

## **SECTION 16: SAVINGS BANK TRUST ACCOUNT (SBTA)**

- 16.1** This account is operated to provide agency banking services for Bank of South Pacific (BSP). The main purpose of this account is to provide service to the people in remote locations where banking facilities do not exist. As and when banking facilities are established the cash offices at those District Offices will cease to operate as an agency for BSP and the Saving Bank Trust Accounts will also cease.

### **16.2 ACCOUNTS WHICH MAY BE OPENED**

Passbook accounts may be opened for one or more persons, a person trustee for another, clubs or societies. Passbook accounts are not to be opened to receive proceeds of business takings. A supply of new account passbooks will be held at the agency for issuing when a new account is opened. A minimum deposit of K20 is required for all new accounts. Instructions must be followed carefully when opening accounts with cheques. The minimum new account deposit for students or children under 16 years of age is K2.

### **16.3 TRANSACTIONS**

Deposits may be accepted in either cash or cheque form but particular care must be made to ensure that cheques are actually banked to the payee's account.

Withdrawals up to K500 per fourteen days may be paid if a signature or keyword is registered. Withdrawals in excess of K500 per fourteen days must be referred to the ledger branch for authorisation. Money can be withdrawn at any agency provided prior arrangements have been made. Deposits will be accepted at any branch or agency without prior arrangement.

All transactions are to be entered on the Daily Statement of Business (i.e. record of business transacted) as they are taken.

If malpractice is suspected: impound the passbook immediately and contact your parent branch immediately. **DO NOT ALLOW WITHDRAWALS IN THESE CASES UNLESS AUTHORISED BY THE PARENT BRANCH.**

### **16.4 CASH ARRANGEMENTS**

Agents use their own funds for Agency banking business (K5,000.00 minimum)

Each Agency has a "Cash Limit" established by the First Assistant Secretary responsible for District Treasury.

## 16.5 REMITTANCES TO BRANCHES

If the cash on hand at any agency, exceeds the "cash limit" by more than 20% (to the nearest K100), the **WHOLE OF THE EXCESS** (in even Kina) must be remitted to the branch, together with cheques received as deposits and Daily Cash Statements (form SD 466).

The advice of Cash Remittance (Form SD23) must be completed

Should there be any undue delay in receiving the official receipt, the branch must be contacted immediately.

Cheques remittance must be crossed with the stamp provided.

## 16.6 ADVICE OF CASH REMITTANCE

Advice of Cash Remittance (form SD 23) must be completed for all cash remitted or delivered to the branch. The duplicate advice must be retained at the Agency as a record of the remittance. When remittance is by listed registered mail, the registration receipt is to be attached to the duplicate form SD 23. The original advice (form SD 23) must be dispatched to the branch by the same mail as the remittance, but in a separate unregistered envelope.

For remittances delivered personally by the Agent/Assistant Agent, the original advice (form SD 23) must be presented at the branch at the same time as the remittance. Agent must ensure that the remittance is acknowledged promptly by the branch.

## 16.7 ACKNOWLEDGEMENT OF REMITTANCES

When remittances are delivered by the Agent, a receipt on form SD 93 is to be obtained from the branch **at the time of lodgment**. Under no circumstances should an Agent disregard this requirement. For all other remittances the branch will post a receipt (form SD 93) to the Agent. When received, it should be attached to the duplicate copy of the relative Daily Statement of Business (SD 466). If the receipt (form SD 93) for remittances is not received after sufficient time has elapsed for its return by post, the matter should be taken up with the branch as a matter of urgency, by telegram, telephone or radio telephone.

## 16.8 NEW ACCOUNTS - TYPES OF ACCOUNTS THAT MAY BE OPENED

The following passbook accounts may be opened at all Agencies.

