

4.0 General Banking of Trust Bank



Trust Bank

Sena Kalyan Bhaban Branch



Trust Bank

Chapter-4

General Banking Operation of Trust Bank Limited

4.1 Banking function:

There are three types of basic functions, which are deal in the Banking business in this branch. For each type of function there are individual departments, which are as follows:

- General Banking Department
- Loans and Advances Department
- Foreign Exchange Department

4.2 General Banking Function:

General Banking Division is the most important point of all activities. It is the storage points for deal all kind of transaction like foreign exchange division, loan and advance and itself.

General Banking department is generally deals with the following department with their operations.

- Account opening department.
- Cash department.
- FDR department.
- Products & schemes.
- Dispatch department.
- FCAD.
- Remittance department.
- Clearing department.

General Banking Function is given below:

a. Account opening department:

This section deals with opening of different types of accounts. It also deals with issuing of cheque book and different accounts opener. A customer can open different types of accounts through this department. To establish a Banker and customer relationship Account opening is the first step. Opening of an account binds the Banker and customer into contractual relationship. But selection of customer for opening an account is very crucial for a Bank. Indeed, fraud and forgery of all kinds start by opening account. Therefore, the Bank takes extremely caution measure in its selection of customers.

Function of Account Opening Department:

This department provides lots of services; we can call these services as a function of this department, which are as follows:

- Opening Various Types of Account such as Savings Account, Current Account, and Trust Smart Savers Scheme etc.
- Customer service to provide their account information includes balance information.
- Provide bank statement.
- Provide bank solvency or bank certificate.
- Provide new cheque book.
- Closing account.
- Transfer account.
- Opening SMS Banking service.
- Opening Internet Banking service.
- Phone Banking service.
- Online banking service.
- ATM Banking service.
- Debit and Credit Card service.
- Giving Stop payment service Instruction.

b. Types of Account:

A bank has to maintain different types of accounts for different purposes. Trust Bank Limited (TBL) offers the general deposit product in the form of various accounts, which are as follows:

- ❖ Saving Account
- ❖ Current Account
- ❖ Short Term Deposit Account(STD)
- ❖ Fixed Deposit Account (FDR)

Saving Account:

It is an assortment of the best benefits available in the market, offering a wide range of special treats free of cost to our retail customer. The most attractive treat is the competitive tiered interest rates, which ensures higher returns for larger deposits. Saving bank deposit is popular account maintained in banks. The different matters

Relating SB account is described in the following discussion. The summary of the rules and regulations to open a saving account are as follows:-

- ❖ Any person or persons of more than 18 years having sound mind can open and operate this account single or jointly.
- ❖ In case of a minor (a person below 18 years), a guardian can open and operate this account on his or her behalf.
- ❖ Clubs, Societies, Sole Proprietorship firms, Partnership firms, Limited Companies either public or private and other similar organization are refillable to open such account.
- ❖ More than one account cannot be opened in the same name.
- ❖ A minimum initial deposit of Tk.1000 is required to open such account.
- ❖ Money will be withdrawn through cheques. Withdrawal cannot be more than twice a week and generally the amount will not be more than 25% of the balance available, subject to maximum Tk.20, 000.
- ❖ The account holder must have minimum Tk. 500 balance.

- ❖ In case of closure of any account, the bank deducts Tk.200 as closing charge.
- ❖ Mailing statement to the customer after 6 months.
- ❖ Interest given in this A/C at rate of 6% every year.

Current Account:

A Current Account is running and active account. Holder of such account can freely deposit or withdraw money any times. This account is fully interest free account. Most businessmen maintain Current Deposit account in order to make their daily business activities. This account's fund change most frequently than any other account because customers use to withdraw and deposit fund in regular basis.

The summary of the rules and regulation to open a current account as follows:

- ❖ A minimum deposit of Tk. 5,000 is needed to open a current account.
- ❖ The bank charge an incidental charge of Tk. 200.00 for personal current a/c Tk. 500.00 for corporate current a/c for every 6(six) months for the maintenance of the account.
- ❖ In case of the closure, the bank charge Tk.100 as closing charge of the account.
- ❖ Current Account is interest free account.
- ❖ The account holder must have minimum Tk. 1,000 balance
- ❖ Withdrawal of money is allowed only through the levels of the cheque book, Issued by the bank.

Short-Term Account (STD):

Short-Term Account opens only for short time notice. This account especially open for business purpose. STD Account have lower interest rate is 4%. The deposited amount will be withdrawal only the completion of period. There are some regulations of STD account are as follows:

- ❖ The deposit held of these accounts shall be payable on short notice
- ❖ STD account shall be opened with a minimum balance of Tk. 5,000only
- ❖ The interest rate of STD account is 4%.

- ❖ Accounts are suitable for the firms, corporation, and public bodies etc., which have excess fund for their disposal for a short time.

Fixed Deposit Account:

Ideal product for nesting surplus deposit for future long-term investment. Fixed deposit, known for its high-yield, helps earn the maximum possible return. This type of account is opened with a fixed amount of money for a specific period. In Trust Bank they operate this account by separate department is Called FDR department.

c. Requirement of Opening an Account:

To open a savings, current, STD account, the following documents are mandatory:

a) For Individual Account:

- ❖ Two copies of Passport size Photograph of the Clients (Attested by introducer or Verified with Passports).
- ❖ Passports/ Nationality Certificate/ Employer's Certificate of the Proprietor / Individual Persons and Nominee.
- ❖ Customer Profile.
- ❖ Transaction Profile.
- ❖ Photograph of the Nominee(s) attested by the account holder.
- ❖ TIN Certificate.

b) For Joint Account:

- ❖ Passports/ Nationality Certificate/ Employer's Certificate of the Proprietor.
- ❖ Customer Profile.
- ❖ Transaction Profile.
- ❖ Photograph of the Nominee(s) attested by the account holder.
- ❖ TIN Certificate.
- ❖ Relationship between the account holders.
- ❖ Purpose of opening of the joint account.

c) For Proprietorship Account:

- ❖ Two copies of Passport size Photograph of the proprietor(Attested by introducer or Verified with Passports)
- ❖ Passports/ Nationality Certificate/ Employer's Certificate of the Proprietor/ A/C Holder and Nominee.
- ❖ Customer Profile.
- ❖ Transaction Profile.
- ❖ Photograph of the Nominee(s) attested by the account holder.
- ❖ TIN Certificate.
- ❖ Trade License.
- ❖ VAT Registration (if available)

d) For Partnership Concern:

- ❖ Two copies of Passport size Photograph of each partner (Attested by introducer or Verified with Passports)
- ❖ Passports/ Nationality Certificate.
- ❖ Company Profile.
- ❖ Transaction Profile of the concern.
- ❖ Personal Profile of the partners.
- ❖ Photograph of other Nominee(s) attested by the account holder.
- ❖ TIN Certificate.
- ❖ Trade License of the concern.
- ❖ VAT Registration (if available)
- ❖ Relationship between the partners.
- ❖ Attested Photocopy of the Partnership Deed (Deed on Tk.1000 stamp)
- ❖ Resolution regarding opening and operation of the account.

e) For Company Account:

Private Ltd. Company:

- ❖ Introduction.

- ❖ Board resolution of the company regarding opening and operation of the account.
- ❖ Attested or Certified copy of the Memorandum and Articles of Association.
- ❖ Certificate of Incorporation.
- ❖ Two copies of Passport size Photograph of all Directors (Attested by introducer or Verified with passports)
- ❖ Passports/ Nationality Certificate/ Voter ID of all Directors of the company.
- ❖ TIN Certificate of all directors.
- ❖ Photocopy of valid & up to date trade license.
- ❖ Photocopy of vat certificate.
- ❖ Photocopy of TIN & up to date TAX clearance certificate.
- ❖ Transaction Profile of the Company.
- ❖ Personal Profile of all Directors as per enclosed sheet in the company's letterhead pad.
- ❖ List of Directors.
- ❖ Rubber stamp seal of the firm.

Public Ltd. Company:

- ❖ Introduction.
- ❖ Board resolution of the company regarding opening and operation of the account.
- ❖ Attested or Certified copy of the Memorandum and Articles of Association.
- ❖ Certificate of Incorporation.
- ❖ Two copies of Passport size Photograph of all Directors (Attested by introducer or Verified with passports)
- ❖ Certificate of commencement of Business.
- ❖ Passports/ Nationality Certificate/ Voter ID of all Directors of the company.

- ❖ TIN Certificate of all directors.
- ❖ Photocopy of valid & up to date trade license.
- ❖ Photocopy of vat certificate.
- ❖ Photocopy of TIN & up to date TAX clearance certificate.
- ❖ Transaction Profile of the Company.
- ❖ Personal Profile of all Directors as per enclosed sheet in the company's letterhead pad.
- ❖ List of Directors.
- ❖ Rubber stamp seal of the firm.

f) Minor's Account:

- ❖ Putting the word "MINOR" after the title of the account (with red color).
- ❖ Recording of the special instruction of operation of the account.
- ❖ The AOF is to be filled in and signed by either the partner or the legal guardian appointed by the court law and not by the minor.

g) For Private School/College/Madrasa:

- ❖ Attested or Certified copy of the Constitution.
- ❖ Registration Certificate.
- ❖ List of all Executive Member (as per enclosed format).
- ❖ Two copies of Passport size Photograph of the account operators (Attested by introducer or Verified with Passports).
- ❖ Passports/ Nationality Certificate of the account operators.
- ❖ Personal Profile of all members of the governing body and Managing Committee.
- ❖ Board resolution regarding opening and operation of the account.

h) For NGO/Club-society/Co-operative Account:

- ❖ Registration Certificate from the Joint Stock Company/ Ministry of Social Welfare.

- ❖ List of all Executive Members (as per enclosed format).
- ❖ Board resolution as per Memorandum regarding opening and operation of the account.
- ❖ Attested or Certified copy of the Constitution/ Bylaws.
- ❖ Two copies of Passport size Photograph of all Members (Attested by introducer or Verified with Passports).
- ❖ Passports/ Nationality Certificate of all Members.
- ❖ Profile of the Firm.
- ❖ “No Objection Certificate” from the Ministry of Social Welfare.

d. Cash department:

There is several numbers of counters work simultaneously in cash section of TBL SKB branch. There are also some electronic counter machines in the cash section by which a huge amount of cash money can be counted within a few minutes. Cash department is the mother section of all departments because all of departments come to here for opening any scheme by receipt or payment cash through clients.

Function of cash department:

There are some functions of cash department which are as follows:

- ❖ Cash Receipt
- ❖ Cash Payment
- ❖ Issuing of Cheque

Cash receipt:

The work of cash receiving counter is examining deposit slips. Depositors will use the prescribed deposit slip supplied by the bank to deposit cash, check, draft, pay order etc. In all types of deposit the teller must check the following things:

- ❖ The slip has been properly filled up.
- ❖ The title of the account and its number.
- ❖ The amount in figure and in words in same.

- ❖ Date of the instrument.
- ❖ Signature of depositor.
- ❖ And also they must check the money by their machine.

After checking all things the teller will accept cash, check, draft, pay-order etc. against deposit slip. The teller will place the cash drawer according to denominations. The teller will place sing and affixes received cash, rubber stamp, and return the customer copy to the customer.

Cash Payment:

In order to safe guard of banks position, the paying banker has to observe the following precaution before honoring a check:

- ❖ A check must be looked whether it is an open or closed check.
- ❖ The paying officer looks whether the check is post or pre-dated. Because a teller must not pay any post dated ckeque.
- ❖ The officer must carefully check the check the cheque number.
- ❖ The officer must compare the signature of the cheque with the signature on the specimen signature card.
- ❖ The officer must verify the regularity of the endorsement.
- ❖ The officer may allow overdue against a cheque if prior arrangement is done with the bank.
- ❖ Most important, the officers at first search the account of their software, to know about the sufficient balance of that account.

Issuing of Cheque:

If the cheque has no defect and it is payable, the in charge will sing in the cheque affixing signature verification seed along with his or her initial and will cancel the cheque by striking it by pen. The officers will handover the payment to the appropriate payee.

Reason of dishonor of cheque:

For some reason the cheque will be dishonor to pay cash, which are as follows:

- ❖ Insufficient Fund
- ❖ Not arrange for.
- ❖ Effect not cleared, may be presented.
- ❖ Exceed arrangements.
- ❖ Full Cover Not Received.
- ❖ Payment stopped by drawer.
- ❖ Payee's endorsement irregular\illegible\required.
- ❖ Payee's endorsement irregular, required bank's confirmation.
- ❖ Drawers, signature differs/ required.
- ❖ Alterations in date/ figure/words require drawer's full signature.
- ❖ Cheques are post dated/ out of date/mutilated.
- ❖ Amount in words and figure differs.
- ❖ Crossed cheque must be presented through a bank.
- ❖ Clearing stamp requires cancellation.
- ❖ Addition to bank discharge should be authenticated.
- ❖ Cheque crossed "Account Payee Only".
- ❖ Collecting Bank's discharge irregular/ required.

Payment through Cash:

Clients give their cheques with their signature. These signatures are justified with specimen signature cards. If these signatures are correct, then A/C numbers are posted into the computer and required balances are given to them after checking that they have sufficient balance in their accounts.

e. FDR department:

FDR department is one of the departments in Trust Bank Limited, which department handle two products which are as follows:

Fixed Deposit Receipt (FDR):

Fixed deposit receipt is that which opened for a fixed period. The rate of interest against the FDR is fixed which will be paid by the bank from time to time. The interests of FDR are varying on the basis of the scheme. FDR is very good scheme of deposit account because in Trust Bank they provide loans against the FDR

(80%). The bank allows people to keep their idle money secured and profitable as Fixed Deposit.

The interest rate that the bank offers to the fixed depositors is as follows:

SL No.	Amount or Slab wise Deposit	Interest rate on Deposit: Maturity wise but based on amount			
		1 Month	3 Month	6 Month	1 Year and above
01.	Any amount but less than Tk.1 corer.	7%	8%	8%	8%
02.	Tk. 1 corer & up to Tk.5 corer.	7%	8.25%	8.25%	8.25%
03.	Tk. 5 corer & above	7%	8.50%	8.50%	8.50%

* Subject to 10% government tax on interest earnings.

Afferent Provision:

For FDR minimum period is 01 month and maximum period has no limit. FDR may be joint or individual.

Payment on Maturity:

After maturity period, the customer gets the interest plus principal bank

Payment on death:

It is a critical process when FDR holder dies. The rest of the family members must have to submit the following documents:

- Succession Certificate: Court mentioning, who will get & what portion.
- Death Certificate: The payee must make an application including the above documents. The branch will forward it to the head office. It is very important to note that in these cases, the bank have to be very careful. Some FDR mention either or survivor, in this case survivor will get amount.

Either or Survivor:

In case of joint FDR, if one partner dies, then the survivor i.e. who is alive will get the money at maturity or the person's name in favoring.

Renewal of FDR:

The FDR account will be renewed automatically on the maturity date. The renewed period shall be the prevailing rate for Fixed Deposits.

Duplication:

If the customer lost the FDR receipt, then he has to make application to the bank by filling up an Indemnity bond. For duplicate FDR TBL charges Tk.25.

Indemnity Bond:

Here the reason of losing FDR receipt shall be stated in detail. Stamp of Tk.1501/- is needed in this case.

Custody Indemnity Bond:

The bank will have to maintain these indemnity bonds with care in a safe custody or vault.

FDR Block

A receipt, given to the applicant after opening the FDR account, will show it after maturity to take his money back.

Specimen Card:

The signature of the FDR account holder is maintained in the specimen card.

Closure:

After payment at maturity period, the FDR account is closed. The FDR account holder must surrender his FDR receipt during the payment. It is to notify that in case FDR, the bank entries the full amount at maturity date in advance when a customer opens a FDR account. After the maturity FDR receipt and FDR form are attached together and on the front page of the FDR form page of the FDR form bank authority writes “Close of FDR account” and gives entry in the ledger.

Sanchaya patra (SP):

Shanchaya patra is one types of deposit or saving scheme of a customer, which is received from Bangladesh bank (BB). People purchasing these bonds by depositing money in this branch and payment are made on maturity to customers from this branch only. Every transaction is reported to Bangladesh bank. In case of issuance, report to be reached to BB within 48 hours, otherwise penalty is imposed. Money is realized from BB after making payment to customer. Sanchaya Patra paid as a coupon system.

There are various types of Shanchaya Patra are sold here. These are as follows:

Pensioner’s Shanchaya patra:

Duration of this Shanchaya patra is 5 years. Any person who purchases this Shanchaya patra can withdraw his/her interest in every 3 month but capital can be withdrawn after the maturity period. Any single individual can buy Pensioner’s Shanchaya patra up to Tk.30 lac. In this PSP every things are provide by the Bangladesh Bank and only government employee can open the PSP.

4.3 Products & schemes:

i. Deposit Product:

- Current Deposit Account
- Saving Deposit Account
- Fixed Deposit (3 months to 3 years term)
- Saving Certificate
- Trust Smart Savers Scheme (TSSS)
- Trust Money Double Scheme (TMDS)

- Trust Money Making Scheme (TMMS)
- Monthly Benefit Deposit Scheme (MBDS)
- Trust Education Scheme (TES)
- Lakhopati Savings Scheme (LSS)
- Interest First Fixed Deposit Scheme (IFFDS)

ii. Investment Product:

- Corporate Financing
- Trust consumer Durable Scheme (TCDS)
- Trust Marriage Loan Scheme (TMLS)
- Trust Car Loan Scheme(TCLS)
- Trust House Building Loan Scheme(THLS)
- Trust Micro Credit for Renovation & Reconstruction of Dwelling Houses
- Retail Product: Car, House Hold Durables, Doctors Loan, and Advance against salary, Any Purpose Loan, Hospitalization Loan, Education Loan, Travel Loan, Marriage Loan, CNG Conversion, Apron Nib ash.

iii Foreign Exchange Investment:

- Foreign Currency Deposit Account (FC A/C)
- Resident Foreign Currency Deposit Account (RFCD A/C)
- Non Resident Foreign Currency Deposit Account (NFCD A/C)
- Traveler's Endorsement (Cash and Travelers Cheque)
- Remittance of Foreign Currency
- Import and Export Transaction
- Foreign Exchange Dealing
- Purchase of Foreign Currency Draft, Cheques, Travelers Cheques
- Wage Earner's Development Bond

Others Products:

- Trust Locker Service
- Trust Tele Banking

- Trust Online Banking
- Trust SMS Banking

Deposit Product:

In a country like Bangladesh where stock market is not stabilized and investment opportunity is threatened by the corruption, political power and economic downturn (both domestic & global), the safest and least risky way to generate money for an individual is to deposit money in a Bank.

To respond this need, Banks are offers different types of deposit products and services. To keep in touch with competitive market, the bank has recently introduction four attractive deposit products. The products having their distinctive have already gained and are gaining the response from the existing and prospective clients. The products are as follows:

- Current Deposit Account
- Saving Deposit Account
- Fixed Deposit (3 months to 3 years term)
- Saving Certificate
- Trust Smart Savers Scheme (TSSS)
- Trust Money Double Scheme (TMDS)
- Monthly Benefit Deposit Scheme (MBDS)
- Trust Money Making Scheme (TMMS)
- Trust Education Scheme (TES)
- Lakhopati Savings Scheme (LSS)
- Interest First Fixed Deposit Scheme (IFFDS)

Trust Smart Saver Scheme (TSSS):

In Trust Bank TSSS is a newly introduced deposited product, which has already gained and is gaining the response from the existing and prospective clients. The main objective of TSSS is building your future by depositing installment.

Under the TSSS, the following category of deposit and maturity payment has been declared:

Monthly Deposit	Amount Payable Maturity (3 years)	Amount Payable Maturity (5 years)	Amount Payable Maturity (7 years)	Amount Payable Maturity (10 years)
500	20316.00	36717.00	55851.00	90691.00
1000	40632.00	73434.00	111702.00	181383.00
2000	81264.00	146868.00	223403.00	362766.00
3000	121897.00	220303.00	335105.00	544149.00
4000	162529.00	293737.00	446806.00	725532.00
5000	203161.00	367171.00	558508.00	906914.00

RULES AND REGULATION:

- The maximum number of TSSS account from a single family cannot exceed five.
- The first installment is to be deposited on any date of the month but the subsequent installment is to be deposited by the 10th day.
- Advance payment of there installments is acceptable.
- One copy of passport size Photograph of the account holder is needed to open TSSS.
- One copy of Passport size Photograph of the Nominee(s) [attested by the account holder] is also required.
- In the event of failure of to pay installment, the arrear installment(s) should be paid before or along with the next due installment subject to the penalty of Tk.50 for per installment to be paid.
- In case of premature closure of the account, Tk.100 is charged as closing charge.
- Loan may be allowed up to 80% of the deposited amount but below Tk.1, 00,000 against lien or pledge of the same account.

- Any account can be transferred from any branch to another subject to Tk.25 as Account.

In any installment remains unpaid for six consecutive months, the account will be closed automatically and the account will be settled as below:

Different Duration Treatment	Applied Rate of Interest
Less than six month.	No interest
More than six month but Less than three years.	Prevailing interest rate on Saving Account.
More than three years but Less than five years.	Matured value of three years and rest as per the prevailing interest rate on Saving Account.
More than five years but Less than seven years.	Matured value of five years and rest as per the prevailing interest rate on Saving Account.
More than seven years but Less than ten years.	Matured value of seven years and as per the prevailing interest rate on Saving Account.

Trust Money Double Scheme (TMDS):

Under the Scheme, the amount deposited at the very inception is doubled in 9 years. The basic structure of this Scheme is as follows:

Deposit Value	Matured Value	Year	Effective Rate of Interest (EAI)
10000 or multiple thereof	20000 or Multiple thereof	9 years	7.78%

Monthly Benefit Deposit Scheme (MBDS):

Monthly Benefit Deposit Scheme is the secure yourself by staying with us. It will not only help you to meet your monthly budget but you can reinvest this monthly allowance to other deposit scheme.

The Basic features of MBDS are as follows:

Monthly Payable Amount	Duration	Amount Payable & Maturity	Rate of Interest
643	5 years	100000.00	7.78%

Terms and conditions:

- No interest will be paid if encashment occur within one year. In that case they got prevailing saving rate.
- In case of death of depositor, the account shall cease to be operative and the amount deposited so far shall be paid to the nominee.
- Application form shall be filled in and signed by the depositor.
- The receipt will not be transferable.

Interest First Fixed Deposit Scheme (IFFDS):

Interest First Fixed Deposit Scheme (IFFDS) has given you the opportunity to receive your interest in advance at the time of deposit. You can be benefited by reinvesting this interest in our deposit scheme.

Basic features of this IFFDS are as follows:

Amount	3 Month	6 Month	12 Month
Any Amount	9%	9.25%	9.50%

Terms and conditions:

- If the account is closed with in three months than he or she will get back the deposited amount after adjusting the paid interest & tax amount.
- If the account is closed after 3 months but before 6 months than he or she will get back the deposited amount after adjusting the paid interest & tax amount along with the IFFDS interest for the previous completed term.
- If the account is closed after 6 months but before 12 months than he or she will get back the deposited principal amount after adjusting the paid interest & tax amount along with the IFFDS interest for the previous completed term.

Lakhopati Savings Scheme (LSS):

TBL offer a scheme called Lakhopathi Saving Scheme which is attractive than other scheme.

The main features are as follows:

Monthly Payable Amount	Duration	Amount Payable & Maturity	Rate of Interest
552	10 years	1,00,000.00	7.78%
1365	5 years	1,00,000.00	7.78%
2462	3 years	1,00,000.00	7.78%

Others Products & Services:

Trust Locker Service:

There are some more 500 lockers the Sena kallyan Bhabhon Branch of The TBL. The lockers are now rented on Security Deposit Basis instead of yearly or monthly rental Basis. The lockers are allotted on most flexible term and meager Security Deposit refundable at the time of closing the lockers

Trust Tele Banking:

In Trust Bank they provide their customers as 24 hours Phone Banking services. By this TBL services customers got any banking service like balance quire, bank statement position etc.

Trust Online Banking:

Trust online banking service is much upgraded services, by this service customer can transfer their money to any where with in some time. For this online service banker also comfortable to done their work.

Trust SMS Banking:

Trust Bank recently introduces the SMS banking service which is much useable for customer. In this service customer can get any information about their account, such balance, statement position etc.

ATM Card service:

The bank offers its clients “Free of Cost” ATM (Q-Cash) card. To be a holder of the Card the person needs nothing but to be a client or account holder of the bank. The bank charges no initial card processing cost or no yearly it monthly service charge. It seems to be a value added service to the clients. TBL offers Debit, Credit Card & International Gold Card.

Fees & Charges (Nation)

Particulars	Amount
Issuing fee	500
Supplementary card fee	500
Renewal fee	500
Card replacement fee	500
PIN Re-issue fee	300
Transaction fee(only TBL ATM booth)	Free
Transaction fee(inside q-cash network)	10
Transaction fee(outside q-cash network)	125

4.4 Dispatch department:

The literal meaning of the term “Dispatch” is to send away quickly and to receive an official message. In a bank, dispatch acting as a register & distribution department. Any external request first received by the dispatch department than the request will give a dispatch number than it will send to the appropriate officer. Dispatch is one of the primary departments of banking activities.

Dispatch can be categorized into two parts:

- 1 Inward Mail Register
- 2 Outward Mail Register- (a) courier (b) By Post

Inward Mail Register:

- In inward register all the incoming documents are received and registered according to date. Then, documents are transferred to different departments according to their destiny.
- Inward Register, other than those which are registered, marked confidential and addressed personally to same official, may be opened by an authorized member or staff who should enter in the inward register and mention serial number of the mail register on the letter or paper received, attach “Received” date stamp on it and delivery the same to the concerned officials against acknowledgement.
- Letters addressed personally to any official shall be opened by the addressee only.
- Registered mails and mails marked confidential will be opened by an officer or management of the Branch.
- Stop payment instructions and court orders shall be received authorized officials who will immediately note date & time on it and take necessary step.

Outward Mail Register:

- The documents, which are needed to mail to different branches of TBL in Bangladesh or outside Bangladesh, are registered in outward register and mailed by courier or by post, which one is suitable.
- Outward letters must bear serial number and entry in the register with name and address.
- Each typist will maintain a typist master file and dispatch Clerk also maintain separate master file for future record.
- Local letter may be delivered through peon book. If the area is large and letters are many in number service of post-office may be utilized.
- Letters dispatched must be entered in the outward mail register and bear proper postal stamps, if sent through post office.

- Remark such as “Urgent” “Airmail” “Register” “Registered with A/D” “Confidential” etc. must appear on top of the letter as well as envelop.
- If the letters are sent by registered post or courier service, postal receipt or courier receipt must be maintained by the dispatch department in a file. Similarly acknowledgements received back should be maintained in the file.
- If any telegram is sent by any branch, a copy of the message duly signed by authorized officer must be sent by post to the address as confirmation.
- Similarly when the branch receives any inward telegram, than they must compare it with the confirmatory copy when received.
- Receipt of telegraphic message issued by telegraph office should be maintain a file and authorized officer must cheque them at the time of passing expenses voucher.
- If any telegram is sent relating to services given to a customer. Charges should be recovered from the customer concerned.

4.5 FCAD:

FCAD is the short form of Financial Control and Account Department, which is a very crucial department for each Bank. This department is maintaining any financial control & account related matter.

FCAD operate the following function:

- Maintain Book Keeping
- Maintain of Voucher Preparation of general ledger and clean cash book
- Maintain of Sundry
- Any Suspense
- Account for internal purpose
- Inter Branch Transaction Entry and posted to the Branch Account
- Maintain employees salary
- Maintain Daily Entertainment Expense for Branch
- Collection of voucher
- Collection of posting advice from other department and final checking of those

- Maintain debit account
- Maintain Credit Account
- Maintain Balance
- When they got any voucher of different department than they will check the prepared by, initial of the concerned officer
- Remarks
- Preparing the summery of any account profile as needed, but must be in monthly.
- Monthly Income Statement of The Branch
- Monthly Balance Sheet Of the Branch
- Monthly Affairs of the Branch and send it to the head office
- Must be Maintain Daily Affairs of the Branch and checking this affairs to the branch manager
- Maintain Daily Stationary expense
- Top sheet collection
- Collect and Accumulate the IBCA & IBDA from different department, and finally these are checking.
- Checking the Extract of Branch for responding entries
- Checking Extract of Branch for origin entries
- Maintain Petty cash expenses such as entertainment expenses, repairing, washing expenses etc.
- Proper maintenance of stock of stationary.
- Prepare all monthly statement such as SBS-1, ALM (Asset Liability Management), DOS, Monthly Income and expenditure, statement of sundry expenditure, statement of executive car expenses etc. and send this to the Head Office.
- Prepare all statement such as SBS-2, DBI and send this to Head Office.
- Prepare daily, weekly, and monthly position and send this to the Head Office.
- Disbursement of employees salary in due time.
- Prepare balance sheet of the branch.

