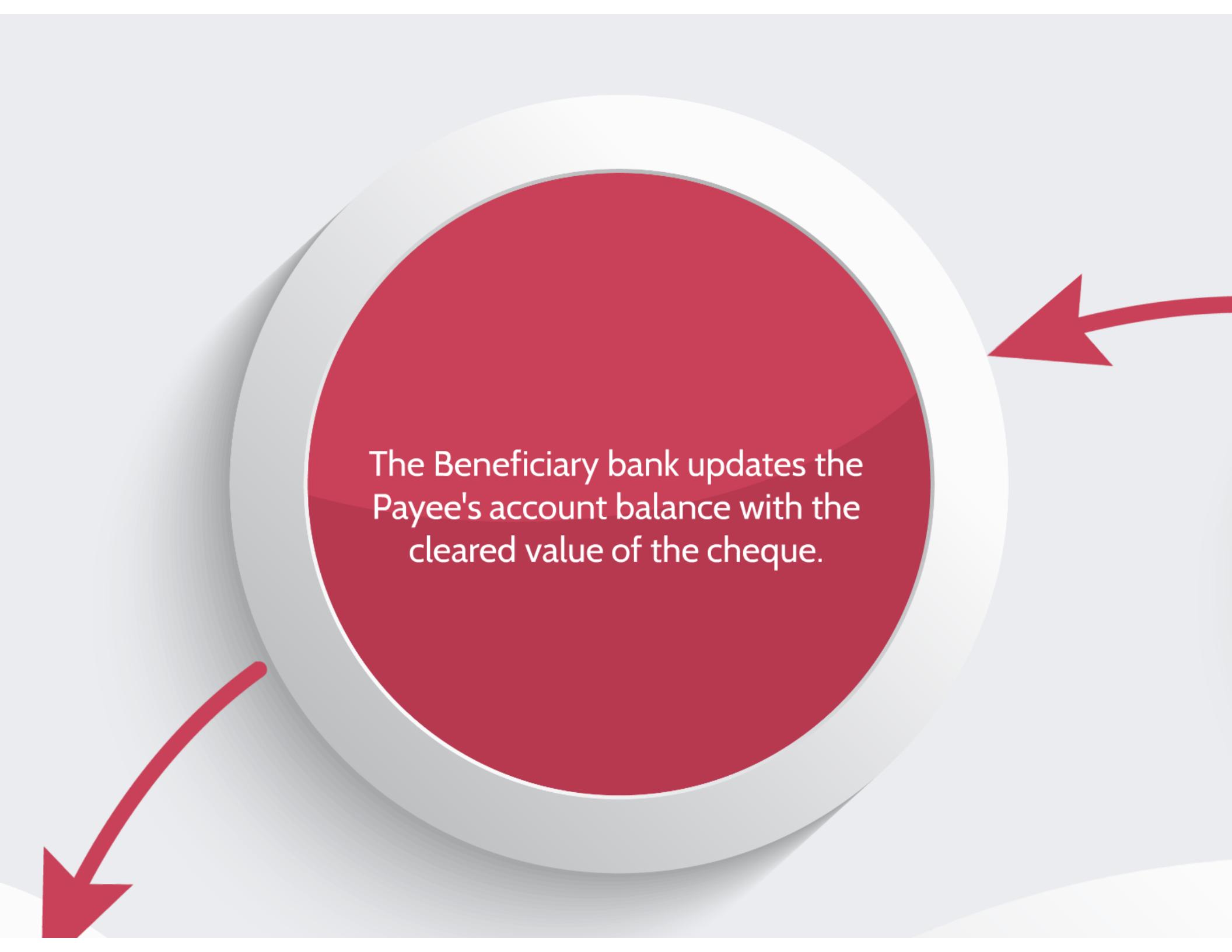


and reconciles the
transaction set

The banks settle
multilaterally at the Bank of England



at 16:30 hrs

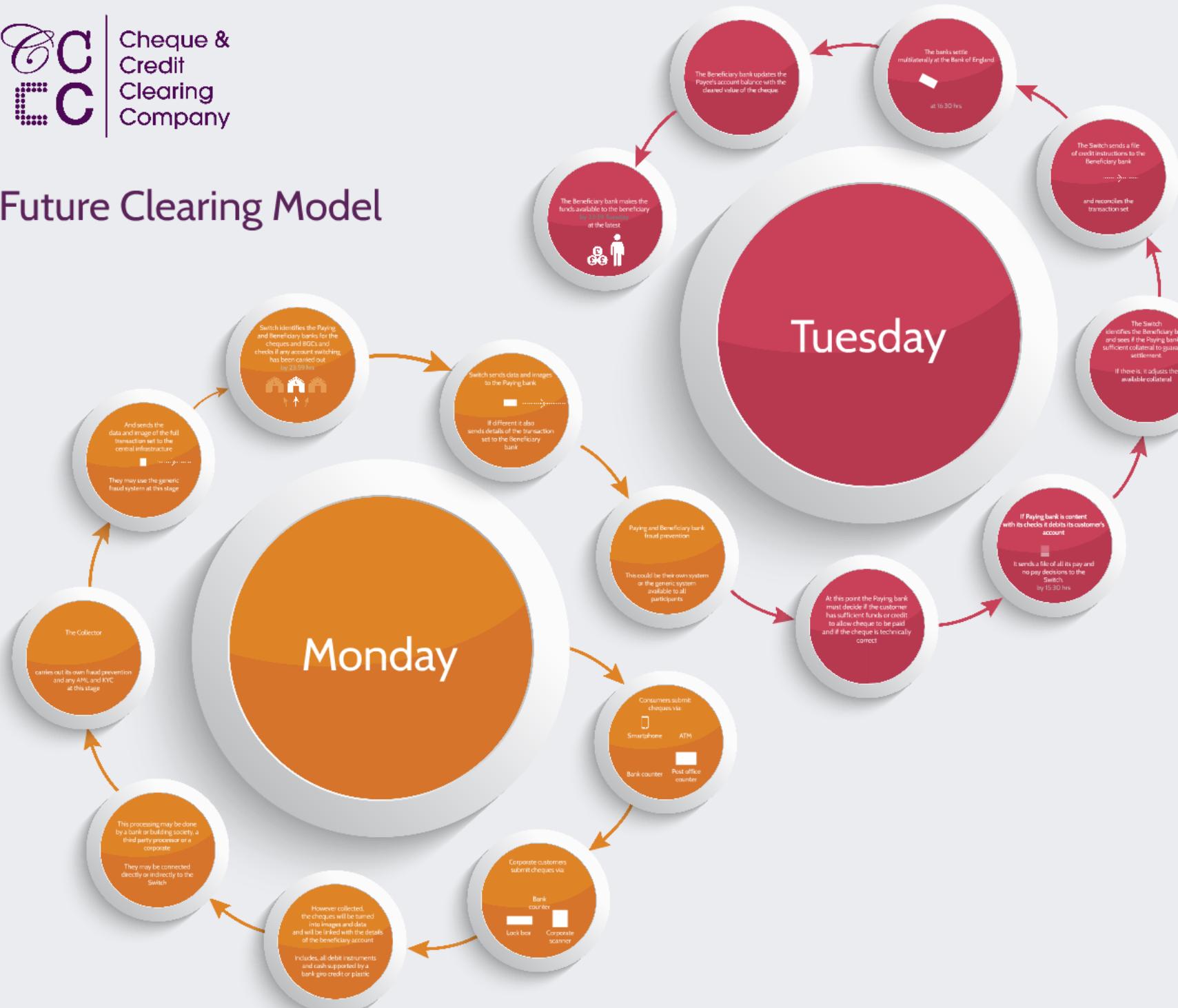


The Beneficiary bank updates the Payee's account balance with the cleared value of the cheque.

The Beneficiary bank makes the funds available to the beneficiary
by 23:59 Tuesday
at the latest



Future Clearing Model



The Beneficiary bank makes the funds available to the beneficiary by 23:59 Tuesday at the latest



