

**Electronic Clearing Service (Credit Clearing)**

Model letter from a User to a prospective Destination Account Holder

Date:

Dear Customer/Investor,

A new method of payment had been introduced by Reserve Bank of India which provides you an option to collect your monthly/quarterly/half-yearly/yearly interest/dividend/salary/pension directly through your bank accounts. Your bank account would be credited through the new payment mechanism right on the due date. No payment instrument would be issued as at present. Payment instruction would be issued by us electronically through our banker to the Clearing Authority and the Clearing Authority would supply credit reports to the bank with which you maintain the specified account. The branch will credit your account and indicate the credit entry as 'ECS' in your passbook/statement of account. We would be issuing an advice to you directly after the transaction is effected.

- 2 Individual transactions without any monetary ceiling would be covered under the Scheme. If you maintain more than one bank accounts, payment can be received at any of these accounts. You do not have to open any new bank account for the purpose.
- 3 This would be only an additional mode of payment and would be optional. You would have the right to withdraw from this mode of payment by giving an advance notice of 6 weeks. Your complaint, if any, (the scope of which is very limited) would be immediately dealt with and we assure you to give a reply within 15 days.
- 4 If you are agreeable to participate in the new payment mechanism, you are requested to fill in the Mandate Form attached herewith. The information to be supplied should accurate and complete in all respects and duly certified by your bank.

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Authorised signatory

For ABC & Co