- (a) Individual accounts - Passbook issued by Agent. One new account form (M2a) and two authority forms (SD18G) are to be completed and forwarded to the branch for acceptance. One accepted copy of the Customer Record Card will be returned to the Agent for future identification purposes.
- (b) Two or more persons jointly (Joint A/Cs).
- (c) Trustee Accounts provided the account is not used as a business account - Passbook issued by Agent.
- (d) Societies - Passbook issued by Agent. (SOCIETY ACCOUNTS CANNOT BE OPENED FOR SOCIETIES ENGAGED IN PUBLIC TRADING OR FORMED FOR BUSINESS PROFIT PURPOSES).
- (e) Accounts for Incorporated Business Groups – But note, passbooks are only to be issued by Parent Branch.

Should a request be received for an account to be opened which is not covered above then you should first refer the matter to your Parent Branch before opening the account.

## 16.9 OPENING A NEW ACCOUNT - WITH CASH

Satisfactory identification of any person wishing to open an account must be made by the agent before opening the account.

The Banks requirements for Personal Identification are any **one of**: -

- (a) An Agency may open an account based on a confirmation of identification from a reputable commodity buyer (e.g. vanilla, copra, coffee) known to the Bank. Or
- (b) An Agency may open an account with the identification of the person opening the account is confirmed by:
  - (i) Personal Identification by agent or well known to the agent.
  - (ii) Written identification on M2a by an established depositor of at least 24 months). CARE being exercised that account information e.g. occupation, period open, average balance (exceeding K500.00), indicates depositor's reliability. The established depositor must have been previously identified.

- (iii) Letter of identification - Must be on an original letterhead from a valued and reliable company or firm account and signed in accordance with the operating authority. Letter must not be dated more than 14 days old. A specimen signature of the depositor being identified must be included on the letter. This method of identification is NOT ACCEPTABLE for marksmen accounts. The letter will be attached to the M2a.
- (iv) A current passport.
- (c) The following may be accepted in cases whether they are supported by "(ii)" above, however, the average balance may be less than K 500.00.
  - (i) Current credit card.
  - (ii) Current Drivers License over 12 months old.
  - (iii) A minister of religion
  - (iv) A provincial police commander or police commanding officer.

Any other means of identification must be referred to the Parent Branch before an account is opened.

Full details of identification should be recorded on the reverse of the new account form (M2a) and the agent will then sign his name.

If depositor cannot sign his name, it will be necessary for him to put his mark on the forms and a secret word (keyword) obtained. His mark will be recorded as follows. "X" Mark Keyword "Fred"

The depositor must be informed of the importance of remembering his secret word (keyword) and keeping the information to himself, and advised that he will be required to give it when withdrawing from the account.

NOTE: Originals of documentation will be attached to M2a.

#### **16.10 OPENING A NEW ACCOUNT - WITH A CHEQUE (OR CASH AND CHEQUE)**

If a person wishes to open a new account with a cheque the person must be identified as the rightful owner of the cheque before the account is opened.

The presenter of the cheque must sign on the reverse of the cheque in the presence of the agent and the agent will compare this signature with the signature on the identification provided.

DETAILS OF THE DOCUMENTARY EVIDENCE PRODUCED SHOULD BE

WRITTEN ON THE REVERSE OF THE NEW ACCOUNT FORM AND THE AGENT WILL THEN SIGN HIS NAME.

Where the agent has any doubts that the presenter of the cheque is not the rightful owner he must refuse acceptance of the cheque and refer the matter to the parent branch.

Where an account is opened with a cheque, the agent will issue a receipt to the customer for the amount of the first deposit but the passbook will be held by the Agent until enough time has been allowed for the cheque to be cleared.

### **16.11 JOINT ACCOUNT - MORE THAN ONE PERSON**

#### **(a) All Must Sign or Both Must Sign - Personal Accounts**

Accounts may be opened in the joint names of two or more persons entitled to make a deposit. New Account Form (M2a) must be completed and signed by all the persons applying to open the account.

