

**CANDIDATE DETAILS**

Access Number	Roll Number	For Official Use Only	Serial Number
Subject <b>CORPORATE AND BANKING LAW</b>			
Candidate's Name			
Father's Name			
CNIC Number			
Cell Number		E-mail	
I verify that my particulars given above are correct and I declare that I have read the INSTRUCTIONS printed in the examination booklet, and/or given in the ISQ Examination Guidelines, violation of which would mean cancellation of my paper and debarment from appearing in future examinations.			
Candidate's Signature		Invigilator's Signature	



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# The Institute of Bankers Pakistan

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ISQ Examination

Winter - 2017

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SEAL  
BOOK  
HERE

Associateship of IBP

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Corporate and Banking Law

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## INSTRUCTIONS FOR THE CANDIDATES

1. The candidate must abide by the ISQ Examination Guidelines sent along with the admit card.
2. The candidate must sign the booklet after verifying the particulars and should **NOT** write his/her name or roll number on any other page of the examination booklet.
3. The candidate is advised **NOT** to approach the invigilators for seeking any explanation related to the questions in the examination paper.
4. Laptops, mobile phones or any other gadgets are **NOT** permitted in the examination hall. **ONLY** simple calculators are allowed except where indicated in the ISQ Examination Guidelines. If any candidate is found in possession of any restricted gadgets or items, his/her examination paper will be cancelled immediately.
5. The candidate must ensure that the examination booklet has all the pages duly numbered. If any page is missing, damaged or not numbered, then return the booklet to the superintendent / invigilator and obtain another booklet.
6. Write your answer **ONLY** in the given space for each question. Anything written outside the given space will not be considered for marking.
7. **ONLY** blue or black ball points are to be used.
8. The candidate must attempt **ALL** questions in the paper.
9. There is **NO** negative marking

<b>For Official Use Only</b>						
<b>SECTION 1</b>		<b>OBJECTIVE SECTION</b>				
<b>Total Marks Obtained</b>		<b>In Words</b>				
<b>SECTION 2</b>		<b>SUBJECTIVE SECTION</b>				
Marks Obtained	Q.1	Q.2	Q.3	Q.4	Total Marks	Total in words
Marker - I						
Q.C						
Scrutiny						
Re-Scrutiny						
Marker – II						

Signatures:

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1. Marker - I

\_\_\_\_\_  
2. QC

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3. Scrutinizer

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4. Re-Scrutinizer

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5. Marker – II

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## Section 2

### Subjective Section

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Subjective Questions

Number of Questions: 4

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Total Marks: 40

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**Q1.** Answer questions A to E with explanations to support your answer in the light of SBP's Prudential Regulations for Corporate/Commercial Banking:

**A.** While identifying 'Group', will the shareholding in Government-owned Entities/Financial Institutions or vice versa, form the 'Group'? (2 Marks)

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**B.** Can the guarantees received as collateral from a Commercial Bank/DFI/NBFI and foreign bank, be treated at par with 'liquid assets'? (2 Marks)

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**C.** Does the single obligor/obligor group exposure limit apply on interbank placements of Banks/DFIs? (2 Marks)

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**D.** Is there any prescribed limit in respect of Banks'/DFIs' total exposure in equity market? (2 Marks)

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E. Can a Bank provide financing to the individual against shares of a company in which that individual is a shareholder or a Director? (2 Marks)

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**Q2.** Mr. A and Mr. B are guarantors for repayment of the finance granted to their brother Mr. C by a bank. State your response with reasons for the following scenarios:

A. Mr. A dies and Mr. C is in default. Can the bank recover the amount from Mr. B and legal heirs of Mr. A? Justify with references to laws and regulations. (5 Marks)

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**B.** Mr. A and Mr. B both passed away and Mr. C is in default. Can recovery be made from the legal heirs of Mr. A and Mr. B? Justify with references to laws and regulations. (5 Marks)

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**Q3.** In the light of SBP’s Prudential Regulations on S & MEs, outline and discuss the differences between Small and Medium Enterprises. (10 Marks)

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**Q4.** Differentiate between:

A. Indemnity and Guarantee

(2.5 Marks)

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**B. Ratification and Revocation**

(2.5 Marks)

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**C. Vostro and Nostro Accounts**

(2.5 Marks)

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**D. Order Nisi and Order Absolute (Garnishee Order)**

**(2.5 Marks)**

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