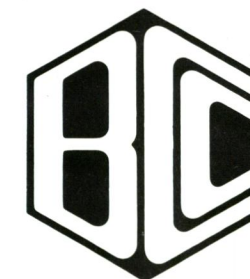




BANK OF CREDIT AND COMMERCE INTERNATIONAL

GUIDELINES FOR MARKETING

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FOR STAFF USE ONLY



BANK OF CREDIT AND COMMERCE INTERNATIONAL

GUIDELINES FOR MARKETING

Compiled by: THE REGIONAL MARKETING COMMITTEE, U.K. REGION

PRIORITY FOR MARKETING - 1985

Vienna 1985 has helped BCC family to evolve a CLEAN INSTINCT and CLEAR PERCEPTION of the priorities in our marketing efforts.

'LOW COST DEPOSITS' is the marketing product 1985 and therefore a special chapter has been included on the subject.

The Marketing Guidelines have been revised based on the suggestions received during the last year and the statistics have been updated to help the marketing personalities of the UK Region proceed on our Evolutionary Path with confidence, speed and success.

U.K. Regional Office
April 1985

ESSENTIALS FOR SUCCESSFUL MARKETING

BE 'AWARE'

- KNOW YOUR BANK.
- KNOW YOUR STRENGTHS - CAPITAL AND COVERAGE.
- KNOW YOUR PRODUCTS AND SERVICES.
- KNOW YOUR CLIENTS.
- KNOW YOUR CLIENTS REQUIREMENTS - PRESENT AND FUTURE.
- KNOW THAT CLIENT POSSESSES KNOWLEDGE MORE THAN YOU.
- KNOW YOUR UNIQUE SELLING POINTS.
- KNOW YOUR CATCHMENT AREA.
- KNOW THE AREAS WHICH ARE NOT OF GENERAL INTEREST TO THE BANK.

'BE ALERT'

- KNOW YOUR COMPETITORS' PRODUCTS AND SERVICES.
- KNOW HOW THEY COMPARE WITH YOURS.
- KNOW THE PRICE CLIENTS PAY FOR YOUR SERVICES.
- KNOW WHAT THEY PAY FOR OTHER BANKS' SERVICES.
- KNOW HOW PROMPT AND GOOD IS YOUR COMMUNICATION WITH YOUR CLIENTS.
- KNOW HOW SATISFIED ARE YOUR CLIENTS.
- MARKETING IS OVERALL AWARENESS, ALL ROUND ALERTNESS.
- MARKETING IS MATCHING THE REQUIREMENTS OF CLIENTS WITH YOUR STRENGTHS.

THE FOLLOWING PAGES PROVIDE SOME FACTS AND TIME-HONOURED TECHNIQUES TO HELP MARKET SUCCESSFULLY.

Hope courage and clear perception makes a successful marketing person.

Have confidence in you quality and ability to sell and remember "Every opportunity to meet a customer is an OPPORTUNITY FOR CONTACT, present or future, an opportunity to present BCC and project BCC's IMAGE that BCC CARES"

REMEMBER WHEN PREPARATION AND OPPORTUNITY CONVERGE, IT IS CALLED LUCK.

FEEL PROUD of belonging to BCC and being an ambassador of its valued products and services.

CONTENTS

- HISTORICAL BACKGROUND
- OWNERSHIP
- GEOGRAPHICAL COVERAGE
- MANAGEMENT
- GLOBAL NETWORK
- FINANCIAL STATURE
- BCC'S PLACE IN THE WORLD'S LARGEST BANKS
- PHENOMENON OF BCC GROWTH
- PRODUCTS AND SERVICES OF BCC IN THE UK REGION
- PRODUCTS AND SERVICES OF OTHER LEADING BANKS IN THE UK
- COMPETITIVE ADVANTAGES OF BCC GROUP
- SOME SUGGESTIONS FOR SUCCESSFUL MARKETING CALLS
- LOW COST DEPOSITS

HISTORICAL BACKGROUND

The BCC Group is the outcome of a concept especially relevant to our times: it was formed as the first truly international financial institution.

The sense of history and vision of the future demonstrated by its well connected, dedicated and professional team of founders has made BCC a pioneer institution in the financial community in modern times. In an era of innovative competitiveness, when the traditional roles of financial institutions are rapidly changing, when faster communication is bringing the World's financial markets to the customers' fingertips, and when all countries, big and small, are striving towards a new international economic order of trade, financial co-operation and economic development, BCC has been catering to the needs of the day, ever since its modest beginning in 1972.

BCC was originally conceived by our founding President, Mr Agha Hasan Abedi, who was assisted by a management team of professional bankers. Its founders have had an intimate knowledge of East Asian and Middle Eastern countries - particularly those with oil resources - besides European economies and the expertise essential for sophisticated operations in the capital markets of the world. This brought together the three most important elements in the early formation of the organisation: investors from the oil-producing countries of the Middle East; established business connections in expanding markets; and a well-developed and fully equipped management structure. The first bank to be established within the Group was Bank of Credit and Commerce International S.A. incorporated in Luxembourg in 1972 which commenced its operations with just three branches, one each located at Luxembourg, United Arab Emirates and United Kingdom. In 1975, under a restructuring programme, BCCI Holdings (Luxembourg) S.A. was established as a Bank Holding Company in Luxembourg and Bank of Credit and Commerce International S.A. became its wholly owned subsidiary.

