

BCC MONEY ORDERS

PROCEDURES

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BCC MONEY ORDERS

1. INTRODUCTION

Bank of Credit & Commerce International (Overseas) Ltd, issues Money Orders (for Brevity, BCCMOs). BCCMO Department at CSO, 100 Leadenhall Street, London EC3A 3AD arranges printing, delivery, accounting and reimbursement of the proceeds of BCCMOs. A BCCMO is just like a draft with some features of a Travellers Cheque. It is encashable throughout a particular country or at a large number of branches of the drawee bank. It can be sold by an agent as well as by a branch of a bank.

2. SALES OFFICES

Besides BCC branches, arrangements are also made with several external agencies, such as money changers, to sell the BCCMOs on behalf of the BCCI (Overseas) Ltd. Each Sales Office should sign a 'Sales Agreement' as per the form given in Appendix H. This Agreement details the arrangements made for sale of BCCMOs, through the Sale Office.

Name of the selling agent may appear on the face of a BCCMO.

3. PAYING OFFICE

In countries where BCCI (Overseas) Ltd, is not represented by a branch or where the spread of their branches is not fully representative, prior arrangements are made with other bank/financial agencies to honour the BCCMOs presented to their branches for payment. The name of the drawee bank is printed on

the BCCMOs indicative of such an arrangement. A Branch of BCC operating in the drawee bank's country will also be authorised to pay the BCCMOs and claim reimbursement from the drawee bank. BCCMOs may also be drawn on BCC's branches.

4. DENOMINATIONS

Presently BCCMOs are issued in the following denominations.

DENOMINATION		
<u>Pakistani & Indian Rupees</u>	<u>US Dollars</u>	<u>£ Stg</u>
500	50	25
1,000	100	50
2,000	200	100
5,000	500	250
10,000	-	-

In addition to the above, blank BCCMOs for issue in variable amounts are also available.

Facsimiles of a few BCCMOs have been reproduced in Appendix A.

5. DESCRIPTION OF BCCMO

All BCCMOs bear a special notation 'Valid for ninety days from Date of Issue' and are made up of three parts:

- i) The first part is the original BCCMO. It has the denomination and the name of the drawee bank pre-printed. Space for the following details are provided for:

- a) The date of issue
 - b) The name of the beneficiary
 - c) Signature of one or two authorised persons at the sales office
 - d) Name and address of the sales office. The sales office may affix a rubber stamp with the details of their names and addresses. This may be affixed immediately on receipt of the stock of BCCMO for issue.
- ii Second part is a copy of the original BCCMO and is for the purchaser. No additional details on the copy are provided.
- iii) Third part is a copy for record at the Sales Office. In addition to the information available on the original, space for the following additional information is provided:
- a) Name and address of the purchaser. These are completed at the time of sale of the BCCMO
 - b) Signature of the purchaser
- iv) Fourth copy is copy for BCCMO Department. The amount of BCCMO plus share of commission payable to BCCI (Overseas) Ltd, will be indicated in this copy.

Procedure of payment of BCCMO amount and the sharing of commission between the Sales Office and the BCCI (Overseas) Ltd, is worked out with each Sales Office separately.

6. BCCMO STOCK REGISTER

BCCMO Department maintains the stock of BCCMOs. No sooner the printed BCCMOs are received from the printers, the details are

entered in the BCCMOs Stock Register. Appropriate folios in the Register are allotted to various denominations in which BCCMOs are issued. The Register has the following columns:

i) Date Received & Issued

This represents the date on which the stock of BCCMOs is received from the printers. Subsequently, the date when the BCCMOs are issued from the stock to the Sales Office will also be entered.

ii) Serial Numbers

This has two sub-columns:

- a) From
- b) To

The beginning and the last serial number of BCCMOs from each stock received will be noted.

iii) Number of pieces on hand

This represents the balance number of pieces outstanding with the BCCMO Department at each point of time.

iv) Initials

Each entry will be carefully checked by two responsible personnel who will affix their initials.

v) Folio Number of Issue & Sales Register:

This column will indicate the folio number of Issue and Sales Register in which the records of the BCCMOs issued is recorded in Sales Office order.