If it is desired that all parties to the account must sign each withdrawal form, their specimen signatures or secret words (keywords) must be supplied on two authority forms (SD18G). No notation regarding the method of operation is to be made in the passbook.

All forms are to be sent to the branch for acceptance. Branch will return one SD18G to the Agent which is to be retained for future identification purposes.

#### **(b) Either to Operate - Any Two to Sign - Personal Accounts**

When the depositors wish the account to be operated in some way other than all the parties to the account signing, 2 authority forms (SD 4) signed by all parties must be completed in addition to New Account Form (M2a). In such cases, forms SD 18G are not required. If more than one party is to sign withdrawals the authority will be amended and initialed by all parties.

All forms are to be sent to the branch for acceptance. Branch will return one SD4 to the Agent which is to be retained for future identification purposes.

#### **(c) Society Passbook Accounts**

Society passbook accounts may be opened for societies, groups, organisations such as charities and religious bodies etc, not formed for public trading or business profit.

Passbooks held at your agency should be used when opening this type of

account. Completion of forms will be done in the following manner, i.e. Authority form (SD 6A) in duplicate is to be attached to the new account form (M2a). Both forms must be signed by all the persons operating on the account.

Upon receipt of these forms the parent branch will then return duplicate of authority forms (SD 6A) for your reference to identify depositors.

(d) Incorporated Business Group Passbook Accounts

In remote areas where the Bank is not represented by a Branch or a Service Branch, you may open passbook savings accounts for Incorporated Business Groups.

The following forms are required:

- New Account form M2a
- Certificate of Incorporation
- Authority (SD6c) in duplicate

The agent is to ensure that all forms have been fully completed, The Agent is to sign on the reverse of both authority forms (SD6c) with a certificate identifying the Management Committee.

All documentation, forms etc are to be forwarded to the parent branch for examining **BEFORE THE PASSBOOK IS ISSUED**. (Note : Passbooks for this type of account are only issued by the parent branch). Providing all documentation is complete, the parent branch will forward the new passbook, verified authority (SD6c) and original Certificate of Incorporation to the Agent.

The passbook and Certificate of Incorporation are then to be forwarded to the business group.

Business groups opening these types of accounts are to be informed that should the transaction activity become excessive, consideration may be given to transferring the account to a cheque account.

## 16.12 COMPLETION OF SOCIETY AUTHORITIES (SD 6A)

All authorities (SD 6A) accepted must be taken in two copies. Society Authorities are taken when a new society, group or organisation account is opened or when there is to be a change in the signatories allowed to operate on the account.

If a signatory of a Society cannot sign his name steps outlined in these instructions are to be followed. It will be necessary for him to put his mark on

the forms and a secret word (keyword) together with personal particulars obtained.

The signatory must be informed of the importance of remembering his secret word (keyword) and keeping the information to himself, and advised that he will be required to give it when withdrawing from the account.

### **16.13 TAKING A DEPOSIT - CASH**

Money together with deposit slip and passbook will be handed to Agent. If depositor cannot make out the deposit slip the Agent may do it for him. It will be necessary for depositor to place his mark on the form and the Agent will sign his own name as witnessing the mark. After verifying the amount of cash against the amount recorded on the deposit slip, it is most important to ensure that cash is cleared from the counter immediately.

### **16.14 TAKING A DEPOSIT - WHERE CHEQUES ARE INCLUDED**

Steps outlined in paragraph 16.31 "Acceptance of Cheque Account Deposit" must also be observed

Where the Agent has any doubts that the presenter of a cheque is not the rightful owner he must refuse acceptance of the cheque and refer the matter to the parent branch.