Bank of America participated initially by investing 30% of the capital and providing operational assistance. The original purpose of Bank of America's investment in BCC was to gain access to the Middle East market. In due course, Bank of America determined that its strategic interests in the area required a direct presence. At the same time, BCC Group wished to undertake banking operations within the United States, but was unable to do so whilst Bank of America retained its shareholdings. Therefore, by mutual agreement, Bank of America disinvested its shareholdings gradually by June, 1980. They still remain the closest correspondents of BCC.

BCC's courage of conviction, moral will and professional commitment to provide a Worldwide network of financial services for trade and development, with the accent particularly on the needs of those in the Third World countries, and a high standard of service coupled with personal attention, are mirrored in its growth.

1984 completed 12 years of our life. BCC came into being at the end of 1972 with its main operation in the Gulf region, which was then in the process of an historic change in its economic climate as a result of rapid rise in the prices and production of oil. This change did not only change the economic situation in Gulf countries but significantly affected the economic climate globally. We were there when the flux of petro-dollars changed the financial structure of the world and a major part of this flux flowed into the banking system.

During the first ten years of our life we were one amongst the many beneficiaries of this change. It helped us realise our vision – it was for us a decade of unprecedented growth and expansion. At the same time we never remained unmindful of the conservative and prudent policies that are essential to the creation and development of a sound financial institution. As a result, we are today a strong and well balanced Group of financial institutions operating successfully in 70 countries of the world, with total assets of US \$14.3 Billion which is adequately supported by a capital fund in excess of US \$1 Billion.

We were conceived in change and we continue to remain in change – responding to it and creating it, simultaneously and continuously. During 1983 we sensed it was time for another change. We had grown to sufficient size and stature that a new strategy was needed. This perception coincided with a turbulent and uncertain climate in the economic and banking world that called for so much more consolidation and quality. The new impetus for change was not a regional phenomenon as it was in the Gulf in 1972 but rather a global phenomenon of complex and ever-changing proportions.

Once again we quickly responded in 1984. The results show a total shift of emphasis from growth to consolidation, from quantity to quality – an emphasis on high gearing, high liquidity, high quality of assets, high service standards, high operational efficiency and budgetary controls. Our gearing was raised from 6.5% to over 7%, liquidity from 48% to 53% if we include short-term readily encashable investments and capital from US \$808 Million to over US \$1 Billion which stands well against a portfolio of total loan asset of US \$5 Billion.

Our focus will continue to accentuate on conservatism and prudence during the next decade. We plan to increase within the next 3 years our gearing to over 8% and liquidity to over 55% while maintaining a high degree of emphasis on the quality of assets.

It is our sensitivity to change that has been the hallmark of our success and it will continue to be so in the years ahead. BCC has always been linking people, cultures, nations and continents through its banking services. But we are more than this, we are also a bridge in time – a link between what is and what is possible, between the reality of the present and the potentiality of the future.

OWNERSHIP

Following is an approximate breakdown of the ownership of BCC Group's parent organisation, BCCI Holdings (Luxembourg) S.A.

- 80% (approximately) is owned by investors from Middle East consisting mainly of eminent families from Abu Dhabi, Bahrain, Dubai, Kuwait, Saudi Arabia and Sharjah, some leading Middle East businessmen in their personal capacities and Abu Dhabi Investment Authority (AADIA), a Government Investment body.
- 10% is owned by ICIC Foundation. (Its objectives are to provide aid and services for deserving causes).
- 10% is owned by ICIC Staff Benefit Fund (for the benefit schemes for group staff).
- A detailed list of shareholders is provided periodically to all concerned Regulatory and Controlling Authorities and is published in instruments of public record, such as the prospectus of Floating Rate Notes Issue of US\$50 million by BCCI Finance NV in November, 1983. The ratios of the shareholdings as mentioned above are subject to fluctuations.

GEOGRAPHICAL COVERAGE

70 Countries in 5 Continents (as at end December 1984)

Australia*	1	Italy	3	Panama	2
Bahamas	2	Ivory Coast	2	Paraguay	1
Bahrain	1	Jamaica	3	Philippines	1
Bangladesh	3	Japan*	1	Portugal	1
Botswana	4	Jordan	3	Senegal	1
Barbados	1	Kenya	8	Seychelles	1
Brazil*	1	Korea S.	1	Sierra Leone	2
Cameroon	3	Kuwait	1	Spain	27
Canada	6	Lebanon	6	Sri Lanka	2
China*	1	Liberia	1	Sudan	3
Colombia	25	Luxembourg	2	Swaziland	2
Cyprus	1	Macau	1	Switzerland	2
Djibouti	1	Malaysia	1	Thailand	2
Egypt	21	Maldives	1	Togo	1
France	3	Mauritius	1	Turkey	3
Gabon	3	Monaco	1	UAE	21
Germany (West)	2	Morocco*	1	UK	44
Ghana	1	Netherlands	1	Uruguay	1
Gibraltar	1	Netherlands Antills	1	USA	11
Grand Cayman	3	Niger	1	Venezuela	1
Hong Kong	30	Nigeria	25	Yemen	2
India	1	Oman	59	Zambia	5
Indonesia	2	Pakistan	3	Zimbabwe	6
Isle of Man	1				
			TOTAL		387

*Representative Offices only

(For details of subsidiaries and affiliates please consult the latest balance sheet).

