

GUIDELINES FOR ENLISTMENT OF SECURITY AGENCIES

(Release 005 – 26 December 2012)

01. APPLICABILITY OF THE GUIDELINES FOR ENLISTMENT OF SECURITY AGENCIES

01.01 ON SECURITY AGENCIES:

These Guidelines and the eligibility criteria laid herein are applicable to Security Agencies only as much as their services to the Financial Institutions falling under the jurisdiction of the Banking Industry are concerned. Security Agencies' services to clients other than Financial Institutions falling under the jurisdiction of State Bank of Pakistan do not fall under the purview of the Guidelines.

01.02 ON FINANCIAL INSTITUTIONS

These Guidelines shall be binding only on those Financial Institutions that fall under the jurisdiction and control of the State Bank of Pakistan. Financial Institutions not falling under the purview of the State Bank of Pakistan are not covered under it.

02. PBA'S RIGHT TO REVISE, AMEND, ALTER OR MODIFY THE GUIDELINES

PBA reserves the right to revise, amend, alter, or modify the Guidelines, and the revisions, amendments, alterations or modifications so made shall apply to the Security Agencies wishing to offer, or continue offering services to Financial Institutions.

03. PBA PANEL OF SECURITY AGENCIES

03.01 PBA shall maintain a Panel of Security Agencies for providing guards to the banking industry for safeguarding bank premises.

03.02 Financial Institutions shall seek the services of only those Security Agencies which are enlisted on the PBA Panel of Approved Security Services.

04. ELIGIBILITY CRITERIA FOR ENLISTMENT ON PBA PANEL OF SECURITY AGENCIES

PBA shall enlist only those security agencies on its Panel of Approved Security Agencies which:

- a. hold valid Registration with Government of Pakistan Ministry of Interior to operate as a Security Company (copy required along with the application for enlistment, and thereafter within 30 days of expiry of the certificate), or hold valid Registration with Securities Exchange Commission of Pakistan, under the new procedure (copy required along with the application for enlistment, and thereafter within 30 days of expiry of the certificate – if the certificate has an expiry)
- b. hold valid License for Security Services from Home Department of respective Provincial Governments, as applicable (copy required along with the application for enlistment, and thereafter within 30 days of expiry of the license)
- c. hold a valid License for operating wireless communication systems in areas under their coverage, from the Ministry of Communications, Government of Pakistan, if the company provides Cash Transportation Services to the Banking Industry (copy required along with the application for enlistment, and thereafter within 30 days of expiry of the certificate).

- d. deploy ex-armed forces (preferably fighting arm) or ex-para-military forces personnel as guards and supervisors for the banking industry, or deploy civilians who have been hired under the company's formal selection criteria, and who have taken adequate training for the services of a Guard from a recognized and reputable Training Institute. A copy of the formal selection criteria should be provided to PBA along with enlistment documents. Where such personnel are not available for the time being, the Security Agency should have an operative conversion program to convert their work force for the banking industry to such personnel, within six months of enlistment.
- e. deploy only such guards and supervisors in the banking industry who are physically fit, who have no known medical impediments that may adversely affect their performance of duties, who are adequately trained for carrying out such guarding services and such training is refreshed at periodic intervals, and who are assessed to have a motivated, positive and objective professional disposition towards carrying out their duties. (Certificate of compliance required from the security agency along with application for enlistment, and thereafter in the first week of January every year).
- f. require their Guards to undertake a Training/Practice Firing Session (through a recognized establishment / training institute) prior to first-time-deployment in the banking industry, and thereafter twice a year.
- g. seek proper verification of credentials (in the context of these Guidelines, Credentials refer to documents specifying and attesting to the correctness of particulars of identity, residence, past employment, character, and professional and biological competence of an individual) of all guards and supervisors deployed in the banking industry. The credentials will include the aspects required by PBA in clause 07.01.01 of the Guidelines. Security Agencies operating in the province of Punjab shall further seek verification of all credentials, as required by the Home Department, Government of Punjab (HDGOP), on the "Security Clearance Form for Security Guards", published by the HDGOP in Urdu, and provide a copy of it to the Special Branch of Punjab Police.
- h. submit the credential verification documents (as required in clause 04.g above) of all guards and supervisors deployed in the banking industry for re-verification and certification by PBA nominated agency / organization, as and when required by PBA, and pay charges there-against to the PBA nominated agency. This certificate will be issued by the nominated agency / organization to PBA, and shall not in any manner absolve or undermine the Security Agency's responsibility if the verification of the credentials prove to be faulty at a later date.
- i. indulge in fair labor practices, and pay to their guards/supervisors deployed in the banking industry at least the minimum wages approved by the government from time to time, or have a salary pay out ratio of at least 80% of the billing for the respective individual guards/supervisors to the banking industry, whichever is lower. (Certificate of compliance required from the security agency along with application for enlistment, and thereafter in the first week of January every year).
- j. undertake to compensate the banks in case of involvement of their staff/personnel in any unauthorized infiltration of banking assets at the rate of Rs.1,000,000 per incident or the actual loss amount, whichever is less. (Undertaking to accompany the application for enlistment, and thereafter to be renewed every year, in the first week of January each year). Note: This restriction shall not apply to Assets and Cash in Transit, for which compensation shall be according to the arrangement between the Bank and the Security Agency.

