



CHAPTER 7

BANKER - CUSTOMER RELATIONSHIP

✿ Objectives:

After studying this chapter you should be able to understand:

- 7.1 Introduction**
- 7.2 Deposits and bank accounts – general overview**
- 7.3 Bank’s duties and rights in the United Kingdom**
- 7.4 Customer’s obligations to his bank in the United Kingdom**
- 7.5 Banking procedures of opening an account in the United Kingdom and Romania**
- 7.6 Procedures for the opening of “adults as individual customers” in a Romanian bank**
- 7.7 Customer due diligence for banks**

7.1 Introduction

Banking deals with people and their money. The people who use banks are called “customers”, a term which is different from “client”, the noun used by accountants and solicitors to describe persons who employ them. The term “customer” emphasises the need for services.

Who is a customer?

A person becomes a customer of a bank when he/she goes to the bank with money or cheques and asks to have an account opened in his/her name and the bank accepts the money or cheque and is prepared to open an account in the name of that person, after which he/she is entitled to be called a customer of the bank. So, a customer is clearly someone who uses the services of a bank.

The Banker

There is no clear descriptive definition of a bank in either the statute or case law, although the use of the word “bank” or “banker” in various pieces of legislation is of some help. For example, the Bill of Exchange Act 1882¹ says that a banker is: “any person whether corporate or not who carries on the business of banking” The Agricultural Credits Act 1928 states: “A bank can be any firm, incorporated company carrying forward banking business which is approved by the Ministry of Finance”

Under the Banking Act 1979, the supervision of the deposit taking institutions is exercised by the Bank of England, and there are three classes of such institutions²: recognised banks, licensed deposit taking institutions and exempt bodies. In this later category come the Bank of England itself, the National Savings Bank, the Trustee Savings Bank, the building societies, the insurance companies etc.

Recognised Banks

To be granted recognition, a bank must satisfy the Bank of England as to its standing and reputation in the financial community, with special reference to the ability and competence of its management. It must also have capital issued and reserves of at least £ 5 million and adequate level of solvency for

¹ In the United Kingdom.

² Jacob Brian – An introduction to banking, Mackays of Chatham, Kent, London, 1990, p. 185

Business of Banking

the extent of its operations. The Bank of England will also take into account the extent of the banking service offered and the degree of specialisation. Among the basic services required are the acceptance of deposits, lending, foreign exchange transactions, and bill finance, investment management and corporate financial services, although the Bank of England has discretion of not insisting upon the provision of all of the last named.

The first two, however, are essential. Such a body is authorised to use the words “bank”, “banker” in describing itself.

Licensed deposit – taking institutions

There are smaller undertakings and in order to obtain a license, a deposit – taking institution must satisfy the Bank of England that its business is being conducted in a manner that the directors and management are fit to and proper persons. Such a body must have an issued capital and reserves of at least £ 250,000 coupled with a good trading record. In deciding whether to grant a license or not, the Bank of England will take account of balance sheet ratios, liquidity, and the matching of liabilities and assets. Upon obtaining its license, the institution may trade and accept deposits from the public for whose protection this legislation was enacted, following the secondary-banking crisis in the United Kingdom in mid 1970s.

As a conclusion

What is a banker?

A banker is someone who works in a bank.

What is the banking business?

The banking business means the business of receiving money, on current savings deposit or other similar account, money which is repayable on demand by order, cheque, or draft, and money which will be invested by way of advances to customers or otherwise.

Banker – Customer Relationships

The relationship of a bank with its customers gives rise to important legal rights and duties quite apart from any commercial considerations.

The basic and perhaps most common relationship between a banker and his customer is that of debtor and creditor. The bank has duties and rights³ and the customer has, at the same time, obligations to his bank.

7.2 Deposits and bank accounts – general overview

The basic functions of banks are to accept deposits, transfer funds and facilitate transactions between different parties. Therefore, banks may offer a large variety of services including deposit accounts, credit card, lending facilities, funds transfer, foreign currency sales, traveler's cheque, payments and government project funding, taxes and fines collection, executor of wills, safe custody, investment transactions, discounting of bills, trust, advice on investments and business, clearing systems, indemnities, opinions and replies to status enquiries etc.

Sale Custodian

Sale custody or bailment is the oldest service the banks can offer. It means that a property is preserved and returned upon demand in the same condition as it was deposited, the customer being the bailor and the banker the bailee. Moreover, all clearing banks can offer night safe facilities through selected branches for the safe keeping of money overnight.

Indemnities

There are instances when even a clearing bank may give guarantees or indemnities to third parties in respect of its customer's liabilities, especially for good customers having sound financial positions.

Status Enquiries

Banks are obliged to keep their customers' affairs secret and disclosures are possible only with customer's consent. As a rule, opinions are not given directly to an individual but to other bankers or certain recognized trade protection organizations.