MANAGEMENT

The personnel strength of BCC Group exceeds 11,300 in number, comprising of over 87 nationalities. Most of this number is made up of trained bankers, well experienced in commercial and other specialised banking fields.

BCC Group lays special emphasis on the development and growth of its personnel and management resources. From the very inception it has created an elaborate programme for the recruitment and training of fresh university graduates through six training centres around the world. These training centres also regularly conduct advanced banking and management development courses for the middle management and senior officers of Group banks. The principal institution which provides the required courses, programmes and highly developed facility to the various training centres is BCC's International Management Development Centre (IMD) based in London. The facilities of IMD have recently been extended to New York, USA with a view to cater for the staff and management development needs of BCC's growth operations in America.

These programmes are, of course, supplemented by a continuous search and addition of trained and experienced bankers to BCC staff, drawn from multinational sources.

In the growth pattern of BCC, the financial and geographical growth has always been supported by the adequacy of competent human and management resources. In fact the continuity of the phenomenon of BCC growth is the reflection of the committed staff and the ecology created by the corporate culture. There is a very high emphasis on the quality and the quantity of communication amongst the operating units and individuals, which makes it possible for us to provide exemplary service to the clients and to arrive at administrative and professional decisions with speed, consensus and objectivity.

The freedom of communication, however, is accompanied by very conservative and effective financial controls and disciplines in the organisation with a high sense of accountability amongst its officers and staff. The delegation of discretionary powers is not by assignment but based on the individual capability and quality of professionalism exhibited.

GLOBAL NETWORK

The operations of the BCC Group as at 31 December 1984 extend to 70 countries in five continents, comprising of 387 branches and representative offices. The growth of the international network of the Group is the result of the dynamism of the management and the availability of well trained and experienced staff.

	NUMBER OF OFFICES	NUMBER OF COUNTRIES
1973	19	5
1974	27	7
1975	64	13
1976	108	21
1977	146	32
1978	180	37
1979	188	40
1980	228	46
1981	248	51
1982	280	57
1983	363	67
1984	387	70

FINANCIAL STATURE

The growth of the BCC Group in financial terms has been just as balanced as the global expansion of its international network. As at 31 December 1984, BCCI Holdings (Luxembourg) S.A., had total Capital Funds of US\$1,009 Million and consolidated total assets of the BCC Group (excluding non consolidated subsidiaries and affiliates) stood at US\$14.3 Billion. The historical record for the increasing strength of the financial base for the last 5 years has been as follows:

(US\$ 000)	TOTAL ASSETS	DEPOSITS AND OTHER FUNDS	CAPITAL FUND	PROFIT BEFORE TAX AND LOAN LOSS	PROFIT AFTER LOAN LOSS BEFORE TAX
1980	5,338,465	4,534,642	291,935	64,105	47,805
1981	7,345,115	6,740,567	462,312	157,027	124,729
1982	9,650,051	8,715,973	640,527	285,462	223,103
1983	12,309,349	11,192,609	807,693	361,577	278,333
1984	14,348,770	13,011,764	1,008,869	363,484	277,874

Over the years the Group's resource base had also been considerably widened. Although the Middle East has remained an important regional financial base of the Group, contributions from other areas of operations have increased reflecting a balanced geographical spread and reliance.

The overall growth of the Group has been carefully measured and supported by substantial increase in the Capital Fund.

Financial position as at 31 December 1984 is given in the 1984 Annual Report in greater detail.

As evident from various balance sheet ratios, BCC Group Banks are highly liquid and follow a conservative deposits and advances ratio as a matter of fundamental policy.

The capital/asset ratio of over 7.0% compares favourably with the internationally accepted standards.

The Group's loan loss reserve policy is equally conservative, and year after year adequate provisions have been made to build loan loss reserves pursuant to a prudent credit administration policy.

The financial trends are more precisely reflected by the following balance sheet ratios.