- Prepare statement of affairs.
- Collect daily voucher of the branch check whether there is any voucher mishandling and accumulate and preserve.
- Check of all IBCA and IBDA and send this to the Head Office.
- Maintenance of fixed asset (like equipment, furniture, computer, motor vehicle etc.) and charge depreciation.
- Maintenance intangible asset such as SWIFT and amortization of intangible asset.

4.6 Remittance department (Local):

Bank has a wide network of branches all over the country and offers various kinds of remittance facilities to the public. Local remittance is one of the main components of general banking. The components of local remittance are-

- Demand Draft (DD)
- Telegraphic Transfer (TT)
- Pay order (PO)
- Fund Transfer/ Money Transfer.

Remittance & bills section plays a very vital role in case of Banks Customer Service Section. Roles & Responsibilities of remittance section knows no bound.

Activities of Local Remittance are:

- Issue and payment of pay Order (PO), Demand Draft (DD), and Saving Certificate Issue (Sanchaypatra issue).
- Execution of Inward and Outward Telegraphic Transfer (TT)
- Non client services like Telegraphic transfer and pay Order.
- Follow up with clients.
- Internal and local collection of cheque and bills.
- Fund Transfer/ Money Transfer.

Demand Draft (DD) Issue:

According to section 85 (A) of the Negotiable Instrument Act, A Demand Draft is **“An order to pay money drawn by one Branch of the Bank upon other Branch of the same Bank for a sum of money payable to order on demand ”**.

Sometimes customers use demand draft for the transfer of money from one place to another. It is must need for sending money out side Dhaka city.

For getting a demand draft, customer has done the following thing:

- To fill up an application form,
- The form contains date,
- Name and address of the applicant,
- Phone number of the applicant,
- Signature of the applicant,
- Cheque number (if cheque is given for issuing the DD),
- Draft number,
- Name of the payee,
- Name of the drawee branch on which the DD will be drawn and the amount of the DD.
- The form will be duly signed by the applicant and by the authorized officer.
- Amount in Figure and words
- Total amount should be deposited by the party in cash or cheque as per arrangement.

Account Treatment

Cash or party Account	Dr
TBL Account	Cr
TBL Income Account: Commission	Cr

Telegraphic Transfer (TT):

Telegraphic transfer is so far the quickest method of transferring funds from one place to another place. It is an order from the issuing branch to the drawee bank / branch for payment of a certain sum of money to the beneficiary. The payment instruction is sent by telephone and funds are paid to the beneficiary through his

account maintained with the drawee branch or through a pay order if no account is maintained with the drawee branch. No charges are required for TT.

Issuance of TT:

TT application form is to be filled in by the remitter with full particulars of the remitter is verified by the banks officials. Money is received in cash or by debiting remitters account with commission and telephone charges. Message to be passed immediately to the drawee branch under secret test by telex, telephone followed by TBL for confirmation.

Account Entries for Issuance of TT:

Cash or Remitters Account	Dr
TBL Account	Cr
Income Account: commission	Cr
Telephone Charges Account	Cr

Payment of TT:

One receipt of TT message test number should be decoded immediately.

Account Entries for TT Payment:

TBL Account	Dr
TT Payable Account	Cr
TT payable Account	Dr
Clients Account	Cr

Pay Order:

For issuing a pay order, the client is to submit an application in the prescribed form. This form should be property filled up and signed. The procedure of the issuing pay order is similar to that of the Telegraphic transfer.

For issuing pay order TBL charges commission on the following rate:

Pay Order [Local] issuance	<ul style="list-style-type: none">❖ No charge for account holders, Armed Forces Division and all Army Units for official purpose only.❖ Tk. 50.00 (flat) for non-customers/clients
Pay Order [Local] cancellation	<ul style="list-style-type: none">❖ Tk. 100.00 (flat) per instrument,❖ Including other cost of stamp etc. at actual to be realized.
Issuance of Duplicate Instrument	Tk. 200.00 per instrument plus stamp charge for indemnity at actual.

Table 4.3: Charges and Commission for issuing PO

Payment of Pay Order:

The pay order is presented to the bank either through clearance or credit to the client's account. While payment, relative entry is given in the pay order register with the date of payment.

Account Treatment of PO

DD placed without advice:

DD paid without advice	Dr
Party's Account	Cr

After Receive Advice

TBL Account	Dr
DD paid without advice	Cr

DD advice received without instrument

TBL Account	Dr
DD payable	Cr

After receiving DD (instrument)

DD payable Account	Dr
Party's Account	Cr

Stopping Payment of the Draft:

The payment of draft can not by the banker even on receiving instructions from the purchaser after delivery of the draft. This is a simple reason that issuing a bank draft, the banker takes upon himself a commitment in favor of a third party. For that reason, a banker draft is as good as a promissory note issued by a banker and it is accepted by all for the goodwill and the reputation of the banker.

In case of collecting DD, PO, following things is to be carefully checked:

- Instrument of TBL
- Crossing Seal
- Clearing Seal

- Branch Name
- Amount same in word and figure
- Signature verification
- Avoid the stop order PO, DD
- Test key verification. Every TT must have test key. DD over Tk.25000/- must have test key
- Maintenance of PO/TT/DD issue and payable books balancing at the end of the month.

Payment through Transfer:

This transfer is made through account, not in cash. In this process the officer attach a transfer sill to the deposit slip and the posted the transfer balance the desired account. According this time the amount will be posted as clearing balance after completion of clear house the amount will adjusted to the account.

Fund Transfer Instruction:

> If fund transfer require issue of Payment Order, Tk. 100.00 to be realized as Service charge in addition to the normal remittance commission.

> If fund transfer require issue of DD , Tk.100.00 to be realized as Service charge in addition to the normal remittance commission.