As banks strongly tend to increase their business they are highly interested in drawing in more and more deposits so as to be able to fund lending and investment activities. For the purpose of attracting funds from individuals and companies, banks offer a large variety of personal and business

³ Palfreman David – Banking: The legal environment, Pitman Publishing, London, 1994, p.102

accounts and give their customers statements of account showing the account balance, at regular intervals or on demand.

Current Accounts

The current accounts are also known as cheque accounts and offer a low interest rate or no interest at all. As a result, they represent a low-cost fund for banks. Both individuals and corporations open them.

Budget Accounts

These accounts are separate nominated cheque ones and are specifically used for paying bills such as for household expenses, telephone, gas, electricity, taxes, insurance etc., by monthly transfers or cheque drawing.

Credit cards

They are convenient for both banks and customers as they are easy to bear and use. Banks receive interest on the amounts advanced to customers as well as commission from the shopkeepers accepting credit cards in the payment for goods and services.

Savings Accounts

They are sight accounts similar to the current ones but as they represent medium or long-term deposits the rate of return is higher. In the corporate banking, this type of accounts can be also used for night deposits or payroll payments.

Term Accounts

This category of deposits has the advantage of a higher interest rate for customers and can be used as a guarantee for loans as well. As the term accounts are not payable at any time, they offer higher return for depositors and represent an adequate medium or long-term financing source for banks.

Certificates of Deposit

Specifically, they require a small amount of money, can be changed into cash at any moment and their ownership can be transferred by consequently losing part of interest.

Restricted-Close Accounts

Within such an arrangement, the depositor is not allowed to raise the money until a certain term elapses.

Student and Youth Deposits

They represent an incentive for promoting savings among young people, on one hand, and, on the other hand, provide necessary money for progress in their professional careers; they have a higher interest rate.

Foreign Exchange Accounts

These accounts are specific to the commercial customers of the banks as the transactions in foreign currency are expanding due to the globalization of economies and deregulation in funds transfers between countries.

Sweep Accounts

They are particular types of accounts where balances exceeding a certain level can be transferred into money-market funds; they are mainly offered to major customers.

Cash Management Accounts

This type of accounts specifically combines a brokerage account with a bank one. These accounts offer customers a number of facilities such as daily interest on account balance, Visa debit card, cheque facilities or instant loans at brokerage interest rates.

Revolving Credit Accounts

They are special accounts where customers can pay in fixed amounts of money monthly and give depositors the option of withdrawing several payments by cheque every month.

Office Accounts

Banks usually open such accounts for professionals such as solicitors, accountants, architects, doctors etc. who need them for their daily accounting practice.

Similarly, special accounts may be opened for administrators, executors, trustees and supervisors on the condition that they are personally liable for any borrowing approved by creditors and beneficiaries.

Estate Agents Accounts

In Great Britain, estate agents can open a separate trust account in pursuance of law where they keep the money from their clients in order to use it as pre- contract or contract deposits.

Insurance Broker Accounts

Except for the ones who are members of Lloyds, the insurance brokers are required to open separate current or deposit accounts for the money used in insurance transactions. Such insurance broker accounts may be also used for receipt of premiums on policies as well as for payments in respect of claims.

Joint Accounts

They represent accounts opened by two or more parties and the most common ones are run by husbands and their wives; withdrawals can be made upon a clear authority given to the person intending to take out the money.

Company Accounts

Public limited or private limited companies constitute the most important customers of banks as they need banking services for their trade activities and business operations such as payments to suppliers, guarantees to international partners, safe custody of excess cash as well as funds for performance in accordance with the company objects. In this respect, they run various deposit accounts available to corporations, namely current and savings accounts, certificates of deposit, repurchase agreements, credit accounts, foreign exchange accounts as well as all new types of deposit accounts such as sweep and cash management accounts.

In order to open an account, companies are obliged to lodge with the bank a resolution passed by directors, a company mandate, the Certificate of Incorporation, the Memorandum and the Articles of Association.

Business accounts can be also opened by sole traders and partnerships requiring working capital for trading, finance for repairs, refurbishment or purchase of new fixed assets or capital items like computers and cars. Single signature of the proprietor or joint signatures of the partners is needed for opening such accounts.

Accounts for Unincorporated Entities

The unincorporated entities are associations, clubs or societies having separate identity in law which can open accounts by mandate as they are usually conducted by members or a committee and use them for shorter or longer periods.

Nostro and Loro Accounts

When currency is transferred all over the world through correspondent banks the cash becomes titles of ownership. The accounts of the correspondent banks are known as *nostro and loro* accounts; the bank maintaining the *nostro* account is the one where the debit and credit entries are performed, while the foreign bank refers to such an account as *loro* meaning *your account with us*. When such inter-bank accounts are used, the clearance is carried out by cable, telex, and fax requests or by SWIFT messages.