	1984	1983
Ratio of Net Loans and Advances to total Deposits	49.0%	52.5%
Ratio of Net Loans and Advances to total Funds (Deposits and other funds)	39.6%	43.4%
Ratio of liquid assets (cash, bank balances, investments in securities) total assets (includes STR)	61.0%	56.9%
Return on Average Assets (Pre-Tax Profit to average Assets)	2.1%	2.5%
Ratio of Capital Funds to Total Assets	7.0%	6.6%

BCC'S PLACE IN THE WORLD'S LARGEST BANKS 1983

RANKING BY 'THE BANKERS' MAGAZINE

BASIS	BCC'S PLACE	
	1983	1982
By Assets		
a) Total Assets (less contra accounts)	136 (\$12,309 Mil)	161
b) Total Deposits	129 (\$11,192 Mil)	146
c) Capital & Reserves	84 (\$858 Mil)	104
d) Capital Assets Ratio	47 (6.97%)	57
e) Real Growth in Assets	38 (22.9%)	N.A.
By Profitability		
a) Pre-Tax Earnings	44 (\$280 Mil)	37
b) Pre-Tax Earnings on Assets	21 (2.53%)	N.A.
c) Pre-Tax Earnings per Employee	34 (\$27.900 Mil)	

THE 'EUROMONEY' MAGAZINE RANKING

BASIS	BCC'S PLACE	
	1983	1982
Shareholders Funds (Less minority interests and Floating Rate notes)	110 (\$665.72 Mil)	123
Net Income (after tax and provisions)	40 (\$176,942 Mil)	68
Net income per employee	83 (\$17,760)	94
Return on Equity	19 (26.279%)	47
Return on Assets	38 (1.43%)	70

POSITION AMONGST ARAB BANKS

By Capital Funds:	5
By Assets	4

PHENOMENON OF BCC GROWTH

1. A Team of experienced bankers who had helped Mr Agha Hasan Abedi bring United Bank Limited within ten years to be the second largest bank in Pakistan with an International presence in important areas of Europe/Middle East, was available with previous experience of establishing and then consolidating a bank.
2. The markets of Middle East, South Asia and some areas in Europe were well known to members of the Management who were knowledgeable about local needs for banking services particularly in the trading area.
3. Through the patronage of wealthy shareholders, BCC Group has always been able to have recourse to required amounts of capital needed to sustain the rapid growth and expansion of the Group. The Capital Funds have been increasing continuously by ploughing back profits instead of paying cash dividends to the Shareholders who are interested more in the growth of the Bank than receiving cash dividends - a perceptible indication of shareholders' commitment to the stability and solidity of the organisation.
4. With the oil price rises of the seventies BCC has been used as a conduit for the Petro-Dollar from the Arab World. In fact, BCC was already there in strength and influence when Petro-Dollars were being generated and BCC followed Petro-Dollars in the re-cycling process.
5. In most third world countries where the BCC Group is present it is looked at as a 'local' rather than 'foreign' bank in view of its identification with the environments of the market place. BCC has no 'home-country' as a group; its home is the entire world, due to the fine blend of its local and international character.
6. BCC Branch Managers pride themselves at providing personalised services and keep themselves attuned to developments in the local business/economic scene. They are taught to be flexible and to seek to solve clients' needs rather than themselves be seen as problems by customers. They are to be catalysts, with emphasis on CREATIVITY AND QUALITY.
7. As a matter of conscious policy, the BCC Group did not invest in the Sovereign risks despite having huge liquidity and therefore has no exposure to the Latin American and Eastern European countries and other major borrowing economies.
8. BCC is one of the most liquid banks in the international financial market, with a well-defined policy of taking the minimum cross-border exposures. The growth of the organisation has been well-balanced in terms of geographical spread with a view to provide stability and diversity to its global expansion.
9. BCC Group has one of the most sophisticated Computer systems in the financial world. BCC Computer system is with a distinct difference; it has been designed to make personalised service a major priority. Automation in BCC is not a replacement of personalised service, but an aid to a better expeditious and focused attention to the clients' requirements. It is a supplement and not a substitute to personalised service.

PRODUCTS AND SERVICES OF BCC IN THE UK REGION

I. EXISTING SERVICES

A. Active

1. Current Accounts:
 - (i) Sterling with cheque books
 - (ii) U.S. Dollars with cheque books
 - (iii) Other currencies without cheque books
2. 7 Days Notice Deposit Accounts in Sterling, U.S. Dollars and Other Leading Currencies (effectively available at call subject to 7 days back value)
3. Term Deposit Accounts in Sterling, U.S. Dollars and Other Leading Currencies
4. Documentary Credits, including Back-to-Back, Supportive and Stand-by
5. Guarantees, including Bid Bonds, Performance Bonds, Advance Payment Guarantees, Retention Money Guarantees, Customs & Excise Guarantees
6. Foreign Exchange Facilities, Spot and forward as well as some option Contracts
7. Remittance Facilities, including home remittances, Haj Sponsorship Scheme remittances and Haj drafts:
 - (i) Telegraphic Transfers, Demand Drafts and Mail Transfers
 - (ii) BCC Money Orders - Pak. Rupees, Indian Rupees and Sterling
8. BCC VISA Travellers Cheques
9. BCC Cards:
 - (i) Cheque Cards in Sterling Current and Savings Accounts
 - (ii) BCC VISA Cards
 - (iii) BCC Gold Cards
10. Standing Orders
11. Direct Debits in Sterling Accounts
12. Giro Credit Transfers to Other Banks in the U.K.
13. Client Services located at Brompton Road
14. Loans and Overdrafts of all types
15. Collection and Purchase of Bills, Cheques, Demand Drafts and Travellers Cheques
16. Equipment Leasing
17. Bureau de Change facilities
18. Insurance Services
19. Safe Deposit Lockers at Cromwell Road