### **16.15 PAYING A WITHDRAWAL**

Withdrawals of **UP TO K 500** per fourteen days may be paid by the Agent provided he is satisfied with all of the following -

- (i) that depositor's identification is in accordance with a specimen signature or keyword registered at Agency.
- (ii) sufficient time is allowed for a cheque previously deposited to have been cleared before any payment is made against it.
- (iii) sufficient cash is held to pay the withdrawal and sufficient cash will still be held after payment of the withdrawal to meet normal requirements.
- (iv) Passbook is perused, particularly last five entries to ensure :-
  - . Additions/subtractions are correct.
  - . All entries have been initialed and bank/agency stamped correctly.

- . Passbook does not appear to have been altered illegally such as passbook balance increased by customer in an attempt to steal from the bank.

## **16.16 PAYING A WITHDRAWAL WHEN PRIOR NOTICE REQUIRED**

PRIOR NOTICE OF THE WITHDRAWAL IS REQUIRED BY THE BANK WHEN -

- (i) account is to be closed; **or**
- (ii) amount of withdrawal is higher than K300; **or**
- (iii) no signature is held at the Agency

### **Action by Agent**

- (a) Obtain passbook from depositor and complete SD 11 (authorised withdrawal) for amount required;
- (b) issue receipt SD 17 to depositor for the balance in the passbook;
- (c) forward form SD 11 together with passbook by first available mail direct to branch.

Inform depositor the probable date that money will be available (i.e. the expected date that withdrawal will be returned by the branch to the Agency).

If everything is in order, the parent branch will authorise payment and will stamp and sign the back of the withdrawal form SD 11. Withdrawal form and relative passbook will then be returned to the Agency.

When the authorised withdrawal is returned and depositor calls, the depositor must complete the receipt at the foot of the form SD 11 by signing. Also record the date and amount of the withdrawal on the SD 11.

If depositor cannot sign the Agent will complete the bottom of the form SD 11 and obtain his keyword which will also be recorded at the bottom of the form.

## **16.17 PAYING A WITHDRAWAL ON BEHALF OF MARKSMEN**

If a signatory to a passbook account cannot sign a withdrawal form, then the following steps have to be taken:

- (a) The person must make his or her mark on the withdrawal form.
- (b) Provide the secret or key word verbally to the Agent.



The Agent will confirm from the Customer Record Card the correctness of the secret or key word. The agent will then:

- (a) Complete a withdrawal form for the amount requested by the depositor.
- (b) Sign on the reverse of the form that this is a maker man account.
- (c) And confirm by way of signature on the face of the withdrawal form that the Cash Officer has provided the correct amount of cash to the depositor and that all other passbook entries are correct.

#### **16.18 CLOSING OFF DAY'S WORK**

- 1 The day's work must be balanced each day.
- 2 The District Accountant will be responsible for the completion of the balance, which includes the completion of the balance in the form required by the Bank.
- 3 The cash office Cashier should not derive the balance.
- 4 The cash office Cashier must count the cash under his or her control and be ready to confirm the corrections of that cash holding with the balance derived by the District Accountant.
- 5 The District Accountant will count the cash each day of the cash office cashier and by signing and dating confirm that this balance has been undertaken.
- 6 In the event that a discrepancy in the cash exists then the cash will also be counted by the District Treasurer and the District Treasurer will confirm the cash holding and the amount of the discrepancy.
- 7 The District Treasurer will in addition check the balance derived by the District Accountant as well as receiving all bank transactions to isolate the source of the discrepancy.
- 8 If the discrepancy is found and it is necessary to contact a depositor, the bank branch will be notified by the District Treasurer and the District Treasurer will make contact with the depositor by telephone. If it is not possible to make contact by the telephone, the District Treasurer and the District Accountant will visit the depositor.
- 9 The District Treasurer will provide a report on the deficiency to the First Assistant Secretary responsible for the operation of District Treasuries.
- 10 In the event that the Cash Office Cashier has acted with due diligence,

it will not be necessary for that Cashier to make a payment to rectify the deficiency.

- 11 In the event, that the Cash office Cashier has acted without proper diligence then that Cashier will be required to make a payment to rectify the deficiency.