7.3 Bank's duties and rights in the United Kingdom

These may be summarised as follows:

- provided that the customer's cheques are properly drawn, *the bank must honour the cheques to the amount of the balance* or if the account is overdrawn, to the agreed limit;
- the bank is entitled *to charge its customers reasonable commission* for services rendered to them, and *to charge interest* on loans made to them, except where special arrangements have been made;
- *to be indemnified* by its customers for expenses and liabilities incurred while acting for them;
- *to exercise a lien*⁴ over any of its customers' securities that are in its possession, other than those deposited for safe custody, for any money owing to it;
- *a bank must maintain strict secrecy* about its customers' affairs, both while the account is open and even after it had been closed;
- *the bank must give reasonable notice to its customer*, before closing an account, which is maintained in credit;
- *to render statements of account to its customer* periodically or upon request;

⁴ In the United Kingdom, it is a right to retain possession of the property of another in lieu of payment due from that person.

- a bank has no obligations to third parties, arising out of the duty to pay its customer's cheques;
- *to collect cheques and other normal banking instruments* for its customer and to credit the amounts collected to his account;
- *To exercise proper care and skill* in carrying out any business it has agreed to transact for its customer.

7.4 Customer's obligations to his bank in the United Kingdom

The main customer's obligations to his bank are:

- the customer is under the duty to exercise reasonable care when drawing his cheques, to help prevent fraud or forgery;
- the customer must go to his bank when he requires payment; it is not the incumbent on the banker to seek out the customer;
- before drawing the cheques, the customer must ensure his account is put in funds to meet it;
- A customer must pay reasonable interest and commission and other charges for banking services and this is implied when he/she opens an account.

7.5 Banking procedures of opening an account in the United Kingdom and Romania

- a) Before opening either a current or a deposit account in *the United Kingdom*, a bank must be satisfied as to the character and standing of the applicant and know his employer's name and nature of his employment. This information can be obtained either by a *personal introduction* from an existing customer or another branch or bank; or *by taking references*, usually two, one of which should be from the applicant's employer. In the latter case, if the referee is unknown to the banker, the authenticity of the reference should be checked, for example, through the referee's own banker. Accounts are frequently opened on production of satisfactory identification, e.g. driving license or passport.

Banks differ as to the exact procedures and formalities involved in opening an account. The following are the standard opening formalities:

1. *Specimen signatures* of all parties to the account must be obtained.
2. *A mandate covering all operations* on the account must be obtained if it is other than a sole amount.
3. *A chequebook* should only be issued when a satisfactory introduction or references have been obtained and checked and any cheque opening the account cleared.
4. *A cheque guarantee card* should only be issued after the bank has established that the account will be run in a regular and responsible manner, or where there is no doubt about the person's integrity and responsibility as an account holder.
5. If possible, *commission and interest charges should be agreed* when the account is opened in order to avoid having to rely on a banker's implied right to recover reasonable charges and commission.

While all banks are anxious to increase their business and draw in deposits, it is necessary to exercise a degree of caution before opening an account and affording full "banking facilities". No prudent banker would open an account⁵ immediately on the mere request of a stranger, as there would be many risks in conducting an account for a rogue.

For common sense reasons therefore, the most important requirement upon opening an account is that the banker should have a satisfactory introduction to his new customer, and this is commonly called a "reference". Recently, however, some banks have surprisingly decided to dispense with the taking of references and are prepared to open accounts for new customers provided that the stranger "proves" satisfactorily the identity and provided that upon carrying out a credit reference bureau search a negative reply is not received.

Presumably, those banks which have reduced their standard of care this way, have been prepared to do so on reasoning that the new procedures will

⁵ Palfreman David – Banking: The legal environment, Pitman Publishing, London, 1994, p.102

reduce the costs of opening a new account and will be less inhibiting to prospective customers.

Except for regulated agreements under the Customer Credit Act 1974 (in United Kingdom), where the duty is a statutory one, it is part of the implied contract between the banker and his customer that the banker will provide a statement of the account from time to time, or when asked to do so, by his customer.

The modern practice is to issue computerised statements and past books are seldom used. When a customer wishes to authorise another person to sign on his account without becoming a party into it, it will be necessary a special written authorisation of the customer to the bank.

The authorisation becomes void upon death, bankruptcy or mental incapacity of the customer, and any cheques drawn by any third party should then be returned unpaid by the bank with the answer “Account holder deceased” or “refer to drawer” as appropriate. A customer can close his account when he wants to, by withdrawing the funds and paying his bank charges to date.

b) In **Romania**, there is usually a contract (see Annexes No. 1, and 2) between the bank and its customer. It appears upon consideration to include the following provisions:

- the bank undertakes to receive money and to collect bills for its customer’s account;
- the proceeds so received are not to be held in trust for the customer, but the bank borrows the proceeds and undertakes to repay them;
- the promise to repay is to repay at the branch of the bank where the account is kept, and during the banking hours;

It is a term of the contract that the bank will not cease to do business with the customer except upon reasonable notice. The customer, on his part, undertakes to exercise reasonable care in executing his written orders so as not to mislead the bank or to facilitate forgery.

