

FAQs of “CTS 2010” – Standardization and Enhancement of Security Features in Cheque Forms :

1. What is the new RBI circular on instrument / Cheque issued by the bankers?

Ans : As per the RBI guidelines, all the banks have been advised to issue only “CTS 2010” standard multicurrency / Payable at Par cheques to their bank account holders.

2. What is the benefit of the CTS 2010 standard cheque to the customers?

Ans : i) The stronger security features in the CTS 2010 cheque makes it easy for the presenting banks to confirm the genuineness of the drawee bank's instruments.

ii) The standardization of security features would act as a deterrent against fraud and enhance customer safety.

iii) The fixed field placement would enable easy processing at the drawee bank's end.

3. What will happen to the Non CTS 2010 cheques existing with the customers and how long can it be used?

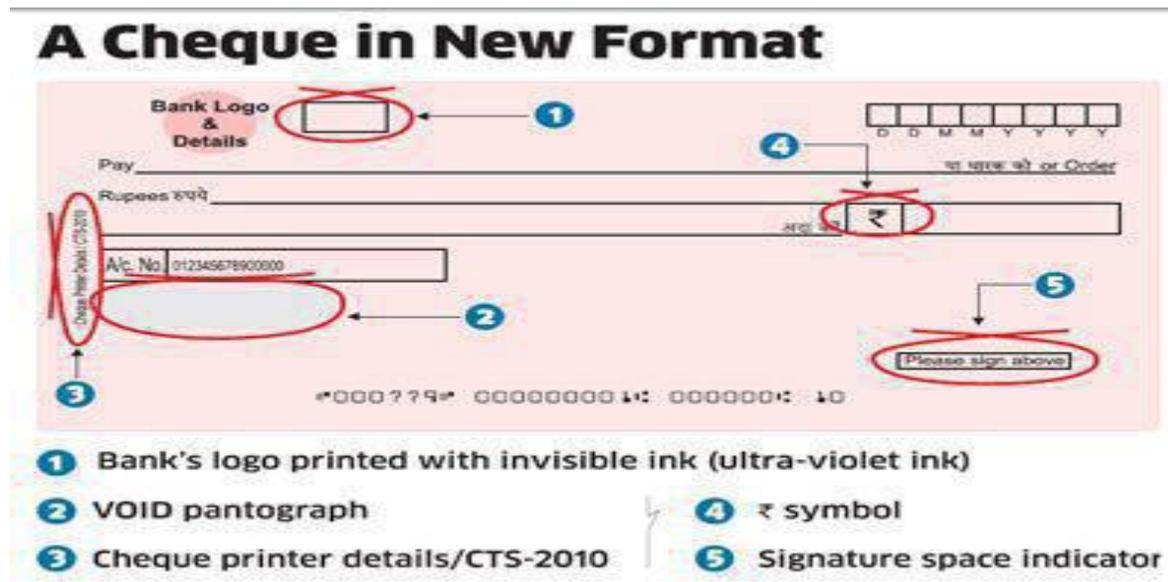
Ans : RBI had initially advised all the bankers to arrange to withdraw the Non-CTS 2010 cheques in circulation before December 31, 2012. However subsequently, RBI has notified vide their circular dated 14/12/2012 that the timelines on the withdrawal of non-CTS 2010 cheques **have been extended from 31/12/2012 to 31/3/2013.**

Other Key Highlights of the Circular:

- Residual non-CTS 2010 cheques that get presented in clearing post the extended date i.e. 31st March 2013, **will continue to be accepted in clearing**, though the clearing cycle will be at a lesser frequency.
- Other modalities, including charges applicable if any, are currently being discussed, post which a separate communication will be furnished.

4. How to identify a “CTS 2010” Compliance cheque?

Ans : A “CTS 2010” cheque will have Bank’s logo printed with invisible ink, Void Pantograph, Cheque printer details / CTS-2010, Rupee Symbol and Signature space indicator. Please refer below image for a sample of a CTS 2010 standard cheque format.



5. How is the investor impacted on account of new RBI circular on Instrument / Cheque?

Ans : Effective March 31, 2013 it is recommended to the investor to use only a CTS 2010 standard cheque while buying into the schemes of Sundaram Mutual Fund . However residual “Non CTS 2010 standard cheques” will continue to be cleared but at a lesser frequency.

6. For non CTS 2010 SIP post dated cheques (dated April 1st, 2013 onwards) that have already been submitted to Sundaram Mutual Fund , what will be the accepted procedure?

Ans : The respective investors are requested to replace their “Non CTS 2010 standard cheques with “CTS 2010 standard cheques” before March 31, 2013 .

7. For those investors who wish to change over to ECS auto debit mode, instead of PDCs, can they do so?

Ans.: Yes, they can. However, a minimum of at least 6 SIP installments would be applicable for switching to ECS option. Hence we request you to make sure that there are at least still 6 remaining SIP installments in the current SIP investment which are yet to be processed.