



NOTICE TO THE GENERAL PUBLIC POLICY BRIEF – DUD CHEQUES 2021

BANK OF GHANA FINANCIAL LITERACY

NOTICE NO.BG/GOV/SEC/2021/17

WHAT YOU NEED TO KNOW ABOUT THE BANK OF GHANA'S DUD CHEQUE POLICY

Following the observation of the high issuance of dud cheques by some customers of Banks and Specialized Deposit - Taking Institutions, and the consequential effect on the acceptance of cheques for transactions, the Bank of Ghana revised its Dud Cheque Policy to discourage the act, enhance and sustain confidence in the use of cheques for payments in the country. To this effect, the Bank of Ghana issued a Dud Cheque Notice of No. BG/GOV/SEC/2021 to the general public on March 11, 2021. This policy brief summarises key provisions of the Revised Dud Cheque Notice.

What is a Dud Cheque?

A dud cheque is a cheque which has been dishonoured by a Bank/SDI on which it is drawn, for the reason that the account holder who issued the cheque has inadequate or insufficient funds in his/her account to pay the amount specified on the cheque.

Consequences for Issuing a Dud Cheque

In addition to the criminality of the offence of issuance of dud cheques under section 313(A) of the Criminal Offences Act, 1960 (Act 29), offenders shall incur the following consequences:


1. If you issue a dud cheque for the first time, your financial Institution will warn you and also report the offence to the credit reference bureaux.
2. The report at the credit bureau will adversely affect your credit report and your chances of securing a credit facility with any financial institution.
3. Your Financial Institution shall place you under surveillance for a minimum period of three (3) years when you issue a dud cheque for the first time

4. If you issue a dud cheque for the second time within three (3) years of the first offence, your financial institution shall report your conduct to the Bank of Ghana. Your details and breach shall be recorded in a dud cheque register maintained at the Bank of Ghana.
5. If you issue a dud cheque for the third time within three (3) years you will be **BANNED** from issuing cheques within the country for a minimum period of 3 years.
6. You shall also be **BANNED** from accessing new credit facilities from financial institutions for a period of three (3) years, if you issue a dud cheque for the third time within 3 years
7. Additionally, your name shall be published in two daily newspapers of national circulation if you issue a dud cheque for the third time within three (3) years.

All customers are responsible for their actions in the operation of current accounts. All customers are therefore entreated to take note of the following tips and to note that the issuance and possession of valid cheques are equivalent to cash possession and payments:

1. Always ensure there is enough funds in your account before you issue a cheque.
2. Always keep track of cheques issued and set reminders for post-dated cheques issued.
3. Stay in contact with your bank's relationship managers as you may be contacted for issues relating to your cheques.

For further information, please contact Bank of Ghana Market Conduct Office on:

Tel: 0302665005  0596912354, 0501502270 Email: complaints.office@bog.gov.gh
Location: 7th Floor, Cedi House, Liberia Road, near National Theatre, Accra

SAFETY TIPS

(SGD)
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THE SECRETARY

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