Categories of customers:

A - Natural Persons/Physical Persons (individuals)

B - Legal Persons/Legal Entities (companies)

In Romania, the commercial banks have the following procedures, in order to open an account.

7.6 Procedures for the opening of “adults as individual customers” in a Romanian bank

When a member of the public applies (in Annex No. 3 you can see models of application for opening different types of accounts with a bank, Romanian legal entity) to a bank to open an account, the bank has a primary duty to satisfy itself on the following points:

1. Verification – check the prospective customer’s identity :
 - “Is he the person he claims to be?”
 - “Is he legally capable of opening an account in his own name?” (Is he a minor, or under legal disability?)
 - “Is he self-employed or the employee of a company or other statutory body or organisation”?
 - “Is he a proper person the bank would like to do maintain a bank account for”?. (A bank is not under any legal obligation to enter a banker/ customer relationship).

In practice, there are several steps to follow:

Step one:

1. Customer verification (identity card, recommendation letter – reference)
2. Verification of the legal capacity of prospective customer (minor – adult signature)

3. Integrity (Is he a firm and proper person to be entrusted with a cheque book?)

Step Two:

1. As soon as satisfactory references have been obtained, the account may be opened.
2. The new customer should be invited to complete a “signature card.” This card contains “specimen” of the customer’s signature. Also, the customer should be asked to complete a detailed application form providing the bank with full details regarding his personal and business life.
3. The bank signs its “acceptance” when it is satisfied with the references given and when it notifies the customer that the account had been opened in his name.

Statements and General Requirements

Many branch customers inquire about the status of the account under the following circumstances:

- a. Before they draw a cheque on their account;
- b. They may wish to certify the credit/debit balance on their account for reconciliation purposes;
- c. They may wish to confirm that a particular payment has been made into their account (or that a certain withdrawal has been effected) before presenting a cheque for payment.
- d. They may ask for a statement of their account with the branch for personal reasons.

Customer inquiring at counter

The procedure is as follows:

1. The customer should be supplied with a copy of the bank's "Account inquiring form" and asked to sign it specifying the type of information he requires.
2. The signature should be checked against the branch's records (i.e. the signature card.) Once satisfied about the correctness of the signature, the required information should be furnished, preferably, in a sealed envelope and passed on the customer.

It is established practice in most banks that all inquiries or information about customer's statement to be furnished only after the customer had signed the above request form and his signature had been verified as a means of certifying his identity.

Rules and Regulations

- The Banker-Customer relationship once established it is often a long term one. (It may even continue after the customer's death, when the bank acts in the capacity of executor or trustee of the deceased customer's wealth);
- It should always be remembered that the bank is not under legal obligation to accept every applicant as a customer.
- The banker must be satisfied with the responses to all inquiries before agreeing to open an account for a prospective customer.
- Banks will satisfy themselves about the identity of a person seeking to open an account, in order to protect themselves, their customers and general public.
- All banks should institute effective procedures for obtaining identification from new customers.

7.7 Customer due diligence for banks

Supervisors around the world are recognising the importance of ensuring that their banks have adequate controls and procedures in place so that they know the customers with whom they are dealing. Adequate due diligence on new and existing customers is a key part of these controls. Without this due

diligence, banks can become subject to reputational, operational, legal and concentration risks, which can result in significant financial cost.

In reviewing the findings of an internal survey of cross-border banking in 1999, the Basel Committee identified deficiencies in a large number of countries' know-your-customer (KYC) policies for banks. Thus, the Basel Committee asked the Working Group on Cross-border Banking to examine the know-your-customer procedures currently in place and to draw up recommended standards applicable to banks in all countries.

Sound know-your-customer procedures must be seen as a critical element in the effective management of banking risks. The know-your-customer safeguards go beyond simple account opening and record-keeping and require banks to formulate a customer acceptance policy and a tiered customer identification programme. These procedures constitute an essential part of sound risk management (e.g. by providing the basis for identifying, limiting and controlling risk exposures in assets and liabilities, including assets under management). Certain key elements should be included by banks in the know-your-customer procedures. Such essential elements should start from the banks' risk management and control procedures and should include:

1. customer acceptance policy;
2. customer identification;
3. on-going monitoring of high risk accounts, and
4. risk management.

Banks should not only establish the identity of their customers, but should also monitor account activity to determine those transactions that do not conform with the normal or expected transactions for that customer or type of account.

Banking supervisors must determine if banks have adequate policies, practices and procedures in place, including strict "know-your-customer" rules, that promote high ethical and professional standards in the financial sector and prevent the banking from being used, intentionally or unintentionally, by criminal elements.

Financial institutions should develop programs against money laundering. These programs should include, as a minimum:

- (i) the development of internal policies, procedures and controls, including the designation of compliance officers at management level, and adequate screening procedures to ensure high standards when hiring employees;
- (ii) an ongoing employee training programme;
- (iii) an audit function to test the system.



Progress Test

1. Who is a bank customer?
2. What is a banking business?
3. What are the bank's duties and rights?
4. List the customer's obligations to his bank.
5. Describe the banking procedures of opening an account in the United Kingdom.
6. Describe the banking procedures in Romania.
7. What are the procedures for the opening of "adults as individual customers"?
8. What are the key elements included in the know-your-customer procedures?
9. Describe the content of a contract concluded between the bank and its customer.

AGREEMENT FOR A BANK DEPOSIT
Completed today,....., 200....

Between the contracting parties:

The Bank “X” SA, which has the headquarters at
Street represented by Manager and the Chief Accountant
....., named “trustee” in this agreement, as a party, and:

.....
(The first and the last name of the natural person, the name of the artificial
person)

living in____, district____, sector__, released on____, by____, which has
the residence in____, district____, sector____, incorporated in the Trade
Register under no., represented by____, named “depositor” in this
agreement, as another party.

By virtue of the provisions of the art. 1591 and of the Civil Code, this bank
deposit agreement was completed under following conditions:

Art. 1: The object of the agreement:

1.1. The object of this agreement is the depositor to form a bank deposit for
the trustee in amount of lei_____, with an interest rate of ____% annual.

Art. 2 The period

2.1. The deposit is made for a period of_____ days, starting with the date
of_____.

Art.3.The legal obligations of the parties:

A. The trustee committed himself to:

3.1. Open for the depositor a separate account for every deposit that he
makes.

Business of Banking

3.2. Receive the money as a deposit and to hand the proving acts of the deposit.

3.3. Keep the secret about the deposit and not to provide proving information about this only if the depositor agrees with that and only in special cases provided by law.

3.4. Release the deposit if the depositor asks for that and to guarantee the deposit.

3.5. Pay the interest specified at Art. 1 to the depositor.

B. The depositor commits himself to:

3.1. Respect the level and the period of the deposit, provided at Art. 1 and Art. 2

3.2. Ask for the extend or the liquidation of the deposit at the expiring date of the deposit, or else the deposit is considered a new deposit, on the same period and under the same conditions provided in this agreement.

Art. 4 Special Clauses

4.1. The interest of the deposit is calculated monthly (a month being considered as 30 days).

4.2. If the depositor asks for reimbursement of sums from the deposit before the expiry of the period for which it was made, the trustee is authorised to recalculate the interest at the level of the sight interest.

4.3. The depositor vests Mr./Ms. _____, the son/daughter of Mr. _____ and Ms. _____, born on the _____, in _____, to withdraw the hole amount, or a partial amount from this deposit, including the relevant interest.

Art. 5 Final provisions

5.1. This contract can be modified only if both parties agree.

Business of Banking

5.2. The contract may be terminated by any party's wish, if that party communicates this in writing to the other party, without any other formality.

The present agreement was completed in two original patterns, every party having one of it.

TRUSTEE, DEPOSITOR,

MANAGER,

CHIEF ACCOUNTANT,

MISR ROMANIAN BANK

On.....200..

Egyptian Joint Stock Company

Account No.....

Bucharest Branch

APPLICATION TO OPEN AN ACCOUNT

Manager of Misr Romanian Bank

Dear Sir,

Please open a account in the name of with you and I accept to deal with you according to the general conditions of the account mentioned hereunder which are considered a complementary part of our dealings with the Bank. They are as follows:

1. The correspondences of the Bank are considered to have reached the client as soon as they are sent to him by mail at the latest address given by him to the Bank.
2. The debtor statements of accounts are sent monthly to the client and the creditor once every six months till the end of June and the end of December every year.
3. The debtor interests are charged and passed monthly to the account considering the year as having 360 days and the creditor interests every six months till the end of the year considering it as having 365 days besides the commission and expenses such as mail, cables, telephones, stamp duty etc.
4. The Bank has the right to close the client's account at any time without giving any reasons. In this case, the client should either withdraw his money from the Bank during the fixed time or the Bank will have the right to deposit what the client owns at the safe of the court. If the

account is closed, the client should return the remaining cheques without using them.

