

Cheque Images

by John Allen, CA

A number of enquiries have been received recently regarding the provision of cheque images in place of original cancelled (cashed) cheques.

If you receive notification from your financial institution that you will receive cheque images rather than original cancelled cheques, please contact that financial institution to see if there is any way that you can continue to receive original cancelled cheques. This may involve contacting the Branch Manager.

If you are unable to make arrangements to receive original cancelled cheques and have no alternative but to accept cheque images, Rule 911 (1) provides the required approval. Rule 911 (1) also states that cheque images must be obtained and retained in a form approved by the Law Society of Saskatchewan.

The Law Society requires cheque images (for both trust and general accounts):

- i. To be retained in hardcopy (paper) form. If images are received other than in hardcopy form, they must be printed and retained in hardcopy form.
- ii. To be readable.

This means that each image of each cheque (front and back) must be reviewed for readability (clarity) immediately upon receipt of the images from the financial institution. If any images are not clear, new images must be requested and obtained from your financial institution immediately, as your financial institution will be destroying the original cancelled cheques.

- iii. Of the front and corresponding back of each cheque.
- iv. To be printed with no more than 8 images (4 front and 4 back) per 8.5 x 11 sheet of paper. I have noted that certain financial institutions are following this Rule, but the images are tiny and not readable because they are leaving large white borders or spaces between each image. This is not acceptable, as images must be readable.

Please note that if the above requirements cannot/will not be met by your financial institution, you will be required to move your account (s) to another financial institution that will meet your requirements.