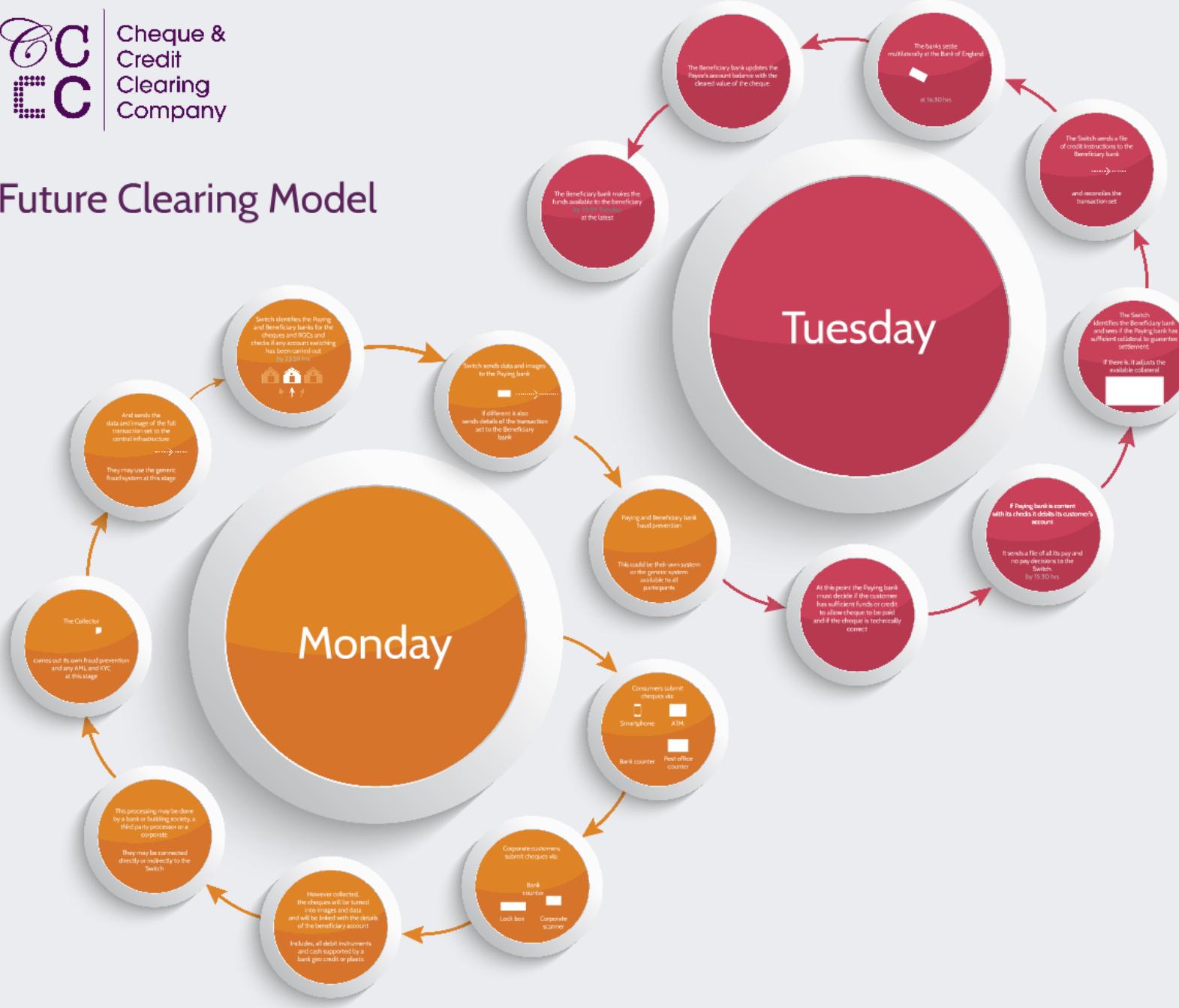
The Beneficiary bank updates the Payee's account balance with the cleared value of the cheque.

The banks settle multilaterally at the Bank of England

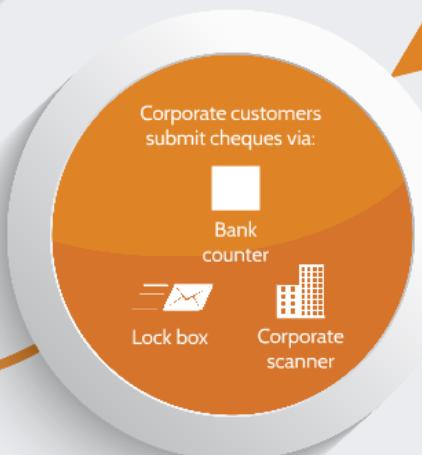
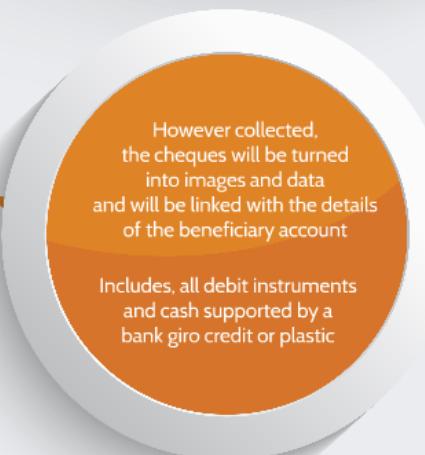
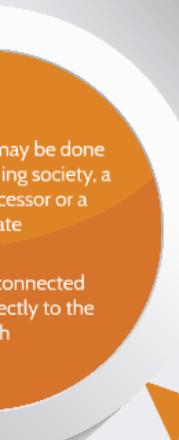