#### **16.19 SECRECY**

All dealings with customers must be on a **strictly confidential** basis and under no circumstances is an agent permitted to discuss customers' financial affairs with the general public.

All staff involved in running the Agency will sign a declaration of Secrecy (SD88).

#### **16.20 CHANGE OF ADDRESS**

If a depositor changes his address, a memo (SD 49) is to be signed by the depositor showing the new address and the account number. The agent will then change the address in the back of the passbook and send memo to the parent branch.

#### **16.21 CHANGE OF NAME BY MARRIAGE**

When a depositor notifies an Agent of a change of name, form SD 19 is to be completed showing the new name. **Care: 2 new specimen signature cards will also be taken.**

Depositor's old signature on SD19 will be compared with the one on old SD18G or SD4.

Agent will then issue a receipt SD 17 for the final balance recorded in the passbook. Passbook, together with the completed form SD 19 and signature cards will be sent to the ledger branch. New and old passbook and one signature card will be sent to the Agency by the branch.

#### **16.22 RECEIPTS FOR PASSBOOKS (SD 17)**

Agents will find that sometimes they have to get passbooks from depositors and send them to the branch (e.g. for audit). Each time a passbook is obtained from a depositor it is most important that a receipt (SD 17) is handed to the depositor showing such particulars as ledger branch, account number, final balance and the reason why the passbook

is being sent.

## **16.23 DEPOSITORS PASSBOOKS**

Details of passbooks held by Agents must be recorded in the Passbooks Temporarily Held - Agencies register (SD95A). Passbooks held at the agencies must at all times be locked away in a safe place. When a depositor collects the passbook, the depositor must sign in the register. Agent is to initial the register to verify the signature and note the date collected in the register.

An Agent is required to forward any passbook to the branch which has been held unclaimed at the Agency for two months or longer.

## **16.24 TRANSFER OF PASSBOOK ACCOUNTS - ARRANGED THROUGH AN AGENCY**

Should a customer require his account to be transferred from one branch to another branch of the Bank, the following steps will be taken.

### **a) Account in the Name of One Person**

Depositor will sign his name or, if unable to write, put his mark on Transfer of Account forms (SD 14B) (Original and duplicate) and 2 Signature Slips (SD 18G). If depositor is unable to write, his keyword will also be recorded on all forms together with personal particulars.

### **b) Account Where all Must Sign for Withdrawals**

Each depositor will sign his name, or if unable to write, place his mark on Transfer of Account Forms SD 14B (original and duplicate) and 2 Signature Slips SD 18G. Should any depositor be unable to write, his keyword will be obtained and recorded on all forms together with personal particulars.

### **c) Account for Two or More People where less than all Depositors are Required to Sign for Withdrawals**

Each depositor will sign his name or, if unable to write, place his mark on Transfer of Account Forms SD 14B (original and duplicate) and 2 Signature Slips SD 4. Should any depositor be unable to write, his keyword will be obtained and recorded on all forms, together with personal particulars.

As soon as all forms have been signed Agent will complete the forms and hand the third copy (Yellow) of Transfer of Account form SD 14B to depositor making sure that Agent's signature appears on yellow copy and agency stamp placed where indicated. The completed transfer forms SD 14B (original and duplicate) and SD4's or 18G's together with the passbook must be sent to the branch for processing.

## **16.25      TRANSFER OF AN ACCOUNT FROM ANOTHER BANK**

The following commercial banks operate in Papua New Guinea:

Papua New Guinea Banking Corporation  
ANZ Banking Group (PNG) Ltd  
Westpac (PNG) Ltd  
Bank of South Pacific Limited  
The Bank of Hawaii  
Maybank

Persons presenting passbooks belonging to banks other than the Papua New Guinea Banking Corporation must have these passbooks transferred to the Bank of South Pacific before they are able to use the Agency.