5. All the different account opened at the Bank (Head Office and Branches) in the client's name are considered as indivisible units. Also all the property of the client at the Bank such as cash, bills, securities, goods etc. are considered as mortgaged in favour of Misr Romanian Bank and a guarantee for the disbursement of all his liabilities.
6. The client has to authenticate the statement of his account sent him by the bank within fifteen days from the date of sending the statement (with the exception of the normal period of travel) or send a complaint including reasons, during the same period, otherwise, the statement of account will be considered correct and agreed upon.
7. The bank is entitled to amend the rate of the creditor or debtor interest at any time upon an ordinary notice.
8. The client draws his properties from the bank by means of cheques which he demands from the bank, and the client alone is responsible for the loss, theft or illegal use of cheques given to him by the bank or drawn to its bearer. Consequently, the client states that he will encase his deposits at the bank by means of the above mentioned cheques bearing his own signature or by banking receipts which he personally signs before the concerned employee. If he chooses to authorise one person or more in all or some of his rights with the bank, he should undertake that this authorisation should be one of the bank's authorisations, its kind, the number and the place of its authentication and the name of the deputy, his address, profession and grade of his relationship if it exists. If he cancelled the authorisation he must notify the bank thereof by a registered letter. It is well understood that the bank will not authenticate the authorisation in any of its shapes in changing the address or the correspondence of the client for it is agreed upon from now on that changed in the address of the correspondence should be done according to an application personally signed by the client. It is also agreed upon that the bank will not authenticate any authorisation of the client presented to it if the bank does not receive a notice from the client of its enforcement according to what is mentioned above. The bank will also continue using the authorisation unless they receive a notice from the client of its cancellation in line with the preceding

Business of Banking

details. All this is effected on the client's responsibility without any responsibility on the bank.

9. The number of the client's current account is the same number of the file in which his securities are deposited, and the bank is entitled to charge the deposit costs on them as from the date depositing according to the existing tariff.
10. It is agreed upon that the client is not entitled to use his account in advanced maturity credit operations (i.e. issuance of cheques payable at an advanced date), or repeatedly issuing cheques when the account is overdrawn, otherwise the bank is entitled to close the account automatically without previous notice.
11. I hereby authorise Misr Romanian Bank to collect the value of all coupons cheques and bills, and I guarantee its correctness and the authenticity of the signatures shown on them. I also authorise Misr Romanian Bank to purchase or sell the securities, bonds and goods, to open credits and other banking operations and credit then to my current account held with them. Orders issued by me to the bank concerning these banking operations and others are to be considered as an execution of this authorisation.
12. I hereby authorise Misr Romanian Bank to carry out the clearing among our various debtor obligations (whether we are debtors or guarantors) and our creditor balances, if any, held with them, and this is to be effected at whatever time suitable to the bank even before the date of maturity with full authority to the bank, needless of any notice, excuse or approval.

Name and Title.....

Father's Name.....

Grandfather's Name.....

Nationality.....

Profession.....

Work address.....

Residence.....

Business of Banking

Kind of account.....
Rate of interest (creditor)% year 360 days provided that.....
Rate of interest (debtor)% year 360 days provided that.....
Remarks.....
Information.....
Name of the recommended.....
His address.....
Recommender's signature.....
The client's signature.....
The concerned employee signature.....

APPLICATION FOR OPENING A CURRENT ACCOUNT FOR A ROMANIAN LEGAL ENTITY
CERERE PENTRU DESCHIDERE DE CONT PENTRU PERSOANĂ JURIDICĂ ROMÂNĂ

Date/Data: ___/___/___
day month year
zi luna an

◆ Name/ _____

Denumire _____

◆ Address/ _____
Sediul _____

- ◆ Established as Romanian Legal Entity ◆ Organizată ca persoană juridică română
- | | |
|---|--|
| <input type="checkbox"/> commercial companies | <input type="checkbox"/> societăți comerciale |
| <input type="checkbox"/> regie autonome | <input type="checkbox"/> regii autonome |
| <input type="checkbox"/> associations and foundations | <input type="checkbox"/> asociații și fundații |

We kindly request and authorize you to open a social capital account on our name in/
Vă rugăm și vă autorizăm să deschideți un cont curent în numele nostru în:

ROL / Lei

For this purpose we attach hereto the company incorporation documents as they are specified on the reverse side.	In acest scop anexăm documentele de constituire a societății menționate pe verso.
We hereby mutually agree that our account is governed by the bank's General Business Conditions of which we know and which we accept unreservedly.	Sunt de acord cu faptul că acest cont funcționează sub incidența Condițiilor Generale de Afaceri ale băncii pe care le cunoaștem și pe care le acceptăm fără rezerve.

Foreign Currency / Valută _____

Signature/Semnătura: _____

Stamp/Ștampila

To be filled by the bank / se completează de către bancă

Bank's approval for the accounts no./
Aprobare pentru deschiderea conturilor nr.

