Reasons for Dishonouring a cheque

- essential item missing e.g signature
- cheque is post-dated or over 6 months old
- insufficient funds in the drawer's account
- drawer may have stopped the cheque

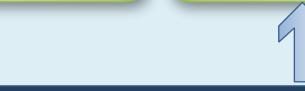
Drawer Writes the cheque



Payee Receives the cheque



Drawee Bank named on cheque



Cheques



Post-Dated

Dated for some future date.
Cannot be cashed until date arrives



Stale Cheque

More than 6 months old Cannot be cashed



Blank Cheque

Signed but no amount filled in



Crossing a cheque with the phrase "a/c payee only" makes it "as safe as possible"