B. Not Active

1. Insurance Linked Sterling Deposit Accounts of U.K. Residents
2. Consumer Loans at Selected Branches
3. Islamic Banking
4. Loans under the Government Loan Guarantee Scheme of the Department of Trade & Industry
5. Facilities available through BCCI (U.K.) Nominees Limited
6. SDR Deposit Scheme

II. RECENTLY INTRODUCED SERVICES

A. Active

1. Funds transfers through the CHAPS System within the U.K.
2. International funds transfers through the SWIFT System

B. Not Active

1. U.S. Dollar and Sterling Savings Accounts with the Cheque Book Facility
2. Business Development Loans
3. Counter Trade

III. SERVICES PROPOSED TO BE INTRODUCED IN THE NEAR FUTURE

1. Investment and Portfolio Management Services
2. Securities and Trustees Services
3. Barter Trade
4. High Interest/Money Market Current Accounts
5. Hire Purchase Finance
6. Take-over from Building Societies first mortgages of property where less than 5 years repayment remains

IV. SERVICES PROPOSED IN THE DISTANT FUTURE

1. Cash Management Services
2. Home Banking

**PRODUCTS AND SERVICES OF OTHER LEADING BANKS IN THE U.K.
(PARTICULARLY THE CLEARING BANKS)**

In addition to the normal banking services involved in deposit taking and lending, the following services are available from the major U.K. banks:-

1. Trustee Services:
 - (i) Private Trusts: Discretionary Trusts, Charitable Trust, Living Trusts, Trusts of Life Policies etc.
 - (ii) Corporate Trusteeships: Pension Funds, Custodian Trusts, Unit Trust Trusteeships etc
2. Administration of Estates
3. Investment Services: Custodian Services and Nomineeships, Placing of Funds in the Market, Investment Advice, Investment Management, Discretionary Accounts, Investment Research and Investment Policy etc.
4. Unit Trusts: Savings Plans, Withdrawal Plans, Share Exchange Schemes, Linked Life Assurance, Unit Trusts for Children, Overseas Investment etc.
5. Life Assurance: Managed Bonds, In-House Policies, Personal Pension Plans etc.
6. Insurance Broking
7. Pension Services: Trusteeship for Pension Schemes, Investment Management etc.
8. Personal Advisory Services: Taxation Services, Personal Financial Planning etc.
9. Merchant Banking: Corporate Advice, 'Bids and Deals', Capital Issues, including conversion from Private to Public Companies, Underwriting, Syndications etc.
10. Share Registration: Acting as Registrars etc.
11. Business Advisory Services: Advice to Large and Small Companies, both Public and Private, including Supply of Economic Information.
12. Leasing: Finance Leases and Operating Leases etc.
13. Factoring: Debt Administration, Credit Insurance etc.
14. Hire Purchase, including Industrial Hire Purchase.
15. Credit Cards: Travel and Entertainment Cards, Cheque Cards, Gold Cards or Premium Cards etc.
16. Off-shore Services: These are mainly offered from subsidiaries in the Channel Islands and the Isle of Man and include both personal services (Trusts, Investment Companies, Portfolio Management and Off-shore Funds) and corporate services (Company Registration, Invoicing, Cash Management) etc.

17. Money and Travel Services: Bureau De Change as well as Travel Agency Services.
18. Special Savings Schemes in Various Forms: High Interest or money Market Current Accounts, Special Deposit Accounts, etc.
19. Purchase and sale of gold and gold coins on behalf of customers.
20. Cash Management Services.
21. Automated Teller Machines (ATMS) both in the Branch and 'in the wall'.
22. Securities Services: Purchase and sale of share etc, safe custody, collection of dividends etc.

Recent developments at the Clearing Banks:

- (i) Sharing of ATMs with other banks.
- (ii) Acquisition of, or equity participation in, Estate Agents (banks have already been lending heavily on mortgages of residential property)
- (iii) Equity participation in Stockbroker Firms.

Forthcoming developments:

- (i) Electronic Funds Transfer Systems. The banks have already done fairly advanced studies and experiments in electronic funds transfer at the place of shipping or point of sale (EFTPOS). At a later stage, they may also think of the following variants:
 - EFTPOL - electronic funds transfer at the place of living (i.e. home banking and pay-by-phone. Bank of Scotland is already offering home banking on a limited scale as an experimental measure.
 - EFPPOP - electronic funds transfer at the place of passing (ATMs and self-service terminals in public places such as railway stations).
 - EFTPOW - electronic funds transfer at the place of working (i.e. ATMs and self-service terminal at factories, offices, etc.).
- (ii) "Truncation" - electronic funds transfer system designed to discontinue the cheque clearing system. This is a revolutionary idea which has legal complications.