A sample of BCCMO Stock Register appears in Appendix B. Similar stock registration should be made by the Sales Offices on receipt of stock by them.

7. SAFE CUSTODY OF STOCK

After registration of BCCMOs and before their issue to 'Sales Offices', BCCMO Department arranges for their safe keeping in a fire-proof safe under joint custody.

8. ISSUE OF BCCMOS TO 'SALES OFFICE'

BCCMO Department receives requisition for BCCMOs from Sales Offices in form appearing in Appendix C. A Delivery Letter in form appearing in Appendix D is prepared. Delivery letter is a manifold set consisting:

- i) Letter addressed to the 'Sales Office' detailing the BCCMOs handed over to them for sale.
- ii) Acknowledgement-cum-Trust Receipt. Sales Office is requested to return the second copy of the Delivery Letter evidencing their acknowledgement. The declaration from the Sales Office that they are holding the BCCMOs 'on trust' is also incorporated in the acknowledgement.

Strict follow-up is made by the BCCMO Department to ensure that the acknowledgement duly signed by the 'Sales Office', is received within a reasonable time after the despatch of BCCMOs.

9. BCCMO ISSUE & SALES REGISTER

Before BCCMOs are despatched to the Sales Office, an entry in the BCCMO Issue and Sales Register is made. Appropriate folios have been allotted for each denomination. Folios will also be allotted to different Sales Offices, within denominations to whom the BCCMOs are issued for sale. The name and address of the Sales Office, their telephone, telex number and the name of the person normally contacted in the Sales Office is entered.

The columns of the Register are as under:

i) Date of Issue

This represents the date on which the BCCMOs are issued to the Sales Offices.

ii) Serial Number

This has two sub-columns (a) 'From' (b) 'To'. The beginning and the end serial number of the batch of the BCCMOs issued to the Sales Office are entered.

iii) Balance (No of pieces)

This represents the number of pieces held with the Sales Office.

iv) Date Payment Received

The date on which payment of BCCMOs issued to Sales Office is received is entered in this column and simultaneously entries made in the 'Serial No' column indicating the

number of BCCMOs sold & the balance outstanding noted in the next column.

v) Initials

Each entry is checked by two responsible personnel who affix their initials.

vi) Remarks & Date Acknowledgement Received

The date on which second copy of the Delivery Letter is received is noted in this column. The signature of the Authorised person from the Sales Office is verified. Remarks about any BCCMO lost, destroyed or stolen as advised by the Sales Office are also entered in this column. On recording the above details the balance number of pieces outstanding is appropriately reduced.

10. SALE OF BCCMO

a) Sales Offices should make their own arrangements for safe keeping, accounting, issue and remittance of sale proceeds of BCCMOs accepted by them.

b) For branches authorised to sell BCCMOs, the mechanics of sale of BCCMOs is similar to those of Travellers Cheques.

Branches should arrange recording details of BCCMOs in the Travellers Cheques On Hand Register (EXCH-F-2).

Separate folios will be allotted to BCCMOs for different denominations. On receipt of stock of BCCMOs, the details should be entered in the Register as under:

i) Date

This represents the date on which the Stock of BCCMOs was received. The date on which BCCMOs is sold should also be mentioned in this column.

ii) Distinctive Nos

This has two sub-columns (a) 'From' and (b) 'To'. The beginning and end number of the batch of stock of BCCMOs received should be noted.

iii) Quantity

Number of pieces on hand should be recorded in this column.

iv) Amount Received (Credit)

Total amount of BCCMOs received should be noted in this column against the date of receipt.

v) Amount Sold (Debit)

Amount of BCCMO sold should be noted in this column against the date of sale.

vi) Name of the Party to whom sold

Purchaser's name should be entered in this column.

vii) No of cheques sold (quantity)

Number of pieces of BCCMO sold by the branch should be entered.

viii) Balance (Amount)

This represents the value of BCCMOs on hand by the branch at a point of time.

ix) Initial

Authorised personnel of the branch who checks the details of the entry should affix their initials in this column.

x) Exchange Control

This column should be used wherever applicable, for noting the approval number.

xi) Remarks

Details of any BCCMO lost, stolen or destroyed, should be noted in this column. In all other cases, this column should be blank.

