

1.
 - A. One of your valued customer has telephoned you on March 15, 2010 from Sydney (Australia) and requested you to stop payment of the cheque No. 7256893 for Rs. 210,000/= in favour of Mr. Adnan Rehmat Ali, as the beneficiary has not fulfilled his commitment. How will you handle this request?
 - B. In response to your advice to send a written request your valued customer sends you a telegram on March 16, 2010, to stop payment of the above cheque. How will you handle this situation?
 - C. The above cheque has been presented for payment to your branch through clearing on March 16, 2010. What action you will take to protect interest of your valued customer and that of your bank both?
2. Messers Reliable Business Corporation is a private limited company and they would like to open their business account in your branch. Answer the following in this connection:
 - (A) What document they must submit to open this account and why?
 - (B) From where will you learn about the business of the company, authorized and paid up capital?
 - (C) What precautions must be taken to maintain the account?
3. You have a partnership account of the firm ABC & Co. in your branch. There are eight partners, and 2 authorized partners operate the account jointly. Since some dispute has arisen among the partners, 4 of them have asked you in writing to stop all operations on the account.

What action will you take to solve this problem?
4. One of your account holders has given you standing instruction to remit Rs. 5000/= by the 5th of every month to his mother. You continued to comply with these instructions but in January this remittance was delayed by a week. Your account holder got angry and threatens to close his accounts with you. How will you handle this situation?
5. One of your customers wants to remit U.S \$ 3200/= to his son who is studying in USA. Suggest the choices available to do so and identify the method you would recommend to your customer?
6. A customer of your branch is in need of a loan of Rs.150,000/= to pay the educational expenses of his son. The loan shall be repaid in 2 years in 24 monthly

installments. He is 45 years of age and is permanent /regular employee in a private firm and draws a take-home salary of Rs.30,000/= per month. He has an outstanding personal loan of Rs. 40,000/= from his employer.

Please evaluate this proposal and decide about its fate.

7. Banks and financial institutions are morally and legally bound to observe secrecy of their customer account. Answer the following questions with reference to above:

(A) List the situation in which they are not bound to observe secrecy.

(B) Describe the circumstances under which a banker can disclose the secrecy of his customer account in bank's own interest: