



STATE BANK OF PAKISTAN
RTGS Project Management Office
I. I. Chundrigar Road, Karachi, PAKISTAN

RTGS No. 46 /82(7)-2009

February 26, 2009

The Presidents/Chief Executives
All RTGS Direct Participants

Dear Sirs/Madam,

Discontinuation of Physical Presentment of Payment Instruments

RTGS System went live on 1st July, 2008 and online securities settlement facility for MTBs and PIBs fully integrated with RTGS system was also launched in August 2008. Since then the system is functioning smoothly and all interbank funds and securities transfer are settled electronically by RTGS Participants using their front end systems installed at their premises.

As the RTGS system is now functioning smoothly, therefore, sending paper instruments for executing interbank funds and securities transactions **(to SBP BSC Karachi Office only)** stands redundant. RTGS Direct Participants therefore are advised to discontinue sending paper payment instruments (SBP Cheques & SGL Letter) w.e.f 2nd March, 2009 in the following scenarios:

Interbank Clean Transactions (SBP BSC Karachi Office):

1. All payments sent by RTGS Direct Participants including payments to indirect RTGS Participants.
2. All payments to indirect participants may also be entered in PRISM System by RTGS direct Participants. As advised earlier, RTGS Direct Participants may provide printed copies of MT 296 (SETL) notification to RTGS Indirect Participants.
3. Non RTGS (indirect) Participants will continue sending SBP cheques for payments to RTGS Direct and Indirect Participants, as they do not have direct access to RTGS terminals.

SGL Transactions (SBP BSC Karachi Office):

1. Sending SGL Letters and paper cheques to be discontinued for **interbank securities transfer** between RTGS Direct Participants.
2. RTGS Direct and indirect Participants may continue using SGL Letter and Paper Cheques for interbank securities transactions against each other.

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Acceptance of Payment Instruments under Extra-ordinary Circumstances:

If due to technical failure or natural disaster, RTGS System at SBP is not available, banks will be advised to lodge their payments via cheque / SGL Letters at SBP BSC Karachi Office.

In case of any queries / clarifications, please contact RTGS Project Management Office at 021-2453497 and 2453391.

Please acknowledge receipt.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Sohail Javaad', written over a horizontal line.

(Syed Sohail Javaad)

Project Manager