When a passbook of another bank is presented, arrangements should be made in the following manner for transfer of the account to the Bank of South Pacific:

- Using a BSP withdrawal form, cross out Bank of South Pacific and write in the name of the Bank shown in the passbook.

## **16.26      TRANSFER OF AN ACCOUNT FROM ANOTHER BANK (cont'd)**

- After the words on the withdrawal form "amount in words", write 'Balance of Account'.
- Obtain the depositor's signature on the form (mark, keyword and personal particulars if depositor is unable to sign).
- Complete new account form M2a and two signature cards:-  
  
SD 18G -(for single and joint all must sign accounts) **or**  
  
SD 4 -(for joint either to operate accounts) **or**  
  
SD 6A - (society accounts) - obtain keyword and personal particulars

if depositor is unable to sign.

- Issue depositor with a receipt (SD17) for his other bank passbook and signed withdrawal form.
- Send forms and passbook to your parent branch.
- A new PNGBC passbook together with the other bank cancelled passbook will be sent to you by the branch later.

#### **16.27 REGISTERING DEPOSITORS SIGNATURE AT BRANCH OR AGENCY (EXISTING ACCOUNTS)**

- A. When a depositor requests that his signature be registered at the Agency, or at another branch or agency, form SD 18A will be used.

The following steps will be taken :

- i) Depositor will sign his name on the form or if he is unable to write, his keyword will be obtained and recorded in the appropriate place
- ii) Agent will complete the rest of the form, **ensuring that depositor's personal particulars and address are recorded on the reverse**. The branch or agency at which the signature is to be registered and date will be recorded on the back page of depositor's passbook.
- iii) Send signature card to the branch shown in the passbook.

- B. The following steps will be taken when a verified signature SD 18A is **received** from a branch :

- i) Check that Signature Card SD 18A has been stamped by the branch and signed by a branch officer.
- ii) File signature card in branch alphabetical order for future reference to identify depositor.

#### **16.28 DECEASED DEPOSITORS**

When notification of the death of a depositor is received from a relative or the next of kin of the deceased.

The District Treasurer should obtain the deceased's passbook or passbooks and any other documents to assist in finalising of matters on behalf of the deceased's estate.

## **16.29 STATIONERY**

A stock of New Account Passbooks may be supplied to Agent by their parent branch. Agents are to ask the parent branch by memo (SD49) for more when the stock gets low.

For all other items of stationery Agent will forward Requisition form SD 20/20A to the parent branch.

## **16.30 CONTINUATION PASSBOOKS (WHEN PASSBOOK IS FULL)**

At the time an entry is made on the last line of the final page of a passbook, a receipt for the passbook on form SD 17 (see instruction 21) should be completed and handed to the depositor.

The passbook should be sent to the branch. A continuation passbook will be prepared and returned to the Agency.

The depositor should be asked to return to the Agency to collect his new passbook and his old passbook.

Should the depositor have a permanent postal address, a memo (SD 49) to the branch should show this address (P O Box number) and ask for the passbooks to be sent by mail direct to the depositor's address.

## **16.31 ACCEPTANCE OF CHEQUE ACCOUNT DEPOSITS AND ENCASHMENT OF CHEQUES**

Cheque account business should, if possible, be undertaken at a Branch or Service Branch of the Corporation.

In many cases, however, it is impossible for cheque account customers of the Corporation to attend a Branch or Service Branch and in these cases agencies may accept cheque account business on the following conditions :

### **(i) Cheque Account Deposits**

Cash and cheques may be accepted for credit of a cheque account.

**CHEQUES DRAWN IN FAVOUR OF A PERSON OR COMPANY WHO IS NOT THE PERSON OR COMPANY NAMED ON THE DEPOSIT SLIP MUST NOT BE ACCEPTED FOR CREDIT OF THE ACCOUNT UNLESS THE AGENT HAS NO DOUBTS AS TO RIGHTFUL OWNERSHIP.**

e.g. CHEQUES PAYABLE TO ELCOM, BP'S, STEAMSHIPS, A LOCAL GOVERNMENT COUNCIL ETC MUST NOT BE ACCEPTED FOR CREDIT OF A PERSONAL ACCOUNT.

IF CHEQUES APPEAR TO HAVE BEEN ALTERED IN ANY WAY THEY ARE NOT TO BE ACCEPTED. REFERENCE IS TO BE MADE TO THE PARENT BRANCH.

- . Cash should be carefully counted and the amount shown on the cheque account deposit slip ticked.
- . Cheques should be ticked off on the reverse of the deposit slip and addition of cheques and/or cash and cheques should be carefully checked. Full details of cheques deposited must be written on daily statement (if not enough space used SD66a in duplicate).
- . There is no passbook with a cheque account and a receipt on the butt of the deposit slip should be given by stamping and initialing this butt.
- . The deposit slip should be recorded on the daily statement as a deposit, noting -
  - . C/A and Seven figure account number in the passbook number column;
  - . branch where cheque account is conducted;
  - . full name of the account; and
  - . the total amount of the deposit.

(ii) Encashment of Cheques

Every care should be taken in cashing cheques, even where the person presenting a cheque for encashment is well known to the agent. Because of the risks of fraud, constant vigilance on the part of agents is essential.

Requests to cash BSP cheques at your agency should be firstly sent to your branch for approval. CHEQUES SHOULD BE CASHED FOR BSP CLIENTS ONLY except request to cash Bank of PNG cheque for salaries paid to public servants may also be cashed, provided the cheque is opened, otherwise in order and the person presenting the cheque for cash has been identified as the payee and identification has been recorded on the reverse of the cheque.

Public servants who present cheques for cash should be encouraged to have salaries electronically deposited to their pass book account.

AGENTS MUST TAKE FULL RESPONSIBILITY FOR ANY CHEQUES CASHED WITHOUT THIS APPROVAL and will be required to make good any losses which may occur as a result of the return of such a cheque.

Every effort must be made to ensure that the presenter of the cheque is

the rightful owner.

As a general rule cheques, irrespective of amount, which are made payable to firms, companies or societies should not be cashed by agents without reference. Cheques bearing bank stamps of any kind are to be referred.

Cheques over twelve months old are legally "Stale", valueless and are **not** to be cashed, (or deposited) under any circumstances.

Post dated cheques should not be cashed (or deposited) Cheques attended in any way should not be cashed (or deposited). Cheques with differences between the amount in figures and the amount in words should not be cashed (or deposited)

Cheques which are cross "not negotiable" should not be cashed and should be deposited only to the Bank Account of the Payee detailed on the cheque.

**FULL NAME , ACCOUNT NUMBER , ADDRESS AND SIGNATURE OF THE PERSON RECEIVING THE MONEY ARE TO BE NOTED ON THE REVERSE OF ALL CHEQUES CASHED**

A cashed cheque should be recorded on the daily statement of business as a withdrawal noting C/C in the passbook number column; bank and branch on which the cheque is drawn; full name of the drawer and account number; and the amount of the cheque should be extended in the withdrawal column.

## **16.32 LOST PASSBOOK**

If a passbook is reported lost the following procedure is to be followed.

- 1) Complete form SD 239. The form is to be completed as fully as possible and signed by the depositor and agent. (If the passbook is in more than one name all parties to the account must sign the form). If depositor is unable to sign, his mark and personal particulars are to be endorsed on the notice.
- 2) Complete 2 new Signature Cards, SD 18G. (For less than all to sign joint accounts complete 2 Signature Cards, SD 4; society passbook accounts complete SD 6A in duplicate; include mark and personal particulars if necessary).
- 3) Note on the signature card. **DO NOT PAY ANY FURTHER WITHDRAWALS WITHOUT REFERENCE TO YOUR PARENT BRANCH.**
- 4) Advise the Depositor that a charge of K10.00 will be debited to the



account by the branch for the replacement passport. If the passbook balance is K10.00 or less, the account will be closed. Ask customer to check again thoroughly for the Lost Passbook.

