

## Cheque Holding Policy

Scotiabank's cheque hold policy is based on Canadian Payments Association (CPA) Rules and the Bank Act Regulations. For purposes of this policy, "cheque" includes negotiable items such as certified cheques, bank drafts, money orders.

When you deposit a cheque into your personal deposit account through a Scotiabank branch or ABM, you may not always be able to access or cash the funds right away. We may place a hold on funds until the cheque is cleared at the financial institution on which it is drawn. A hold, however, provides no guarantee that a cheque will not be returned as invalid or otherwise after the hold period has expired.

Ultimately, you are responsible to us for any cheque that you deposit that is returned to us, regardless of whether any hold period has expired.

If you deposit a cheque to your account which is encoded with magnetic ink character recognition and not damaged or mutilated, the maximum hold period that we will place on that cheque is as follows:

- Cheques drawn on a financial institution's branch located in Canada
  - Canadian dollar cheques, maximum hold period of 5 business days (4 business days after the day of deposit).
  - U.S. dollar cheques, maximum hold period of 10 business days (9 business days after the day of deposit).
- Cheques drawn on a financial institution's branch located in the United States, maximum hold period of 20 business days (19 business days after the day of deposit).
- Cheques drawn on a financial institution's branch located outside of Canada or the United States, maximum hold period of 30 business days (29 business days after the day of deposit).

For these purposes, the term "business day" refers to regular weekdays only and excludes Saturdays, Sundays or statutory federal holidays.

We may extend the maximum hold period if we have reasonable grounds to believe there may be illegal or fraudulent activity in relation to an account.

The length of time you have dealt with the Scotiabank branch, the amount of funds already in your account, and the amount and characteristics of the cheque being deposited may all influence whether the funds will be held.

Please note that some cheques may be sent on "collection", meaning that the funds will be credited to your account only if and when the cheque clears the other financial institution and the funds have been received by Scotiabank.

For immediate access to some proceeds of a deposited cheque (up to a pre-authorized limit), please contact your branch about our cash back feature, which can be set up on your ScotiaCard banking card.