- k. undertake to take a proactive role for apprehension of the individuals involved in any heist / holdup at a client bank / financial institution, and for recovery of the looted / stolen assets in such incidents. (Undertaking to accompany the application for enlistment, and thereafter to be renewed every year, in the first week of January each year).
- l. ensure that none of their guards deployed in the banking industry have ever been involved in malpractices or criminal activities, or are suspected to have been involved in malpractices or criminal activities. (Certificate to this effect to accompany the application for enlistment, and thereafter to be renewed every year, in the first week of January each year).
- m. take strict disciplinary action against, and remove from the banking industry all guards/personnel involved in any derogatory activities or activities which are in violation of the expected code of conduct of Guards. (Certificate to this effect to accompany the application for enlistment, and thereafter to be renewed every year, in the first week of January each year).
- n. remove all guards / supervisors from deployment in the banking industry whose credentials could not be re-verified by the PBA nominated agency / organization as having been verified correctly, or whose credentials were found to be questionable or incorrect by PBA nominated agency / organization (undertaking to this effect to accompany the application for enlistment, and thereafter to be renewed every year, in the first week of January each year. Specific confirmation of removal to be provided to PBA for each such individual pointed out by PBA, within 15 days of being pointed out by PBA nominated agency / organization).
- o. have as Directors / Owners / Key Management / Employees individuals who have not been convicted of criminal offences by any Court of Law within or outside Pakistan, and no criminal cases are under proceedings against them at the time of enlistment or thereafter, and who have not been involved in Fraudulent Activities, Professional Misconduct, and are not under investigation for such activities at the time of tendering Application for enlistment or thereafter (Certificate to this effect to accompany the application for enlistment, and thereafter to be renewed every year, in the first week of January each year).
- p. deploy only such guards in the banking industry whose verification of credentials, as required in section 04.g above, has been satisfactorily completed. (Undertaking to accompany the application for enlistment, and thereafter to be renewed every year, in the first week of January each year).

(All certificates and confirmations as required hereinabove will be provided on the PBA compiled Performa, along with the Application for enlistment on the PBA Panel for Security Agencies).

05. PBA NOMINATED AGENCY / ORGANIZATION FOR RE-VERIFYING AND CERTIFYING CORRECT VERIFICATION OF CREDENTIALS OF GUARDS / SUPERVISORS BY THE SECURITY AGENCIES

Presently, there is no PBA nominated agency for re-verification of credentials of guards/supervisors. The name of the nominated agency shall be advised to security agencies by circular, as and when appointed. Till such time, Security Agencies shall rely solely on their own verification of credentials of guards / supervisors, and shall provide evidence of the verification to PBA.

06. DELISTING OF SECURITY AGENCIES

06.01 Where a Security Agency is in violation of any of the terms and conditions specified for enlistment on PBA Panel of Security Agencies, PBA reserves the right to de-list the company. PBA may however, extend time to the Security Agency to come in

compliance of the terms and conditions. This time will be allowed with the approval of the PBA Executive Committee.

06.02 A de-listed Security Agency will be re-enlisted once it comes in compliance of the violated terms and conditions, provided that it submits a certificate to the affect, and PBA is satisfied that the Security Agency has come in compliance of the terms and conditions at the time of making the certificate.

