

THE INSTITUTE OF BANKERS PAKISTAN

ISQ Examination (Winter-2011)

Retail & Consumer Banking Operations – Stage-III

Section-I

Multiple Choice Questions

Number of Questions: 30

Marks: 45

Allotted Time: 60 minutes

Section-II

Constructed Response Questions

Number of Questions: 09

Marks: 55

Allotted Time: 120 minutes

Q.31 Who is a holder? What are the conditions to qualify to become ‘holder in due course’?

Q.32 Consumer loans are not easy to evaluate. It is often easier to conceal pertinent information bearing on the payout of a loan than for most businesses.

What features of a consumer loan application will you as a prudent banker examine most carefully?

Q.33 Why do mark-up rates on consumer loans typically average higher than on most other kinds of loans?

- Q.34** A crossed cheque bearing endorsement 'Pay Mr. B on arrival of the ...
"M.V.Chenab", is presented in inward clearing by the collecting bank
with the discharge, "1st payee's endorsement confirmed, 2nd payee's
account credited". How would you deal with it and what will be your
responsibility?
- Q.35** After the death of father, who was operating his minor son's account,
minor's uncle approaches to operate the account as a guardian. What
must be your course of action?
- Q.36** What is the rationale behind regulating the financial system in a
country?
- Q.37** What is a 'trust'? What precautions should be taken in opening and
conduct of a trust account?
- Q.38** What do you understand by electronic banking? What areas of banking are
covered by Information and Communication Technologies?
- Q.39** A customer of your branch is in need of a loan of Rs.250,000/= 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. He draws a take-home salary of Rs.40,500/=
per month. He has an outstanding personal loan of Rs. 40,000/= from his
employer for which repayment installment is deducted before crediting
the salary to his account.

Please evaluate this proposal and decide about its fate.