at 16:30 hrs

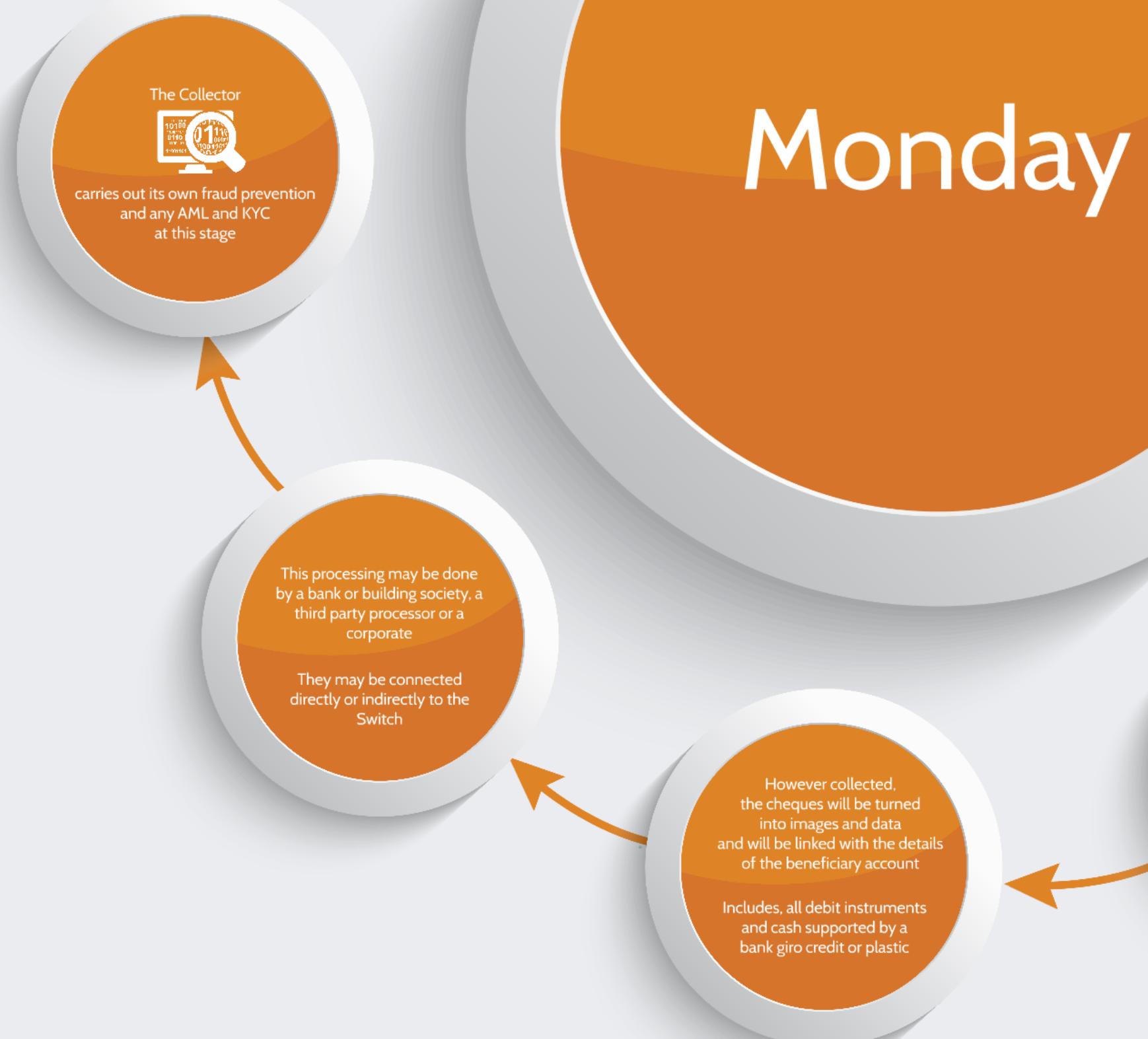
Future Clearing Model



Monday

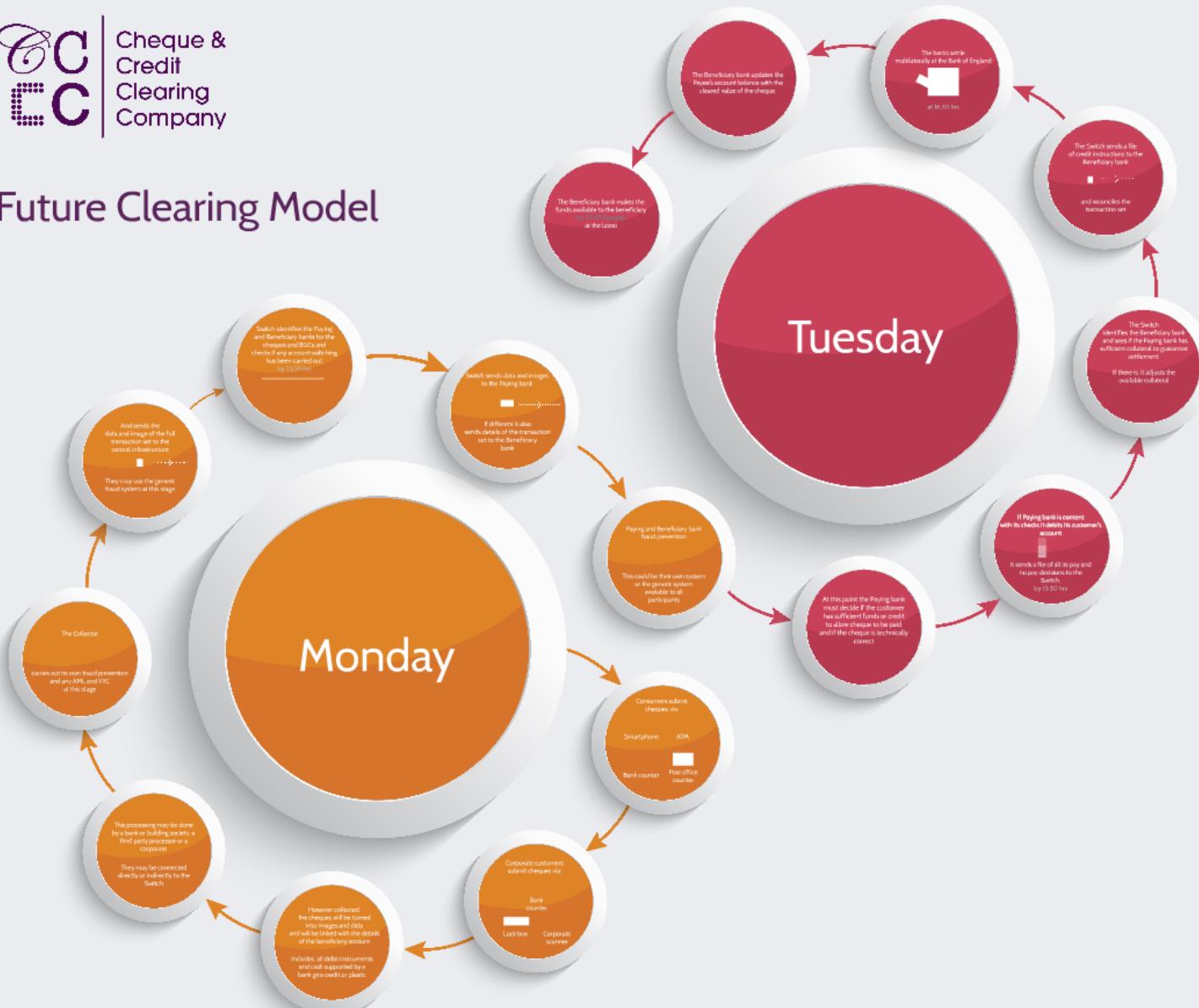


Monday





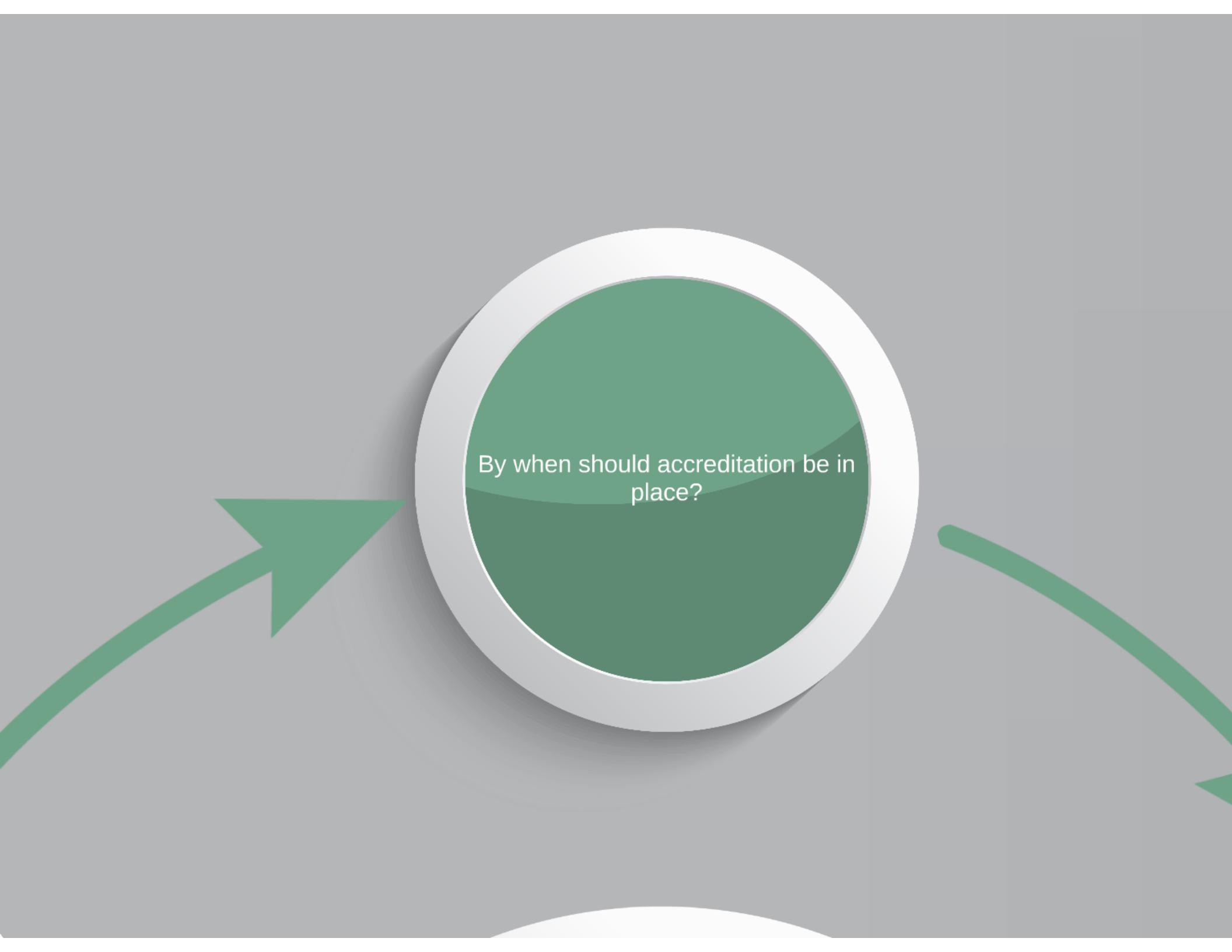
Future Clearing Model



Accreditation?

For software in the capture and delivery
of images and data