07. PARTICULARS OF GUARDS / SUPERVISORS AND RELATED VERIFICATION DOCUMENTS TO BE PROVIDED TO PBA / PBA NOMINATED AGENCY / ORGANIZATION, FOR INDIVIDUALS DEPLOYED IN THE BANKING INDUSTRY

07.01 PARTICULARS OF THE GUARDS / SUPERVISORS AND RELATED VERIFICATION DOCUMENTS TO BE PROVIDED TO THE PBA NOMINATED AGENCY / ORGANIZATION FOR RE-VERIFICATION

07.01.01 The Security Agencies will carry out verification of the following particulars of all guards / supervisors deployed in the banking industry, and provide the related documents to the PBA nominated agency / organization for re-verification and certification:

- a. Name of the Branch / Unit of the Financial Institution at which the individual is deployed (for individuals involved in Cash Transportation Services, mention the Security Agency Office from which the individuals operate)
- b. Full Name of the individual
- c. Father's name of the individual
- d. Copy of Computerized NIC of the individual
- e. A Passport Size Color Photograph (recent, not more than 6 months old) of the individual
- f. Permanent Home Address of the individual in ancestral village / town / city, along with phone numbers, if any
- g. Current Residential Address of the individual, along with phone numbers, if any
- h. Names and addresses of all employers for the past 15 years, and Particulars of all employment for the past 15 years.
- i. Copy of Discharge book from Armed & Paramilitary Forces / other such official-service-record document, and the Pension Book, if the individual has been employed, during the past 15 years, in any institution where such record is maintained.
- j. References and Character Certificates from the last organization at which the individual has served before serving the present employer (if the individual has not completed 15 years in the present employment).
- k. Names, residential addresses, permanent home addresses (along with phone numbers, if any), and CNIC Numbers of two nearest adult, male relatives of the individual. PBA nominated agency shall seek references of the individual from these relatives.

07.01.02 These particulars and related verification documents will be provided for all Guards / Supervisors posted at Financial Institutions, within 30 days of enlistment of the Security Agency. (If the Security Agency requires additional time to clear the backlog, extension may be sought from PBA after providing a proper schedule of completion of verifications with specific deadlines).

Thereafter, the Security Agency shall provide on a monthly basis, by the 7th of each ensuing month, the particulars of all individuals that have been deployed in the banking industry for the first time during the month.

07.01.03 Where the Guards / Supervisors deployed in the Banking Industry have been honorably discharged from Armed Forces / Para-military Forces, and the Security Agency has sought verification of their Credentials from respective Unit, and the Security Agency provides the particulars of the guard and “Confirmation of Verification of Credentials” on Form PBA-SA-10, Security Agencies may not seek re-verification of such guards / supervisors through the PBA nominated agency.

This exception is available only for Guards / Supervisors having Armed Forces / Paramilitary Forces experience with an honorable discharge, provided the Security Agency has carried out all the credential verifications required under Section 07.01.01 herein above, and provided that the findings of such verifications have been entirely satisfactory.

07.01.04 If PBA has not nominated any agency for re-verification of credentials, security agencies shall submit the credential verification documents directly to PBA.

07.02 PARTICULARS TO BE PROVIDED TO PBA

07.02.01 Security Agencies will provide a complete list of the Guards / Supervisors deployed in the financial institutions to PBA within 15 days of enlistment of the Security Agency. The list will contain the name of the Security Agency, the name of the Guard / Supervisor, and his Computerized National Identity Card Number, and the branch / unit of the Financial Institution at which he is posted.

07.02.02 Thereafter, within 60 days of enlistment, the Security Agency will provide the following details for all Guards / Supervisors.

- a. Computerized NIC Number
- b. Date of Birth
- c. Name of the last Unit of the Armed Forces / Para Military Forces where the individual has served (if applicable)
- d. Army Book Number or similar registration number in the unit (if applicable)
- e. Date of Departure from the Unit
- f. Name of the Training Institute from where the individual got training for becoming a Guard
- g. Date of Completion of Training
- h. Name of Firing Range from which last firing practice completed
- i. Date on which last firing practice completed
- j. Nature of Credentials of the individual for which verification obtained
- k. Date of receiving verification
- l. Verification Source
- m. Date on which credentials submitted to the PBA nominated agency for re-verification

- 07.02.03 If verifications are not completed within 60 days of enlistment, the particulars will be provided with the month-end data for which credentials verification is received.
- 07.02.04 Thereafter, for new entrants, all above required particulars will also be provided.
- 07.02.05 Security Agencies shall also provide, on a monthly basis, the names and CNIC numbers of all Guards / Supervisors that have been transferred to or from a site, specifying the location from which they have been transferred (if the location is in the banking industry), and the location to which they have been transferred (if the location is in the banking industry).
- 07.02.06 Security Agencies shall also provide, at intervals specified in the respective forms for the purpose, updated particulars of guards / supervisors serving the banking industry. The updates would include information like "Training" completed during the concerned period, "Firing Practice" undertaken during the concerned period, "Medical Checkups" during the concerned period, etc. The forms are available on the PBA Website.
- 07.02.07 Security Agencies will provide this information to PBA in hard copy as well as on a soft copy.
08. TIME FRAME FOR RE-VERIFICATION OF VERIFIED PARTICULARS OF GUARDS / SUPERVISORS BY THE PBA NOMINATED AGENCY / ORGANIZATION
- 08.01 Initially, the re-verification of verified Credentials of the Guards / Supervisors of the Security Agencies deployed in the Banking Industry shall be carried out under a schedule approved by the PBA Executive Committee. The PBA nominated agency / organization for carrying out the re-verifications will prepare the schedule based on the quantum and nature of particulars of the Guards / Supervisors received from the Financial Institutions / Security Agencies.
- 08.02 Once the re-verification of verified credentials of the initial work force is completed, the PBA nominated agency / organization for re-verifying verifications will process the re-verification of credentials of all new Guards / Supervisors as per schedule agreed between PBA and the verification agency.
09. PBA'S RESPONSIBILITY WITH RESPECT TO THE CONDUCT OF THE INDIVIDUALS WHOSE PARTICULARS ARE RE-VERIFIED AND CERTIFIED AS CORRECT BY IT'S NOMINATED AGENCY / ORGANIZATION
- 09.01 PBA shall, if considered necessary, seek re-verification of verified Credentials of the Guards / Supervisors of Security Agencies through an Agency / Organization nominated by it for the purpose.
- 09.02 Since PBA shall not itself carry out the re-verification of verified Credentials of Guards / Supervisors of Security Agencies, it does not assume any responsibility of satisfactory conduct of any Guard / Supervisor of any Security Agency posted at any Bank / Financial Institution.
- 09.03 PBA shall maintain a database of the Guards and Supervisors deployed in the banking industry, with following particulars:
- a. Name & CNIC Number of Individual
 - b. Place of posting (bank / branch)
 - c. Armed Forces Unit where individual served, along with the Army Book or similar particulars.

- d. Name of Institute from where the individual sought training for becoming a Guard.
 - e. Date last undertaken firing practice.
 - f. Credential Verification Particulars.
- 09.04 Based on the information available in its database, PBA shall, upon receipt of list of guards from banks, advise the banks the names of Guards / Supervisors stationed at their branches/units who:
- a. Are not complying with the condition of either having had armed forces / paramilitary forces background, or having taken training to assume responsibilities of a Guard from a recognized Training Institute.
 - b. Have not completed firing practice for more than nine months.
 - c. Whose Credentials have not been verified.
 - d. Whose age has exceeded 55 years.
- 09.05 PBA shall also seek from Banks / Financial Institutions incidents of irregular conduct of Guards / Supervisors, and if any such Guard / Supervisor is subsequently posted anywhere else in the Banking Industry, PBA shall inform the Bank of the previous irregularities in the conduct of the Guard / Supervisor.
- 09.06 Banks / Financial Institutions may on their own take up the reported lapses with the respective Security Agencies for remedial action.
10. RESPONSIBILITIES OF BANKS AND FINANCIAL INSTITUTIONS
- 10.01 TO AVAIL SERVICES OF PBA APPROVED SECURITY AGENCIES ONLY
- 10.01.01 Under the directives of State Bank of Pakistan, Financial Institutions may avail the services of, or renew the contracts with, PBA Approved Security Agencies only.
- 10.01.02 Financial Institutions should incorporate an escape clause in Agreements with Security Agencies to enable cancellation of contracts with Agencies that are de-listed or blacklisted by PBA. Contracts with de-listed or Blacklisted Security Agencies should be cancelled within 30 days of receipt of notice of de-listing by PBA.
- 10.02 TO PROVIDE TO PBA PARTICULARS OF THE GUARDS & SUPERVISORS POSTED AT THEIR BRANCHES / UNITS
- 10.02.01 Financial Institutions will provide to PBA, initially at the time of formation of the PBA Panel for Security Agencies, and thereafter once a year, as of 31st December of each year, a complete list of all the Guards & Supervisors of the respective Security Agencies deployed at their branches / units. The list will contain the name of the Security Agency, the name of the Guard / Supervisor, and his Computerized National Identity Card Number, and the branch / unit at which he is posted. The initial list should reach PBA within 30 days of the announcement of the Guidelines, and the annual list should reach PBA by the 31st of January each year (or the by the ensuing working day, if 31st January is a holiday).
- 10.02.02 Financial Institution will also provide to PBA on a quarterly basis, the names of any Guards / Supervisors that have been moved out of the Branch / Unit, and the names of any Guards / Supervisors that have been freshly deputed to the Branch / Unit within the quarter. The list will contain the name of the Security Agency, the name of the Guard / Supervisor, and his Computerized National Identity Card Number, and the branch / unit at which he is posted. This statement should reach PBA within 15 days of the conclusion of each calendar quarter.

