

- Q.1 A. Define the terms “banker” and “customer”.
B. State any three types of relationships that can exist between a “banker” and a “customer”.
- Q.2 A. What is the concept of right of “set off”?
B. State any four conditions which must be met before the bank can exercise the right of “set off”.
- Q.3 A. State the purpose and objective for maintaining a strong internal control environment in banks.
B. Discuss at least 3 SBP guidelines on the methodology that should be adopted by banks to achieve this objective.
- Q.4 A. What is ATM downtime/uptime?
B. What is cash retract? State the cash retract timeline.
C. How is cash retract handled?
- Q.5 A. What is the purpose of conducting Customer Due Diligence (CDD)?
B. What are the measures taken for conducting CDD?
C. Why is Enhance Due Diligence (EDD) conducted? List any FOUR instances where EDD is necessary.
- Q. 6. Your branch issued a demand draft for RS. 500,000/- to Mr. Basit, a walk-in-customer. This draft is drawn on an up-country branch of your bank. A week later, Mr. Basit calls on you and states that he has misplaced the draft. He requests you to issue a duplicate DD in lieu of the lost draft. List the FIVE major steps you will take to accede to his request for issuance of Duplicate DD.
- Q.7 SBP Prudential Regulations stipulates that all Banks/ DFI, should designate a suitably qualified and experienced person as ‘compliance officer’ on countrywide basis. Who designates compliance officer in local and foreign banks operating in Pakistan? Outline any FOUR primary responsibilities of compliance officer.
- Q.8. A. What is “Endorsement”?
B. State its 4 key features.
C. Describe any 4 different types of endorsements used in day to day banking.
- Q.9 Explain any five exemptions from zakat deductions?