AREAS NOT GENERALLY OF INTEREST TO BCC GROUP

1. Medium/long credit facilities of any nature. (Normal maximum period is 36 months with exceptional cases allowed up to 60 months).
2. Real-Estate Finance, Property development.
3. Syndicated Loans.
4. Venture Capital Financing.

COMPETITIVE ADVANTAGES OF BCC GROUP

1. Present in 70 countries - 4th largest network by number of countries in the world.
2. Largest net-work by country presence in Africa - present in both English speaking and French speaking African-countries.
3. Due to the effective communication amongst the branches, it is possible to provide speedy and quick service at short notice.
4. Strong presence in the Developing World gives us a different perspective and often enables the BCC Group to provide services which many other banks are unable to do as shown by the following examples:-
 - a) **For the Exporter in Developed Countries**
 - (i) confirmation of Letters of Credit issued by BCC Branches and other banks.
 - (ii) Purchase/Discount of Bills of Exchange (with or without recourse) drawn on foreign buyers.
 - (iii) Effect speedy (and often cheaper) collection of Export Bill through extensive network of own branches or affiliates around the world.
 - (iv) Provision of Bid/Performance/Advance Payment Guarantees in support of overseas Supply/Construction Contracts.
 - b) **For the Overseas Importing Customer**
 - (i) Where feasible/practical extension of local currency credit facilities, thereby helping to increase the volume of imports by distribution.
 - (ii) Provision where required/feasible of working capital facilities to overseas Subsidiaries/Affiliates of large corporations in countries where BCC is present.

SOME SUGGESTIONS FOR SUCCESSFUL MARKETING CALLS

I. PREPARATION

- a) Prepare yourself thoroughly. Research sufficiently.
- b) Obtain maximum information on the prospective customer prior to making a call, about his social class, profession, residence etc.
Following are the possible sources:
 - (i) A common friend, an existing client, a community member.
 - (ii) Dun & Bradstreet Credit Report (through UK Regional Marketing Department).
 - (iii) Balance Sheet/Annual Report - directly from the company (if possible).
 - (iv) Textline - for all available press-clippings/comments plus financial information -through UK Regional Marketing Department.
 - (v) EXTEL cards - for quoted companies - through UK Regional Marketing Department.
 - (vi) Chamber of Commerce Directory/Jordan's Publications on Companies.
 - (vii) In case of large/multinational companies, Central Marketing may be contacted to avoid duplication.
- c) Be aware of basic developments/status of the industry of which the company is a part.
- d) Identify whether the prospect is either an exporter or has a direct presence overseas through Subsidiaries/Affiliates, as we can offer a competitive product to such customers.
- e) Anticipate to the extent possible the client's likely requirements/needs and be prepared to discuss them if they are brought-up.
- f) Review the latest financial information obtained through (a) above and be prepared to discuss the main developments in turnover, profits, expansion, etc.
- g) Be able to discuss authoritatively with the client topics relating to the particular industry as well as current economic issues, foreign exchange, monetary trends, etc.
- h) Before making a call ensure through UK REGIONAL MARKETING DEPARTMENT THAT NO OTHER BCC BRANCH OR CENTRAL MARKETING DIVISION IS ALREADY SOLICITING THE CLIENT. In case the previous contact has been defined as inactive, discuss with previous contact the method of reviving the effort. Ignoring this very important aspect will make you and your organisation look very small.

II. MAKING THE CALL

- a) Always take a colleague to a meeting with a prospective client. One of you should take notes. Involve young members showing potential for marketing. Involve a colleague from other departments like Advances etc. for expertise/cross-fertilisation of ideas for providing a package.
- b) Be punctual and go prepared with calling cards, BCC Annual Report and other literature, etc.
- c) Be a good conversationalist - by being a LISTENER.
Display your eagerness to learn about his business and listen to his needs-requirements before you suggest ways in which BCC could assist him. Focus on his needs. Never interrupt either the customer or your BCC Colleague. Be sensitive to customer's Sense of Smell, keep alive to the THINKING for action by you or for feed back to Bank for evaluation and action.
- d) Never contradict anything stated by your BCC Colleague.
- e) In case wrong impressions are evident in the client's conception of BCCI correct them immediately, but politely and confidently.
- f) Never make any statement unless you are fully conversant with the facts/details etc. Whenever unsure, offer to check and then advise the customer. Have a measure of tact in what you say - discretion, the better part of valour.
- g) NEVER GIVE ANY COMMITMENT TO THE CLIENT about the extent of facilities, etc, which BCC could provide. Always advise that his needs could be evaluated and a reply given as soon as possible. Remember nothing is so urgent that it cannot wait until you get back to the bank, get the right people and a right answer. Commitments should only be made when proper approval of facilities has been obtained from persons/committees authorised to do so.
If a time has been specified for the reply, ensure that you honour it.
- h) Before bringing a call to a conclusion always attempt to establish an agreed meeting/contact to be made in the future.
- i) Aim for a long-lasting relationship - not of a one-off transaction.