For third party service providers in sending
items to the central infrastructure



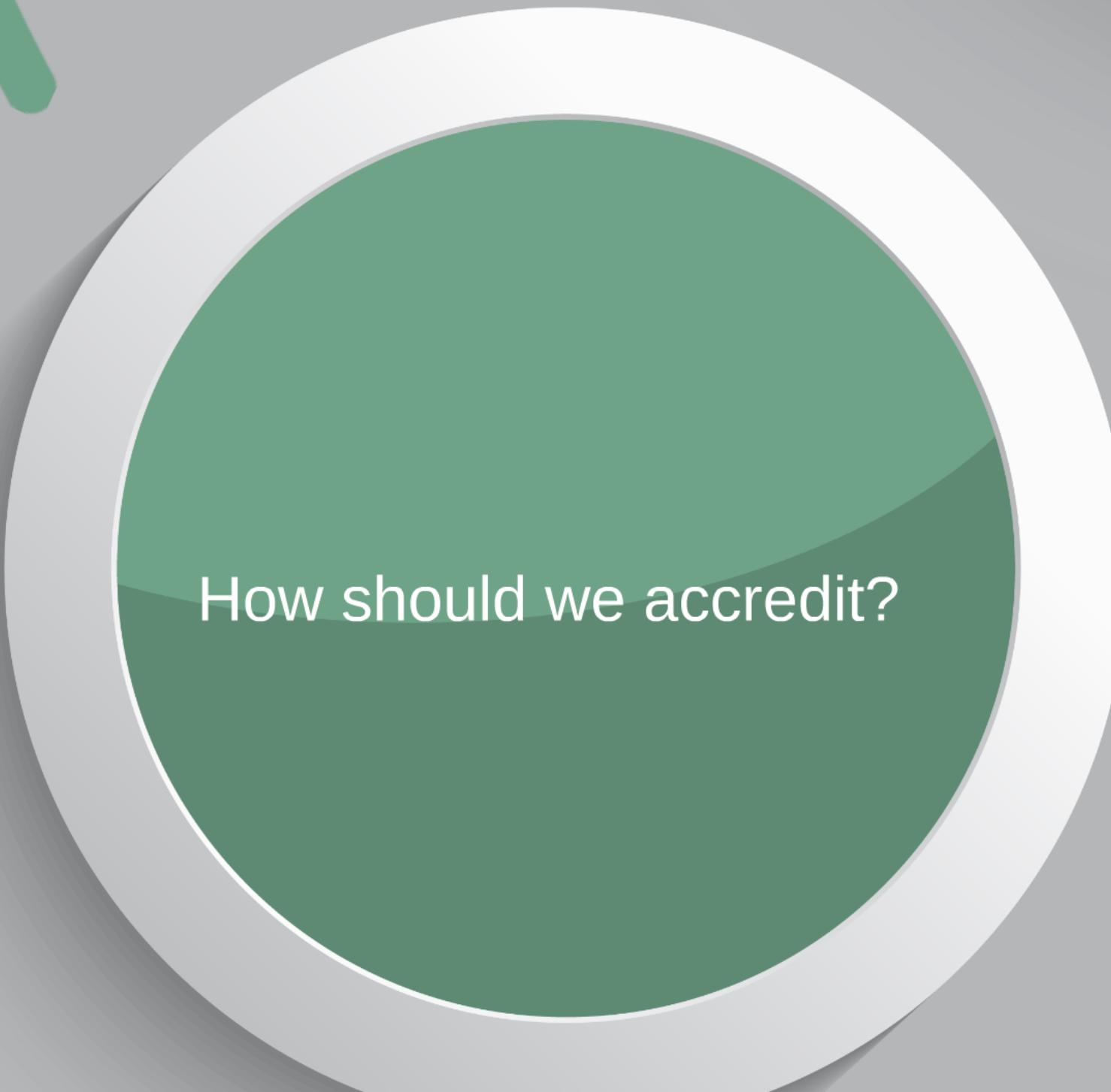
By when should accreditation be in place?



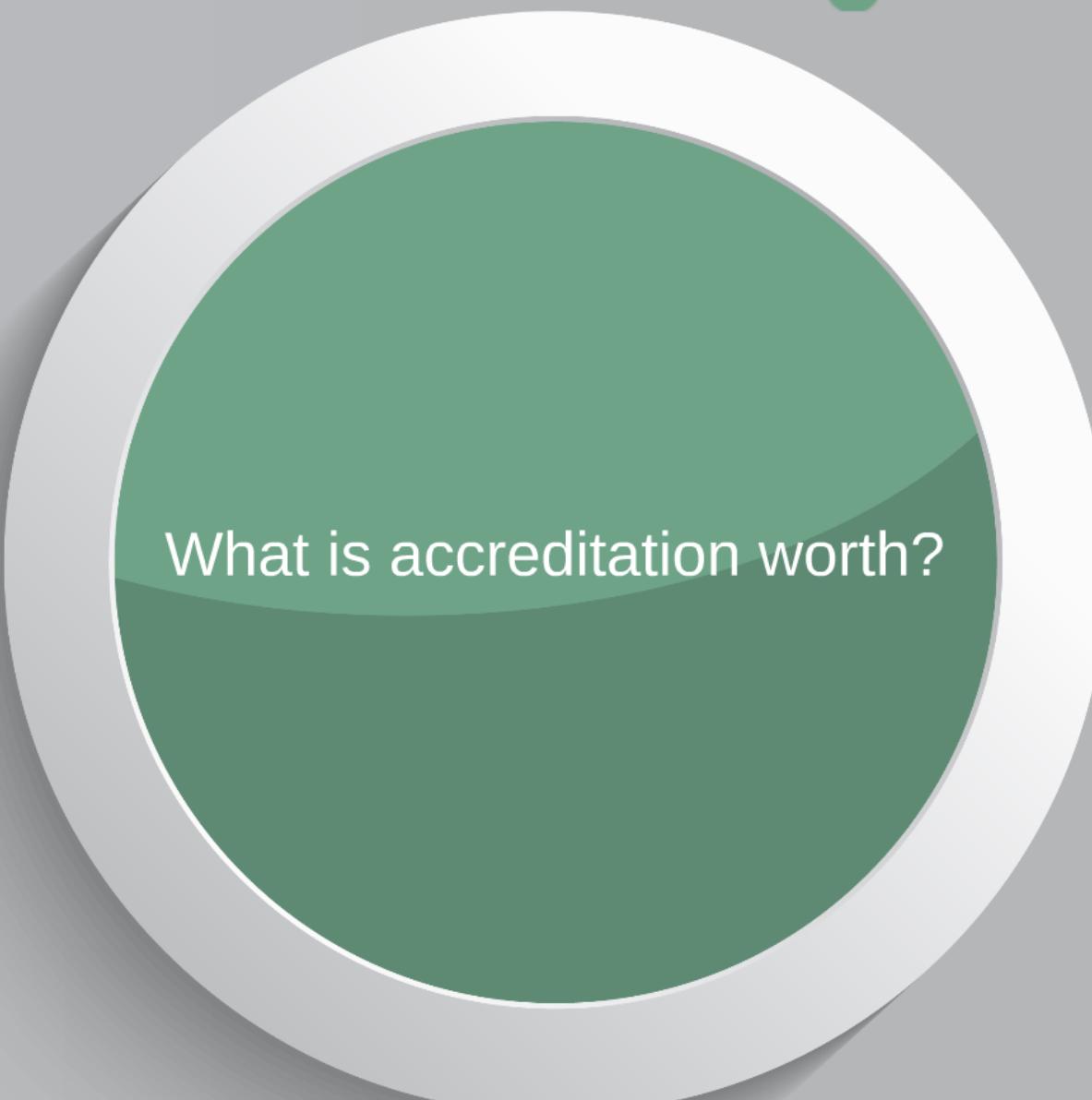
What should be accredited?