As stated earlier, all BCCMOs bear a notation that their validity is restricted to 90 days. At the time of sale it should be made clear that a duplicate BCCMO in case of loss etc is not issued earlier than 90 days, and the entire process may take 120 days.

At the time of sale of the BCCMOs, the appropriate payment is accepted from the purchaser of the BCCMO. Before handing over the BCCMO, however, the following details are completed.

- a) Date of Issue
- b) Name of the beneficiary

- c) Name of the purchaser
- d) Address of the purchaser
- e) Purchaser's signature
- f) Name and address of Sales Office

The first and second part of the BCCMO set are handed over to the purchaser after completing the above details and countersigning the original.

The Sales Office should also affix signatures on the third and fourth part of the BCCMO. The Sales Office may utilise the space available on the third copy for making any calculations or recording any particulars as per their record, and the fourth copy is to be sent to BCCMO Department, London along with the Statement of Sale.

11. REMITTANCE OF PROCEEDS AFTER SALE OF BCCMOS

Within 24 hours of the sale of BCCMOs, proceeds plus the share of commission payable to BCCI (Overseas) Ltd, should be remitted by the Sales Offices. The proceeds should be remitted in a currency mutually agreed upon irrespective of the currency of the BCCMOs. The rate of converting the amount payable by the Sales Office into a foreign currency and the mode of remittance should be pre-determined and agreed between the issue Office and the BCCI (Overseas) Ltd.

12. COMMISSION

Rate at which commission is shared between the BCCI (Overseas) Ltd, and the Sales Offices is negotiated at the time of entering into an agreement for sale of BCCMOs.

13. STATEMENT OF SALE

The statement of sale should have the following details:

- i) Name and address of the Sales Office
- ii) Date of Sale
- iii) Denomination

Denomination of the BCCMO should be noted.

- iv) Serial No

This column has two sub-columns (a) 'From' and (b) 'To'. The beginning and end of the batch of BCCMO sold should be noted.

- v) Total No of pieces

Number of pieces sold for each denomination should be mentioned in this column.

At the end of the Statement of Sale total amount of BCCMOs sold should be stated. To this amount share of commission payable to BCCI (Overseas) Ltd, should be added.

Total amount payable to BCCI (Overseas) Ltd, should be arrived at in the last column. The rate at which the local currency is converted into the currency of payment agreed between the Sales Office and BCCI (Overseas) Ltd, should be indicated.

Statement of Sale should be sent to the BCCMO Department, duly signed together with cheque/credit advice representing the sale proceeds. In cases where the payment is agreed upon in form,

other than the Sales Office cheque, the details of payment made by Sales Office should be entered.

14. QUARTERLY CERTIFICATE FROM THE SALES OFFICES

At the end of each quarter, in March, June, September and December each year, the Sales Office should send a certificate to the BCCMO Department, certifying the details of BCCMOs held by them on the last working day of the quarter.

15. BCCMOS CANCELLED BY THE SALES OFFICES

If, for any reason, the Sales Office cancels a BCCMO, it should return the cancelled BCCMO alongwith the Statement of Sale to the BCCMO Department. At the end of the Statement of Sale, after details of the BCCMOs issued have been listed, the number of the cancelled BCCMO should be noted. The word 'CANCELLED' will be inscribed across the face of the BCCMO.

The BCCMO Department notes the details of the cancelled BCCMOs. They arrange to delete their amount from the accounts of the Sales Office.

The purchaser should report to the Sales Office, if a BCCMO obtained by him is lost or stolen. Sales Office should not issue a duplicate BCCMO immediately. After 90 days of the issue of the BCCMO reported lost, a duplicate for the same amount and favouring the original beneficiary may be issued PROVIDED the Sales Office verified that 90 days have elapsed, the original has not been paid and caution was noted at BCCMO Department in London, and an indemnity has been obtained from the purchaser in the form appearing in Appendix G. On issuing a duplicate BCCMO after 90 days, the Sales Office will record the number of the BCCMO at the end of the Statement of Sale and will indicate that this is in replacement of original BCCMO reported lost.