III POST-CALL REQUIREMENTS

- a) Write/telephone the customer thanking him for the meeting and specify the issues discussed/decisions taken as appropriate. Confirm the follow-up action. Such letters initially must be shown to the Managers or Groups-in-Charge. A specimen for standard letters will be supplied to the branches shortly.
It is good public relations to send a congratulatory letter or phone as and when the prospective customer or an existing customer gets a big order or advertises their achievements in Export/production fields etc.

- b) Write a contact Report (specimen provided at Annexure A) sending copies to all the Regional persons including the relevant Group in Charge and the Regional Marketing Department. Indicate follow-up action required and the name of the person to institute this follow-up.
- c) Discuss outcome of the call with your Manager, Group in charge, Regional Credit Department, etc. to evaluate the next step needed in soliciting the client's account.
- d) Follow-up on the items as per Contact Report and revert back to the customer as appropriate.
- e) Establish a second meeting. In order to initiate any new relationship a constant dialogue and contact must be maintained.

LOW COST DEPOSITS

MARKETING PRODUCT FOR 1985

The 'Joint Committee for Deposits and Profit' set up after Vienna conference has decided to focus our attention, during 1985, on re-designing and re-shaping the deposits structure with a view to:

- a) reduce the cost of deposits;
- b) rationalise the categories of current savings and time deposits;
- c) make the deposits broad-based;
- d) perceive clearly what should be our share of the market.

We have now to "develop a CLEAN INSTINCT for profit, deposit and other products and a CLEAR PERCEPTION as to their composition, and how to sell them and where to sell them, relating to each market place and its requirement".

There is no doubt that the cost of our deposits is the most important factor effecting our profitability and that the low cost deposits are the major source of earning profits.

Let us develop a CLEAN INSTINCT for achieving the projected growth in deposits with a CLEAR PERCEPTION of their cost and the impact of interest rates paid to the clients on the profitability of our branches, the Region and the Group as a whole.

How can we rationalise the spread of deposits and minimise the cost without impeding the process of growth? - this is the challenge for the performance of the Region for 1985. Some useful points are mentioned here for this purpose:

- 1) The introduction of chequing short-term deposits (026 series with cheque books) provides an attractive yield with the flexibility to withdraw the amounts whenever needed by the clients. Try to introduce the scheme to the clients who normally maintain term deposits but also seek to have the drawing facilities.
- 2) Develop expertise by studying the interest rate structures so that you may negotiate with the client with confidence and professionalism. The client always tries to earn the maximum on his funds, but more that the slight variation in the earnings he is, in fact, concerned with the security and safety of his investment, quality of service and the feeling of confidence generated by BCC personalities. Remember that we are not in the market to BUY deposits, we are there to SELL our services and expertise. A change in the focus of our role and the clients' expectation would evolve the quality of self-confidence required to convince the clients instead of facing a 'bidding' situation in competition with others in the market.
- 3) Assimilate the guidelines provided by the Dealing Room and the Regional Office on interest rates and develop the habit of thinking in value units of 1/32, 1/16 or 1/8% when quoting or negotiating the interest rates instead of moving in bits of 1/4 or 1/2%.

- 4) For every term-deposit, try to have a current account of the client with some credit balance so that he can withdraw the occasional requirements without necessitating to create an overdraft until the maturity of deposits.
- 5) Never promise to pay 'such-and-such percent over the market' as a standing arrangement.
- 6) For every loan account try to have a current account with a suitable credit balance to ensure recovery of interest and instalments.
- 7) Try to identify the hard-core/term borrowing needs of the client and segregate them from the daily operational requirements with a view to book such needs in loan accounts instead of allowing substantial overdraft limits. This will ensure:
 - i) gradual reduction of overall liabilities;
 - ii) provide a better monitoring of cash-flow. And more importantly
 - iii) Ensure healthy swings into the credit balances periodically.
- 8) Ensure that current accounts are invariably established for the companies and corporate bodies seeking to avail of letters of credits, bills, discounting of confirmation facilities. Similarly the beneficiaries of regular remittances may be persuaded to open current accounts to which remittances could be credited instead of being paid-over to their existing bankers.
- 9) Try to secure personal accounts of the directors and employees of the companies banking with you.
- 10) As a general principle, always remember that paying excessive interest rates on deposits is a self-defeating process. It increases the expectations of the clients, projects an unprofessional image and draws the more prudent clients away as no-one wants to invest in an organisation which is 'hungry' for funds.

BCC is in a unique position amongst international banks having over 60% cash liquidity. We are not in the market to BUY deposits, we wish to SELL our services, stability and security for the benefit of the client.