4.7 Clearing department:

For safety and security in financial transaction peoples are use financial instruments like DD, PO, Cheque, etc. Commercial Banks duty is to collect this instrument on behalf of their customer. This process that the bank are use is known as Clearing and Collection which handle by the name of Clearing department of all Bank.

If a DD, PO, Cheque of a bank comes from another bank within the range of particular zone it is sent for clearing through clearing house of Bangladesh bank and Sena Kalyan Bhaban Branch has the TBL's clearinghouse.

Essential things for clearing the instrument:

There are three essential things required for clearing the instrument, which are as follows:

- Crossing seal collecting bank
- Endorsement seal collecting bank
- Clearing seal collecting bank

Clearing and Collection procedures:

Clearing and collection transaction are handled in various ways, which are as follows:

- Outward Clearing Cheque
- Inward Clearing Cheque
- Outward Bill Collection (OBC)
- Inward Bill Collection (IBC)

Clearing House set:

Clearing House set 4 times in a day. That is,

- ❖ First House
- ❖ Same Day
- ❖ Same Day Return
- ❖ First House Return

First House:

Client and inter branch placed the cheque lat day.

Same Day

In house day clients place it in cash and the amount is above 5 lac and bank must be 100 feet with in the clearing bank. Then bank will send it Bangladesh Bank to clear at same day.

Same Day Return:

When same day cheque return from the payable bank.

First House Return:

When 1st house cheque return.

Outward Clearing Cheque:

Whenever any branch of Trust Bank Ltd. receives a cheque to be collected from any other bank it sends the cheque to its collecting branch (Sena Kallyan Bhaban, SKB Branch). Sena Kallyan Bhaban Branch sends it to Bangladesh Bank and then it send to the respective bank for clearance with the use of the clearinghouse.

Bangladesh Bank conducts this job of clearing by the name of **CLEARING HOUSE**. This is done twice a day First house and Return house. First house is to deliver cheques and collect cheques from other banks. Return house is to return the dishonored cheques. The practice among the bank is to give only the name of those cheques, which were not honored.

Note: Bangladesh Bank maintains separate A/C for the different bank and settles the balance considering the flow of cheque in both ways that is Inward and Outward.

As soon as the SKB branch gets the clearance, it sends an Inter Branch Debit Advice (IBDA) to the branch, who has sent the cheque for collection. Receiving the IBCA is considered as clearance for the payment to the party. There have some sequences of these outward clearing procedures, which are as follows:

- Receipt of cheque by the officer
- Special crossing to given on the cheque with bank stamp and crossing seal
- Clearing seal to be given
- Endorsement to be given at the back of the cheque
- Cheque schedule should be attached with each outward clearing cheque

Inward Clearing Cheque:

This is the opposite flow of the outward cheque clearance. When other bank sends, the cheque to Trust Bank Ltd. for clearing through **CLEARING HOUSE** the technique is followed. Here also the SKB branch receives the cheque and sends them to the respective branch for clearance.

The treatments for these cheques are as follows:

- Verification of the position of the account of that account holder to know whether the cheque can be honored or not.
- Register entry in the Inward register book
- If there is any return than it should be marked separately
- Sorting of various types of inward clearing vouchers
- The credit advice is collected by the local office
- Here there happens an effect on TBL (inter bank transaction account) in account department where the particular client account is debited and the collection bank is credited by the amount of cheque.

Outward Bill Collection (OBC):

When SKB branch send any cheque drawn on another branch outside Dhaka city (Bogra Branch) of TBL, for collection on part of its account holder, than this collection procedure will be treated as OBC. OBC happens when the cheque would be drawn on another branch of TBL that is outside the Dhaka city.

The sequence of OBC procedures is as follows:

- Reception of the cheque from account holder
- Seal of the SKB Branch to be given on the cheque and the end endorsement to be on back of cheque
- IBCA is prepared and sent to Bogra Branch along with respective instrument
- Dispatch to the department for posting favoring the particular account
- At least it will be posted in the account department.

Inward Bill Collection:

IBC is the reverse procedure of OBC; that is, if a cheque is sent to SKB Branch, Drawn on SKB Branch but deposited to another branch of TBL by another party for collection than before sending to SKB Branch they mention a OBC number, SKB Branch writes another number against the OBC number known as IBC.

The sequence of IBC procedures are as follows:

- Verification of client account that whether there remains enough money or not
- Entry of IBC number into the INC register book
- Issuance if voucher
- Credit advice to be send to the collecting branch
- Particular client account debit
- Branch Account credit
- If the paying banker returns the cheque to the bank, identification the causes for returns.

4.8 Foreign exchange department

Trust Bank Limited, with its wide correspondent relationship with major banks in the world is very capable to meet your needs of foreign currency transactions and foreign trade services. You can open and maintain Accounts in foreign currencies like US Dollar, Pound Sterling, and Japanese. Yen and even in Euro with us. With its own Dealing Room, TBL is able to offer competitive Exchange Rate for all major currencies of the world.

- FA Account (Foreign Nationals)
- FA Account (Bangladesh Nationals)
- NFCD A/C
- RECD A/C

Prerequisite of Opening an FC account (Foreign Nationals):

- Completed Account opening form signed by the account holder/s and introduced by an existing customer who has a relationship with us at least for 6 months.
- Copy of 1st six pages of passport and relevant page with more than 6 months visa of staying in Bangladesh. (Photocopy of document must be certified as “Original seen/sighted”) Photograph/s of the signatory/signatories/account holders duly attested by the introducer. Form QA-22 (in duplicate) Copy of work permit from Ministry of Industries (where applicable) Documented proof of
- address verification to be retained with the mandate. This is also applicable for;
- To open an account when the person not being present personally i.e. in a non-face to face scenario is to obtain at least one additional form of evidence (e.g. copy of utility bills/bank statements/tax clearance certificate/ employer letter/ home visit) over and above what would have been obtained in the corresponding face-to-face situation.
- Local legal & Compliance should be consulted, in case of doubt on the acceptable identification evidence for a particular customer type.
- Welcome & follow-up letter’ as part of additional address verification.
- Completed KYC template.