The Sales Office will advise the details of the BCCMO reported lost/stolen to the BCCMO Department. The Department makes a note against the relative BCCMO in the BCCMO issue and Sales Register. If the BCCMO has already been paid earlier, the Department advises the Sales Office accordingly.

If a BCCMO is presented for revalidation after the expiry of 90 days, it may be readily revalidated, provided always that a duplicate BCCMO has not already been issued there against, and the signature of the purchaser on the letter of request agrees with the original application. An advice for having revalidated a BCCMO should be conveyed to BCCMO Department, London, in the Statement of Sale.

18. PAYMENT OF BCCMOS

As per the arrangements already agreed between the BCCI (Overseas) Ltd, and the Paying Offices, payment to the beneficiary of the BCCMO is made when presented at any of the branch or designated branch of the Paying Office. Care necessary to establish the identity of the beneficiary should be exercised. BCCI (Overseas) Ltd, will maintain an account with the Main Branch of the Paying Office in each country. Other branches will be advised the details of such account. BCCMO if presented to the main branch will be paid by debit to the account maintained by BCCI (OS) Ltd. All other branches will pay the BCCMO by debit to the 'Sundry Debtors Account' and claim reimbursement from the Main Branch. Branches in regions where settlement of transactions is routed through Inter-Branch Transaction System will pay the BCCMO by directly debiting the Main Office account with them. Original BCCMOs will be sent to the Main Office together with relative debit advice.

Main Branch should send a statement of account to the BCCMO Department at London every fortnight. The Statement of Account should mention the following details:

- a) Date when BCCMO paid by them
- b) Serial Number of BCCMO
- c) Amount of BCCMO
- d) Balance outstanding in the account

From time to time, the BCCMO Department will keep the account funded. The main branch will continue paying BCCMOs presented to them even when the balance in the account falls short of the amount of BCCMOs presented.

VALID FOR NINETY DAYS FROM DATE OF ISSUE



BANK OF CREDIT AND COMMERCE INTERNATIONAL

MONEY ORDER

RS 1000/-
SPECIMEN

Pay to

Or order

DATE

S
O
L
D
B
Y

PAK RUPEES ONE THOUSAND ONLY

Payable at:
MUSLIM COMMERCIAL BANK LIMITED
CHUNDRIGAR ROAD, KARACHI
or at any of its branches in Pakistan

پاکستان میں مسلم کمرشل بینک کی کسی بھی شاخ سے وصول کی جاسکتی ہے۔

For BANK OF CREDIT AND COMMERCE INTERNATIONAL
(OVERSEAS) LIMITED

No. 360455736



BANK OF CREDIT AND COMMERCE INTERNATIONAL

VALID FOR NINETY DAYS FROM DATE OF ISSUE

MONEY ORDER

IRs 5000/-
SPECIMEN

Pay to

Or order

DATE

Sold by

INDIAN RUPEES FIVE THOUSAND ONLY

Payable at:
Indian Overseas Bank
762 MOUNT ROAD
MADRAS
OR AT ANY OF ITS BRANCHES IN INDIA

For BANK OF CREDIT AND COMMERCE INTERNATIONAL
(OVERSEAS) LIMITED

No. 481594230

BCCMO STOCK REGISTER

Telephone No. _____

Cable _____

Denomination

Currency

[illegible]

APPENDIX C

From:

Bank of Credit & Commerce Int
(Overseas) Ltd.,
BCCMO Department
Special Projects Division
100 Leadenhall Street
London EC3A 3AD

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Dear Sirs,

We Shall be glad if you arrange to issue to us BCC Money Orders as detailed below:

Currency	Denominations	Pieces required	Balance on hand	
			Serial Nos	
			From	To

We agree to abide by the rules set by the Bank of Credit & Commerce International (Overseas) Ltd., for the sale of BCCMOs.