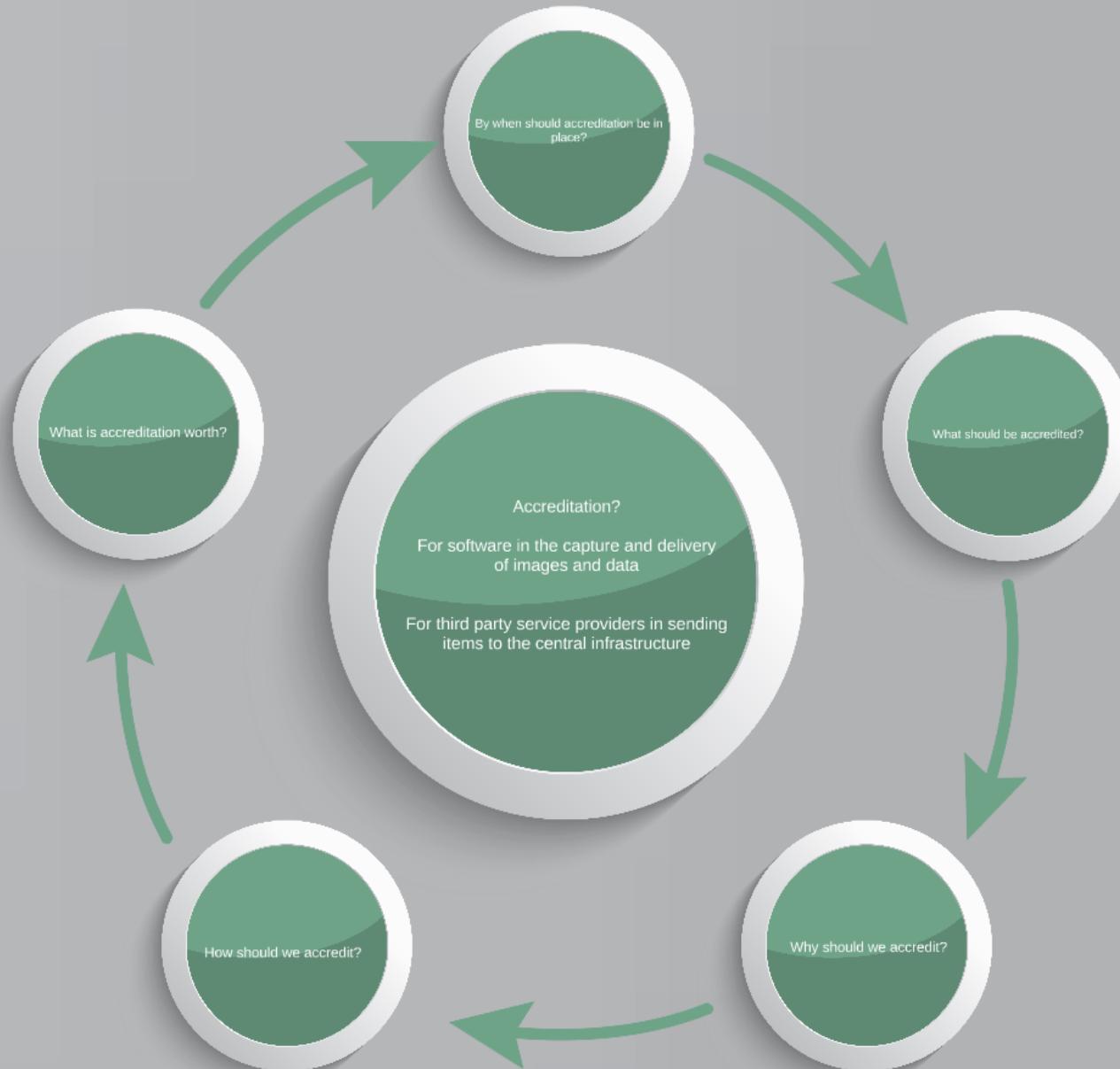
Why should we accredit?



How should we accredit?



What is accreditation worth?





Cheque &
Credit
Clearing
Company

Future Clearing Model