- 5) Send the Notice of Loss Of Passbook, SD 239, and new Signature Cards to your parent branch.
- 6) Ask the customer to come back after 14 days and let you know if he has found the book. If he comes back and tells you it is still missing, write to the branch and they will send a new book.

### 16.33 Action by Bank of South Pacific

#### Weekly:

The BSP branch at District/ Provincial capital will put together on each Friday all SD9c forms received from the cash office during the week and take action as follows:

If the total withdrawals exceed total deposits during the week, send an advance to District Treasurer immediately with a list of all supporting SD9c's and make a deposit to the "settling account" for the agency.

If the deposits exceed withdrawals, send a claim advice to District Treasurer for the excess (on FF4) with a list of all supporting SD9c's and District Treasury will process the payment to BSP by charging to SBTA if necessary i.e. to avoid the "settling account" being in overdraft. The payment will be processed within 7 days of the receipt of the claim.

It will usually be the case that the Bank will make a withdrawal from the "settling account" established for the agency.

#### Monthly:

On the last Friday of each month, Bank of South Pacific branch will Compile a report (SD124 form) and send it to District Treasury office. SD 124 form will list:

- \* Deposits and withdrawal totals by each cash office.
- \* Weekly settlement figures (Deposits minus withdrawals or withdrawals minus deposits) for the month.

SD124 will be supported by a separate listing for each cash office and a machine listing for each SD9c showing:

- (i) No. of deposits -----

Amount -----  
No. of withdrawals -----

- (ii) Serial number of SD9c .....
- (iii) Serial numbers of missing SD9c if any.

### 16.34 Action by District Treasurer

#### Weekly

- (i) Check duplicate SD9c's received from the cash offices and see that there is no missing serial number (call for explanation immediately if any number is missing) and that there is no alteration or overwriting of figures.
- (ii) File SD9c's for cash office in date order.
- (iii) Check SD9c's against reimbursement claims and cash in transit vouchers (for cheque) from the respective cash offices, when they are received. If there are disagreements, investigate.
- (iv) When the weekly settlement account is received from Bank check SD9c particulars provided by the Bank against the duplicate held at District Treasury office.
- (v) Process the cheque for payment within one week or ensure that the "settling account" for the agency is not overdrawn.

#### Monthly

Check SD124's from the Bank against: -

- (i) SD9c's from the Cash Offices during the month under report  
and;
- ii) Payment made to or money received in settlement from the BSP branch during the month

If the right procedure has been followed, there should be no debit balance in SBTA for the District Treasury in the Province. If there is debit balance at the month end investigate immediately.

### 16.35 Dishonoured Cheques:

If cheques are dishonoured, the bank will return such cheques to – **District Treasury concerned** for follow up action.

- (a) Contact the depositor as soon as possible, call for the bank passbook and enter the value of dishonoured cheque as a withdrawal after obtaining a signed withdrawal form on the basis of notice of dishonour and correct the closing balance. Then hand the dishonoured cheque to the customer. The withdrawal form with a copy of the notice of dishonour should be sent with SD9c to the bank.
- (b) Should the customer pay cash or rectify the cause of dishonour, the cash or cheque received must be treated as a fresh deposit.

Note 1. If the customer has left the area or cannot be contacted within a month, inform the Parent Branch, but retain the dishonoured cheque.

Note 2. The District Treasury is liable if the reasonable efforts to avoid loss of funds through a dishonour have not been taken.

**ANNEXURE 1      FOR DETAILS CASH BOOK, AND TRUST CODES FOR DISTRICT TREASURY**

**ANNEXURE 2      ACCOUNTING ENTRIES REGARDING TO SBTA TRUST, POSTAL SERVICE, AND ENCASHING CHEQUES**