We undertake that the sale proceeds of BCCMOs will be remitted to you within 24 hours of the sale at the rate and in the currency mutually agreed between us. We also undertake to remit to you share of your commission as agreed between us. The BCCMOs will be held in trust by us pending their sale.

Yours faithfully,

Authorised Signature

(OVERSEAS) LIMITED

100 Leadenhall Street, London EC3A 3AD

Telephone : 01-283 8566 Telex : 892251 Cables : BANCRECOM

Dear Sirs,

As desired in your letter dated _____, we are enclosing the BCC Money Orders listed below. Kindly sign the enclosed acknowledgement and return the same to us urgently.

Yours faithfully,

Authorised Signature

Denomination	Currency	Numbers		Total No. of Pieces	Total Amount
		From	To		

(Your Ref. & Date)

FROM :

TO :

BCCI (Overseas) Ltd.,
BCCMO Department,
Special Projects Division,
100 Leadenhall Street,
London EC3A 3AD.

ACKNOWLEDGEMENT CUM TRUST RECEIPT

The undersigned hereby acknowledges receipt of the Bank of Credit & Commerce International (Overseas) Limited Money Orders listed below and agrees to observe the same care and protection in the custody of these Money Orders as would be given to a like amount of currency; to hold these Money Orders in trust for Bank of Credit & Commerce International (Overseas) Limited; to hold the Money Orders and the sale proceeds thereof separate and apart from the assets of the undersigned; to comply with an audit or recall of any of the said Money Orders or their proceeds; to be fully responsible for their due issue and for the prompt remittance to the Bank of Credit & Commerce International (Overseas) Limited of the proceeds of sale thereof; to notify the Bank of Credit and Commerce International (Overseas) Limited promptly in case of loss, destruction or theft of said Money Orders and to reimburse the Bank of Credit & Commerce International (Overseas) Limited for any of such loss, destroyed or stolen Money Orders that may be presented to and paid by them. Such notice shall not bar payment of such lost, destroyed or stolen Money Orders in the sole discretion of the Bank of Credit & Commerce International (Overseas) Limited.

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Authorised Signature

Denomination	Currency	Numbers From To		Total No. of Pieces	Total Amount

ISSUE & SALES REGISTER

Sales Office _____

Currency

Contact

Date of Issue	Serial No.		Balance (No. of Pieces)	Date Payment Received	Initials	Remarks and Date acknowledgement received
	From	To				

STATEMENT OF SALE

No. _____

Mail to:



Date: _____ 19__

Your account has been credited (Delete non-applicable)

Currency: _____

[illegible]

- * Must contain all the 9 digits of the Money Order Number.

Signature: _____

APPENDIX G

LETTER OF INDEMNITY FOR ISSUING DUPLICATE DRAFT

KNOW ALL MEN BY THESE PRESENTS that I/we the undersigned _____ and _____ am/are held and firmly bound unto BANK OF CREDIT AND COMMERCE INTERNATIONAL (Overseas) Ltd, _____ in the sum of Currency _____ Currency _____ (in figures) _____ (in words) _____ to be paid to the said BANK OF CREDIT AND COMMERCE INTERNATIONAL (OVERSEAS) LTD, its nominees, successors and assigns for which payment to be well and truly made I/we (jointly and severally) bind myself/ourselves, my/our respective estates and effects firmly by these presents dates this _____ day of _____ One Thousand Nine Hundred and _____

WHEREAS I/we the said _____ purchased, from BANK OF CREDIT AND COMMERCE INTERNATIONAL (OVERSEAS) LTD, a BCCMO No _____ dated _____ for Local Currency _____ (Local Currency _____)

in favour of _____ and whereas the said BCCMO has been lost or misplaced or miscarried and I/we have requested you to issue a duplicate BCCMO in lieu of the original. I/we declare that the said BCCMO has not been transferred or otherwise dealt with in any manner, and further I/we the undersigned agree to and hereby do indemnify in respect of the said BCCMO yourselves, your successors and assigns and your Directors and Officers and Shareholders and respective estates and effects from time to time and at all times hereafter undertake to hold them safe and harmless and indemnified against any claims arising out of the said BCCMO said to have been lost or misplaced or miscarried and against all actions, losses, costs, charges, expenses and demands whatsoever that you, your successors and assigns and your Directors and Officers and Shareholders and their respective estates and effects may suffer on account of yourselves issuing a duplicate in lieu of the aforesaid BCCMO for Local Currency _____ (Local Currency _____) dated _____ and I/we the undersigned undertake to return to you the said original BCCMO if found hereafter.