A NOTE OF CAUTION ALSO:

BEWARE OF APPROACHES FOR MONEY-LAUNDERING BY RESISTING THE TEMPTATION TO:

- a) ACCEPTING UNUSUALLY LARGE CASH-DEPOSITS WITHOUT ESTABLISHING THE BONAFIDE OF BOTH THE DEPOSITOR AND THE SOURCE OF SUCH DEPOSITS.
- b) RESPOND TO PERSONS PROMISING DISPROPORTIONATELY LARGE DEPOSITS (ASTRONOMICAL FIGURES).

BE BOLD TO POLITELY AND PLAINLY SAY "NO, SORRY" TO A TRANSACTION WHICH BANK CANNOT OR WILL NOT DO.

Marketing person's first responsibility is to protect Bank's interest. Anything that is out of ordinary or outside your Banking systems must NOT be undertaken even if it appears not to be risky WITHOUT getting proper authority from GROUP-in-Charge (Remember Regional Credit, Systems Dept, and Senior Inspectors can assist and advise you if your Group-in-Charge is not available).

**THERE IS NO LIMIT TO WHAT A MAN CAN DO
OR WHERE HE CAN GO
IF HE DOESN'T MIND WHO GETS THE CREDIT**

Annexure "A"



TO: REGIONAL MARKETING DEPARTMENT
UK REGION

BRANCH _____

CONTACT REPORT

Company Name:		Co Tel No:	
Company Address:			
Business:			
Fin Data: T/O:	Profit:	Other:	
Markets:			
Company Contacts:			
Name:	Position:	Remarks:	
Bankers:			
Details of BCC Accounts:			
Initial Contact Date:			
BCC Contacts:			
Name:			
Latest Contact Date:			
Latest Position:			
Follow-up Date:			
Follow-up			

(Please add any other relevant information on a separate sheet)

Credit Report requested from Regional Marketing*

YES NO

Date requested

Date received

*(Please tick appropriate box)

REGIONAL OFFICE USE ONLY

DATE:

INITIAL:

C.R.: O R

REF:

Annexure "B"

Dear Mr

Thank you very much for the courtesies extended to me/us when we met you at your office today. The comprehensive description given by you of the activities of (Name of Company) was most helpful as it has enabled us to focus more closely on the specific areas where BCC may be of assistance to you.

At the risk of repetition, I would like to summarize the three general areas where BCC could be of assistance to your worldwide sales and marketing activities.

I. SERVICES TO (NAME OF COMPANY) AS AN EXPORTER:

As mentioned, the BCC Group has branches/subsidiaries/affiliates in seventy countries around the world, with a particularly strong presence in the developing world. Due to our presence in these countries, we are often able to provide facilities assisting exports to countries whose foreign Debt and Balance of Payments position discourage some Banks from taking Sovereign Risk Exposures. The extent and degree to which we are able to assist would naturally vary from country to country and from one period to another. However, we do seek to assist exporters where possible by:

1. Confirming Letters of Credit issued by BCC branches and/or certain other acceptable Banks overseas.
2. Purchasing/Discounting Bills of Exchange with or without recourse, (as applicable), drawn on foreign buyers.
3. Effecting speedy collection of export bills through our extensive branch network around the world.
4. Providing Market/Credit information on overseas buyers and even introducing exporters to possible distributors etc.
5. Issuance of Bid/Performance/Advance Payment Bonds and Guarantees in support of Overseas Contracts/Sales.

II. SERVICES TO THE OVERSEAS BUYER OF (NAME OF COMPANY)

PRODUCTS:

From our experience, we have found that exporters are often able to achieve larger export turnover by granting their buyers more general credit terms. However, there is a reluctance to do so particularly in countries where there is scarcity of foreign exchange. Because of our presence in these countries and our generally liquid cash position, we are often able to assist in increasing export turnover by extending local currency financing to acceptable buyers thus taking on the financing term from the exporter. Such arrangements would, of course, be negotiated in the countries concerned by our local Management with the importers.

III SERVICES TO BRANCHES/SUBSIDIARIES/AFFILIATES OF THE (NAME OF COMPANY GROUP):

As briefly discussed, the BCC Group, as a policy, maintains a high level of liquidity and a strong deposit base in the various overseas locations where we have a presence. In many instances, we are the largest foreign Bank e.g. Pakistan, Bangladesh, UAE, Oman etc. This puts us in an advantageous position for meeting the local currency financing requirements of prime multinationals such as yourselves.

We have furnished you with a list of countries where we are present and where we would be pleased to discuss any financing needs that you may have. In addition, we are also able on occasion and depending on prevailing sovereign risk availability to handle transactions for certain countries where we do not have a direct presence, e.g. Iran, Syria etc.

In our discussions, it was agreed that the following action/steps, is/are required to be taken:

(1) We will (description of what BCC is to do)

(2) You will (description of what company is to do)

Should there be any matter which requires further clarification or explanation, please do not hesitate to contact me.

In conclusion, may I again thank you for sparing so much of your valuable time for our discussions. I am confident that it will be possible for us to identify areas where we can work together for our mutual benefit. On our part, you may be assured that all your banking requirements will receive our preferred attention at all times.

Yours sincerely,

Authorised Signatory

