

Important news: changes to your Cheque Guarantee facility

The facility to guarantee a cheque using your Citibank Visa Debit Card is being withdrawn on 30th June 2011. This leaflet addresses many of the frequently asked questions of how this change may affect you.



What is a guaranteed cheque?

Guaranteed cheques are a way of assuring payments up to £50, £100 or £250 will be made, regardless of whether you have sufficient funds. For the payment to be guaranteed, the cheque has to be handed over along with your Citibank Visa Debit Card, which carries the cheque guarantee hologram (and also details the guarantee limit).

What is the direct impact to you?

After 30th June 2011, Citi will no longer be able to guarantee cheque payments, even if your Citibank Visa Debit Card has the guarantee logo.

Why has the decision been taken to withdraw the cheque guarantee facility?

The use of guaranteed cheques has fallen dramatically over the past 20 years. Following extensive consultation with businesses, customers, key consumer groups and representative bodies, the Payments Council decided it would be better for all parties if the cheque guarantee facility was withdrawn and a closure date set.

Will I get a new Citibank Visa Debit Card without the cheque guarantee logo?

No, since 30th November 2010, in preparation for the upcoming change, Citi stopped issuing both new and replacement Visa Debit Cards with the cheque guarantee logo. Unless your card requires replacing (due to expiry, loss, theft or fraud), you may continue to use your card as normal.

Can I still write a cheque after 30th June 2011?

Yes. The change does not mean the end of cheques. You will still be able to write them and businesses will still be able to choose to accept them, only without the Guarantee. You may well find the majority of retailers are still happy to accept a cheque without the Guarantee, as last year only 7% of all cheques written were supported by the cheque guarantee facility.*

In December 2009, the Payments Council set a target date for the closure of the central cheque clearing in 2018. However, closure will only be confirmed if, by 2016, suitable alternatives to cheques are in place and being successfully used by individuals and businesses. Should an alternative to cheques be found, you would not be able to make payments using cheques.

Important note: if you have insufficient funds in your account we may still deduct the amount of the cheque from your account and charges will continue to be applicable. Please see our Rates and Charges information booklet for further details.

What other methods of payments are available?

There are a number of alternative payment methods that companies may accept:

- Point of sale (e.g. cash, debit or credit card)
- Direct Debit/standing order (you can set up either of these via Citibank Online)
- Phone payments direct from your bank account or credit card
- Online payments direct from your bank account
- Non guaranteed cheque

Do I need to do anything once the cheque guarantee facility is withdrawn?

No.

Next steps

Further information can be found at www.ukpayments.org.uk

If you have any further questions regarding the changes please contact our customer services on **0800 00 55 00.**** Lines are open 24 hours a day, 7 days a week.



* UK Payments Administration.

** Calls may be monitored or recorded for training and service quality purposes. Calls to 0800 numbers are free from a UK landline, mobile costs may vary.

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