Signature/
Semnătura

Date/Data: ___/___/___
zi luna an

We attach the following documents:

Foundation deed of the legal entitiz
The Court setting-up Decision
Registration Certificate
Fiscal Code

Evidence of the empowered persons to represent the legal entity in relations
with third parties

Other _____

Anexăm următoarele documente:

Actul constitutive al societății
Hotărârea judecătorească de înființare
Certificatul de înmatriculare
Codul Fiscal

Împuternicire pentru persoanele mandatate să reprezinte societatea în relațiile
cu terții

Altele _____

Business of Banking

We attach the following documents:

Recognition Decision of the Romanian Court (in case there is no reciprocity clause with the respectively state)

Approval of Romanian Government

Fiscal code

All legal documents related to the identity, head office, type of society place of registration, power of attorney for the representatives translation into Romanian of the authenticated documents and certified by a notary

In case of foreign company's branch it is necessary to present documents providing the establishment of the branch, on the same conditions provided by the previous point

In case of foreign subsidiary company setting up in Romania, it is necessary to present documents required by the Law applicable where the company was founded

Other _____

Anexăm următoarele documente:

Hotărâre judecătorească de recunoaștere (în cazul în care nu există clauza de reciprocitate)

Aprobarea Guvernului României

Codul fiscal

Toate documentele legale referitoare la identitatea firmei, sediu, tipul societății, locul înmatriculării, împuternicire pentru reprezentanții societății, traducere în limba română autentificată de notar

In cazul filialei este necesară prezentarea documentelor constitutive ale filialei, în condițiile prevăzute la punctul anterior

In cazul deschiderii unei filiale în România, este necesară prezentarea documentelor impuse de legea unde s-a înființat societatea mamă

Altele _____

**APPLICATION FOR OPENING A CURRENT ACCOUNT
FOR INDIVIDUALS**

**CERERE PENTRU DESCHIDERE DE CONT
PENTRU PERSOANE FIZICE**

Date/Data: ____/____/____
 day month year
 zi luna an

◆ Name/Nume _____

◆ Address/Adresa _____

B.I. (pașaport) _____
ID (pașaport) _____

CNP: _____
Tel.: _____

For this purpose I attach hereto a copy
of my ID

În acest scop anexez o copie după actul
de identitate.

I hereby mutually agree that my account
is governed by the bank's General
Business Conditions of which I know
and which I accept unreservedly

Sunt de acord cu faptul că acest cont
funcționează sub incidența Condițiilor
Generale de Afaceri ale băncii, pe care
le cunosc și pe care le accept fără
rezerve.

I kindly request and authorize you to open a current account on our name in/
Vă rog și vă autorizez să deschideți un cont curent în numele meu în:

ROL / Lei
 Foreign Currency / Valută _____

Signature/Semnătura: _____

Business of Banking

To be filled by the bank / se completează de către bancă

Bank's approval for the accounts no./
Aprobare pentru deschiderea conturilor nr.

Signature/
Semnătura

Date/Data: ____/____/_____
day month year
zi luna an

București, _____

ÎMPUTERNICIRE

SC _____
înregistrată la R.C. sub nr. _____ având cod fiscal _____ ,
reprezentată legal de _____
în calitate de _____
împuternicesc pe d-na/d-nul _____
BI/pașaport cu seria nr. _____ eliberat de _____ la data de _____
să reprezinte valabil societatea, având drept de semnătură, fără limită de sumă,
pentru următoarele operațiuni bancare :

- Depunere de numerar în lei și în valută
- Retragere de numerar în lei și valută
- Ordin de vânzare, cumpărare lei/valută
- Semnătura documente aferente operațiunilor de import export: DIV, DPVE, etc
- Ordine de plată în lei
- Depunere și ridicare documente bancare
- Ordine de încasare cecuri
- Efectuare de schimb valutar
- Ridicare extrase de cont
- Încheiere contracte de depozit in numele societății

Împuternicirea este valabilă până la revocare

Semnătura autorizată,

APPLICATION FOR OPENING A SOCIAL CAPITAL ACCOUNT
CERERE PENTRU DESCHIDERE DE CONT DE CAPITAL SOCIAL

Date/Data: ___/___/___
 day month year
 zi luna an

◆ Name/ _____

Denumire _____

◆ Address/
Sediul _____

- ◆ Established as Romanian Legal Entity ◆ Organizată ca persoană juridică română
- | | |
|---|--|
| <input type="checkbox"/> commercial companies | <input type="checkbox"/> societăți comerciale |
| <input type="checkbox"/> regie autonome | <input type="checkbox"/> regii autonome |
| <input type="checkbox"/> associations and foundations | <input type="checkbox"/> asociații și fundații |

We kindly request and authorize you to open a social capital account on our name in/

Vă rugăm și vă autorizăm să deschideți un cont curent în numele nostru în:

ROL / Lei

For this purpose we attach hereto the company incorporation documents as they are specified on the reverse side.

În acest scop anexăm documentele de constituire a societății menționate pe verso.

We hereby mutually agree that our social capital account bears no interest.