IN WITNESS WHEREOF, I/we hereunto set our hand this _____ days of _____ One Thousand Nine Hundred and _____.

Witness _____	Signature _____	_____
	Address _____	_____

Address _____	Occupation _____	_____

Witness _____	Signature _____	_____
	Address _____	_____

Address _____	Occupation _____	_____

APPENDIX H

S A L E S A G E N T ' S A G R E E M E N T

Bank of Credit & Commerce International (Overseas) Ltd
George Town
Grand Cayman
CAYMAN ISLANDS

Dear Sirs

In consideration of your entrusting to us the sale of BCC Money Orders (called BCCMOs), we hereby agree with you, your successors and assigns, to act as a seller and trustee of BCC Money Orders on the following terms and conditions:

1. Whilst acting as a seller of BCCMOs, we shall promote their sales and act as an independent contractor, and we would hold the same in trust for your account pending their sale or return to you.
2. We shall keep all stocks of BCCMOs in a safe, securely locked, like our own cash, till their sale or return to you, and ensure that, at all stages, they are handled by authorised officers and kept under the control of authorised persons only.
3. We shall, on sale of the BCCMOs, keep the sale proceeds entirely separate from our other funds pending their remittance to you.
4. We shall carry our periodical checks to ensure that the controls are adequate, and do the balancing of the stock of BCCMOs held by us regularly, that is, once a month for the working stock thereof and once in three months for the bulk stock thereof kept with us.
5. We shall pass receipt to you in respect of the stocks of BCCMOs delivered to us by signing the duplicate copies sent by you and marked for that purpose.
6. We shall obtain from each purchaser of BCCMOs, an application for their issue on the prescribed form.
7. We shall receive from the purchaser of BCCMOs payment other than those in legal tender at our own risk and responsibility.
8. We shall effect remittance to you, as per the agreement, of sale proceeds of BCCMOs for credit of your account at such place as you may, from time to time, advise us in writing. Such remittances will be for the face value of BCCMOs sold and any commission and other fees, (which may be separately agreed between us), recovered from the purchaser thereof. In the event of any delay in remittance of funds, we shall pay you interest at 3% over 7 days London Inter Bank Office Rate (LIBOR) from the date the remittance is due to the date of receipt of the amount by you.

9. We shall immediately notify to you any loss, theft, destruction of any unissued BCCMO or material damage thereto and give full particulars and details thereof.
10. We shall recommend the names of our employees authorised by us to sign BCCMOs on your behalf. We indemnify you against any wrongful act of those employees and against the loss you may suffer in the event of their signing BCCMOs. We also undertake to inform you of any change in the signatures of the authorised employees, or in the event of our withdrawing the authority of these employees. We also agree that you may, at your discretion cancel their signatures for any reason and without notice to us.
11. You shall be entitled to amend the above forms by giving written notice to or discontinue sales of BCCMOs through us at any time without previous notice. We shall be entitled to discontinue sale of BCCMOs on giving notice to you at any time. In any such case, all settlement of outstanding amounts between us will be effected by us forthwith and the stock of BCCMOs remaining with us on such date will be returned or transferred by us according to your instructions in respect thereof, and pending such action it will be held in trust for you.
12. We shall advise you about any material change in our ownership or our constitution and we shall not assign our rights without your specific approval for the same in writing.
13. This agreement will be governed by the laws of England and shall be subject to the non-exclusive jurisdiction of the courts in England.

Date this day of _____ 198 ____