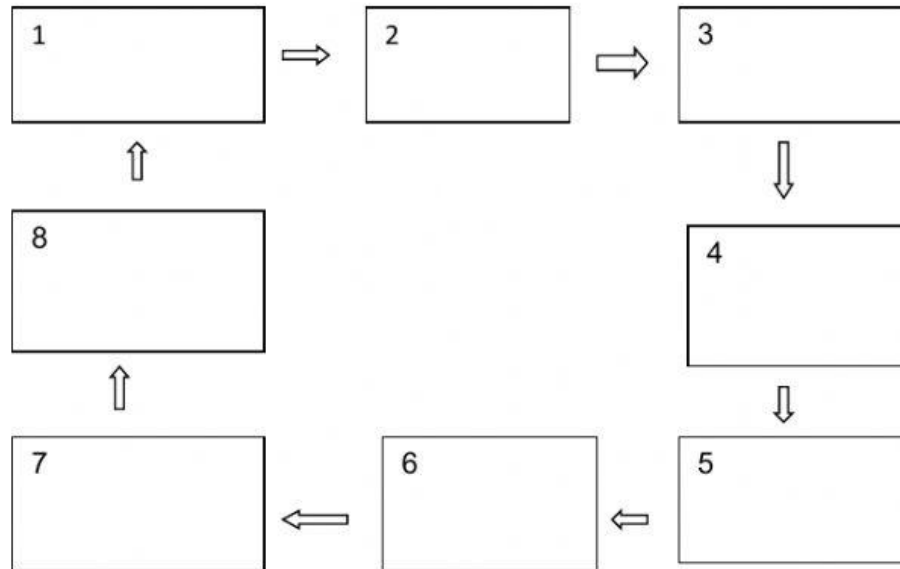


Harrison Jones is a student and pays his tuition of \$2500.00 to The College of The Bahamas by certified cheque #2451 draw on the Bank of Nova Scotia, East Bay. The College of The Bahamas deposits the cheque into its account with the Bank of The Bahamas.

- (a) Study the flow chart below for the 'clearing' of the cheque. Enter the letter of the statement below in the appropriate box to complete the flow chart.



- A. Bank of The Bahamas adds \$2500 to The College of The Bahamas' account then,
- B. Harrison Jones writes a cheque on his bank, the Bank of Nova Scotia and gives it to the College of The Bahamas.
- C. Bank of The Bahamas sends the cheque to the clearing house
- D. Bank of Nova Scotia returns the cancelled cheque to Harrison Jones
- E. Bank of Nova Scotia deducts \$2500 from Harrison Jones' account
- F. Bank of Nova Scotia picks up the cheque at the clearing house
- G. The College of The Bahamas (payee) endorses the cheque and deposits it in their bank, The Bank of The Bahamas
- H. Harrison Jones (drawer)