Sunt de acord cu faptul că acest cont nu este purtător de dobândă

Foreign Currency / Valută _____

Signature/Semnătura: _____

Stamp/Ștampila

To be filled by the bank / se completează de către bancă

Bank's approval for the accounts no./ _____

Aprobare pentru deschiderea conturilor nr. _____

Signature/

Semnătura

Date/Data: ___/___/___
 day month year
 zi luna an

Business of Banking

We attach the following documents:

Foundation deed of the legal entity -original and 1 copy
Headquarters document - original and 1 copy
Mandate for the person in charge to open social capital account

Other _____

Anexăm următoarele documente:

Actul constitutiv al societății în original și 1 copie
Documentul care atestă sediul social în original și 1 copie
Împuternicire pentru persoana autorizată să deschidă cont de capital social

Altele _____

ÎMPUTERNICIRE PENTRU CONTURI PERSOANE FIZICE

DI./Dna. _____
în calitate de titular de cont/conturi îputernicesc pe d-na/d-nul _____
_____ BI/pasaport cu seria nr. _____ eliberat de _____
la data de _____ să mă reprezinte valabil având drept de
semnătură, fără limită de sumă, pentru următoarele operațiuni bancare :

- Depunere de numerar în lei și în valută
- Retragere de numerar în lei și valută
- Ordin de vânzare, cumpărare lei/valută
- Ordine de plată în lei
- Ordine de plată în valută
- Efectuare de schimb valutar
- Încheiere contracte de depozit în numele titularului
- Depunere și ridicare documente bancare
- Ridicare extrase de cont

Îputernicirea este valabilă până la revocare

**Semnătura d-nei/d-nului angajează în mod legal titularul _____
și este recunoscută și opozabilă acesteia.**

Semnătura titular

Vă solicit și vă autorizez să constituiți din contul meu / nostru curent, nr.:

deschis la banca dvs., un depozit în sumă de:

Pentru o perioadă de / până la data

Cu o rată anuală a dobânzii de

La scadență, vă autorizez / autorizăm să transferați suma depozitului și dobânda în contul meu / nostru curent deschis la banca dumneavoastră.

La scadență, vă autorizez să reinnoiți depozitul, pe aceeași perioadă, fără altă notificare din partea mea/noastră, cu rata dobânzii validă la data expirării acestui depozit:

Cu capitalizarea dobânzii

Fără capitalizarea dobânzii

Asfel, îmi asum / ne asumăm obligația de a vă transmite alte instrucțiuni cu cel puțin 2 zile înainte de data expirării, cu privire la încetarea reinnoirii depozitului.

Sunt / suntem de acord și accept / acceptăm ca Banca să perceapă dobânzi penalizatoare și penalități în cazul unei retrageri totale sau parțiale a sumelor din depozit.

Eu / noi sunt / suntem de acord și declarăm că prezentul cont este sub incidența Condițiilor Generale de Afaceri ale Băncii, pe care le-am luat la cunoștință și pe care le-am acceptat fără rezerve.

I / we kindly request and authorize you, out of my / our current account no.:

already opened with your Bank, to make a deposit on my / our name for the amount of:

For a period of / until

At an annual interest rate of:

At maturity, I / we authorize you to transfer the deposit amount and the interest in my / our current account opened with your bank

At maturity I / we authorize you to renew the deposit for the same period without any other notification from me / us, with an interest rate valid on the deposit expiring date.

With interest capitalization

Without interest capitalization

Thus I / we undertake the obligation to send you my / our instructions, at least 2 (two) days before expiring date regarding the ceasing of the deposit renewal.

I / we agree and accept that the Bank charges me / us with debit interests or penalties in case of premature withdrawal of the entire or part of the deposit amount.

I / we hereby mutually agree and declare to ICBSB Romania that this account is governed by the General Business Conditions of the Bank of which I / we have been aware and which I / we have unreservedly accepted.

Date/Data: ___ / ___ / _____

day month year
zi luna an

Către / To : **THE COMMERCIAL BANK** S.A.

Subsemnatul
The undersigned

B.I.
ID (passport)

Reprezentant al
Representative

Cont nr.:
Account nr.:

<input type="checkbox"/>	Depun / I deposit
<input type="checkbox"/>	Retrag / I withdraw
<input type="text"/> <input type="text"/> <input type="text"/>	Valuta / Currency

Suma de / The amount of <input type="text"/>
<small>In litere/ In letters</small>
<input type="text"/>
<input type="text"/>

reprezentând / representing <input type="text"/>
--

Suma va fi depusă (retrasă) de / The amount will be deposited (withdrawn) by :

D-l (D-na) / Mr. (Mrs.) : <input type="text"/>	B.I. / ID : <input type="text"/>
Eliberat de / Issued by : <input type="text"/>	La data / at <input type="text"/>

<input type="text"/>	<input type="text"/>
Aprobat / Approved	Semnături autorizate / Authorised signatures