Foreign Trade:

Foreign exchange means the exchange of currency in terms of goods from one country another. This is the most well-known and well-organized business uniform in world business. Foreign exchange mainly has two parties:

Import Operations:

There are different other parties who are also related to this foreign exchange process. But Bank is the most important of all the other parties. Bank works as intermediary in case of foreign exchange. So, we can say that the foreign exchange is nothing but the combination of export and import in import in international platform.

If an importer wants to buy goods from foreign countries, he has to communicate with the exporter or he may also communicate through indenting firms.

When an importer & exporter are agreed to come into a contract for buying & selling goods, then the importer issues a L/C for the exporter, for issuing a L/C at TBL the importer has to submit some necessary papers/ documents. These are the following:-

IRC (Import registration certificate):

To become an import a person has to get IRC, which is issued by CCI&E (Chief Controller of Import & Export)

Proforma Invoice / Indent Letter:

After the agreement between import & exporter for buying & selling goods, the exporter will send a proforma invoice for the importer. If the importer is unknown about the foreign sellers, he may contact with indenting firms\ agent's\ dealers. In this case, the export will send an indent letter for the exporter through the indent firm. Proforma invoice indent letter includes quality; price etc of ordered the goods/ products.

Current VAT& TAX Certificate:

An importer is definitely a businessperson. As a businessperson he must have to pay VAT & TAX to the govt. For opening L/C has to submit VAT & TAX certificate.

L/C Authorization Application form:

TBL provides this form for opening a L/C. Importer fill up this form.

IMP (Import) form:

Importer also has to fill up this form, which is provided by TBL.

Letter of Application:

After getting the proforma invoice/ indent letter from the exporter, the importer writes an application favoring the manager of the branch where the subject is “Request to open a L/C.”

Application & Agreement for confirmed irrevocable without Resource to drawer’s letter of credit:

This form includes either the goods\ products will come directly by ship\ air or by transshipment &77 other necessary condition.

Export Operations

For becoming an Exporter a person needs:

1. Current A/C in TBL.
2. ERC (Export Registration Certificate) issued by CCI & E (Chief Controller of Import & Export).
3. Permission from sponsoring Authority such as Board of Investment for industries, epartment of Textile for garments etc.
4. Traders Association’s certificate
5. VAT (99Value Added Tax) & TIN (TAX Identification Number) certificates.

Common documents involved in the transportation of goods:

The main documents required are Airway Bill/ Bill of Lading, commercial Invoice, Consular Invoice, Packing List, Certificate of Inspection, Certificate and Certificate of origin.

Airway bill:

This document is a receipt issued by an it's for the carriage of goods. Goods are delivered to the consignees when they have identified themselves as the party named in the airway bill. It has two variants: (1) Master Airway Bill (MAWB) and (2) House Airway Bill (HAWB). The Forwarder of the cargo incorporation the L/C terms uses it.

Bill of Lading (B/L).

The bill of lading is not actual contract between the owner of the goods and the carrier, although it does provide evidence of the contact. It is a receipt for goods shipped on board a vessel (for marine B/Ls), and is a document of title to the goods, which are the subject of the contract between the buyer and the seller. This is why a marine B/L can be negotiated.

Commercial invoice:

As in a domestic transaction, the commercial invoice is a bill for the goods from the buyer to the seller. A commercial invoice should include a description of the goods, address of shipper and seller, and the delivery and payment terms. The buyer needs the invoice to prove ownership and arrange payment. Some government agencies use the invoice to access customs duties.

Certificate of Origin:

Certain countries, especially USA, Canada, EU, Japan, and Australia etc. require a signed statement to verify the origin of the export item in order to monitor import tariffs and quotas. Such certificates are usually obtained through a semi-official organization such as a local chamber of commerce and must be certified by the chamber of commerce. A certificate may be required even though the invoice contains all the necessary information. Documentation that requires a notary stamp or chamber of commerce stamp can be completed by freight forwarder.

Export packing list:

The export-packing list is considerably more detailed and informative than a standard domestic packing list. An export packing list itemizes the material in each individual package, and shows the individual net, legal, tare and gross weights. Package marking should be shown along with the shipper and buyer's references. The packing list is attached to the outside of the package in a clearly marked waterproof envelop. The list can be used to determine the total shipment weight and whether the correct cargo is shipped. Customer officials may use it to check the cargo at inspection points.

Inspection certificate:

Some purchasers and countries may require a certificate of inspection, which authenticates the specifications of the goods shipped, this is usually performed by a third party and obtain from independent testing companies.

Insurance Certificate:

If the seller provides insurance, the insurance certificate states the type and amount of coverage.

Consular invoice:

Consular invoice are generally required by Middle East countries issued by the embassy of the importer's country. A consular invoice allows the importer's country to collect information on the value, volume, quality and source of the goods. The invoice is purchased or obtained from the consulate of the country to which the goods are shipped and must be prepared in the language of that country.

Foreign Remittance Department:

For reimbursement in foreign exchange business different banks that are intermediary between importers and exporters maintain internationally three of account. These accounts are:

a) NOSTRO A/C:

Our foreign currency account with them. This mean TBL maintains its account in different banks outside Bangladesh for reimbursement in foreign exchange businesses.

b) VOSTRO A/C:

Their foreign currency account with us. This means different banks outside Bangladesh maintain their account in TBL for reimbursement in foreign exchange businesses.

c) LORO A/C:

Your foreign currency account with me. When two banks one country maintain their A/C's in one bank outside their country. Ex. Suppose TBL and IFIC have A/C'S in American Express Bank (AMEX) in New York. Then, TBL's A/C maintaining in AMEX is LORO to IFIC Bank. IFOC's A/C maintaining in AMEX is LORO to TBL.