



**BANKING POLICY DEPARTMENTS
STATE BANK OF PAKISTAN**

FIT & PROPER TEST

INTEGRITY, HONESTY AND REPUTATION

- ?? Has not been convicted in any criminal offence, involved in any fraud/forgery, financial crime etc.
- ?? Has not been subject to any adverse findings or any settlement in civil/criminal proceedings particularly with regard to investments, financial/business, misconduct, fraud, formation or management of a corporate body etc.
- ?? Has not contravened any of the requirements and standards of regulatory system or the equivalent standards of requirements of other regulatory authorities.
- ?? Has not been involved with a company or firm or other organization that has been refused registration/licence to carry out trade, business etc.
- ?? Has not been involved with a company/firm whose registration/licence has been revoked or cancelled or gone into liquidation.
- ?? Has not been debarred for being Chief Executive, Chairman or Director of a company.

2. EXPERIENCE & MANAGEMENT

This section shall apply separately for Directors and Presidents/Chief Executives as under:-

For Directors on the Board of Bank/DFI

- ?? Must have management/business experience of at least 5 years at senior level in an active capacity. In case of lawyers, 7 years experience is required, provided that they are not practicing/involved with any bank(s) or acting as legal counsel/adviser or on payroll of a bank.
- ?? Must have knowledge of or be familiar with banking field.
- ?? Minimum qualification is graduation. Higher education in the discipline of banking and finance may be an added qualification. However, this condition shall not be applicable on the existing director of the boards of the bank/DFI.

For Presidents/Chief Executive Officers of Bank/DFI

- ?? Must be a career banker having experience of at least 15 years, including minimum of 3 years at senior level viz. SEVP or equivalent i.e. Group Head or Functional/Business Line Head at Head Office of banks incorporated in Pakistan or at Country Office for foreign banks.

Contd...P/2.

?? Minimum qualification is graduation. Higher professional education in the disciplines of banking, finance, economics and related fields may be an added qualification. This condition shall not, however, be applicable to those who have/are already working as President/Chief Executive of the bank/DFI.

?? Relaxation in number of years of experience can be considered in case of experience as President/CEO of financial institutions other than banking institutions, for a period of not less than three years with a proven track record.

3. TRACK RECORD

?? The person must have an impeccable track record in the companies he/she has served either in the capacity of an employee or director/chief executive or as chairman.

?? Has not been terminated or dismissed in the capacity of employee, director/chairman of a company.

4. SOLVENCY & FINANCIAL INTEGRITY

?? Has not been associated with any illegal activity especially relating to banking business.

?? Has not been in default of payment of dues owed to any financial institution and/or default in payment of any taxes individual capacity or as proprietary concern or any partnership firm or in any private unlisted and listed company.

?? Has sufficient means to discharge his/her financial obligations.

5. CONFLICT OF INTEREST

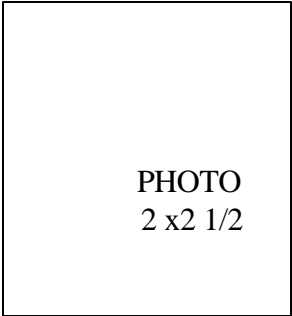
?? Is not a director of any other financial institution. The term financial institution will include any bank, investment finance company, non-banking finance company, venture capital company, housing finance company, leasing company or modaraba company.

?? The conflict of interest shall not apply in case of:-

- a. Directors nominated by the Government.
- b. Managing Directors and other nominated officials of National Investment Trust (NIT) and Investment Corporation of Pakistan (ICP) till the privatization of these two financial institutions.
- c. Nominees of foreign and local investors, provided that they are appointed on the boards of dissimilar financial institutions.

For the sake of clarity, the term “dissimilar” implies as an example, that one person appointed as director on the board of an investment bank may not again be appointed in any other investment bank.

PROFORMA



1. FULL NAME _____
2. FATHER’S NAME _____
3. DATE & PLACE OF BIRTH _____
4. RELIGION _____
5. N.I.C. NUMBER _____ N.T.N. _____
6. EDUCATION _____
7. PRESENT DESIGNATION, DEPARTMENT AND OFFICAL ADDRESS _____

8. TELEPHONE NUMBERS _____
9. IF YOU HAVE CHANGED YOUR NAME, STATE PREVIOUS NAME AND REASONS FOR CHANGE _____
10. APPOINTMENTS HELD DURING THE LAST FIVE YEARS (WITH DATES) _____
11. NAME(S) & DESIGNATION(S) OF THE DIRECT SUPERVISOR (ONE GRADE UP) UNDER WHOM YOU HAVE SERVED DURING THE LAST FIVE YEARS _____
12. DATE WHEN YOU LAST FILLED IN A SECURITY VETTING FORM AND THE NAME OF THE DEPARTMENT FOR WHOM FILLED _____
13. PRESENT RESIDENTIAL ADDRESS IN FULL _____
14. PERMANENT RESIDENTIAL ADDRESS IN FULL _____
15. CHANGE IN MARITAL STATUS (IF ANY) DURING THE LAST FIVE YEARS. IF SINCE MARRIED, NAME AND FORMER ADDRESS OF THE SPOUSE _____
16. NAMES & ADDRESSES OF THREE RESPECTABLE PERSONS (NOT RELATIVES) WHO HAVE BEEN CLOSELY ACQUAINTED WITH YOU DURING THE LAST FIVE YEARS

Signature of concerned official

* Use additional sheet if required