- 10.02.03 Financial Institutions shall also provide to PBA names of Guards / Supervisors whose conduct has not been satisfactory, and will specify the nature of lapses in the conduct of the individual. This information will be provided to PBA on a quarterly basis, within 15 days of conclusion of each calendar quarter.
- 10.02.04 This information will also be provided to PBA on a soft copy
- 10.03 TO PAY PBA DATABASE MAINTENANCE CHARGES ON AN ANNUAL BASIS
- 10.03.01 Financial Institutions shall pay to PBA, database maintenance charges, as approved by the Chairman of the concerned sub committee and the PBA Chairman from time to time. PBA will advise the figure of payment, based on the statistics received from banks and security agencies, to the banks on an annual basis.
- 10.03.02 The Charges will be paid to PBA by a Bank Draft / Pay Order drawn to the Order of Pakistan Banks Association, duly crossed "Account Payee".
- 10.04 TO MAKE THE RELEVANT CLAUSES OF THE GUIDELINES FOR ENLISTMENT OF SECURITY AGENCIES A PART OF THE AGREEMENT TO BE SIGNED WITH THE SECURITY AGENCIES
- 10.04.01 Financial Institutions will make the relevant clauses of the PBA Guidelines for Enlistment of Security Agencies a part of the Agreement they sign with the Security Agencies, to make the conditions and clauses binding between the Financial Institutions and the Security Agencies
- 11 PBA RESPONSIBILITY UNDER THE GUIDELINES
- 11.01 PBA would not be responsible for any loss resulting from the conduct of the Security Agencies and anything contained in these Guidelines and / or the Agreement would not jeopardize PBA's right to enforce the same against any other party.
- 12 APPEAL COMMITTEE
- 12.01 PBA shall appoint an Appeal Committee for the purposes of overseeing all matters pertaining to these guidelines and for hearing any appeals and / or complaints in respect of these Guidelines from Security Agencies and / or the Financial Institutions as the case may be.
- 12.02 The Appeal Committee shall consist of 3 members nominated by the PBA Executive Committee.
- 12.03 The Appeal Committee may invite any person to attend any of its meetings or deliberations for the purpose of advising it on any matter under discussion.
- 12.04 The Appeal Committee constituted under these Guidelines shall act in accordance with the terms of reference made in the appeal and / or complaint notwithstanding that the Appeal Committee may conduct itself in accordance with its own rules and regulations which may be passed from time to time by PBA.
- 13 PBA RIGHT TO SEEK FURTHER INFORMATION
- 13.01 PBA reserves the right to request and obtain further information from the Security Agencies and / or the Financial Institutions as may be necessary in terms of these Guidelines.
- 14 RE-VERIFICATION CHARGES TO BE PAID BY SECURITY AGENCIES
- 14.01 Security Agencies shall pay the charges for re-verification of credentials of guards / supervisors to the PBA nominated agency for the purpose directly, by crossed pay order / demand draft only made out in the name of the PBA nominated agency.

- 14.02 Security Agencies shall pay the re-verification charges to the PBA nominated agency in advance, at the time of submitting the verified documents thereto for re-verification,
- 14.03 Mechanics for payment of re-verification charges to the PBA nominated agency shall be advised by PBA to Security Agencies separately, from time to time.
- 15 RESPONSIBILITY OF VERIFICATION OF CREDENTIALS OF GUARDS / SUPERVISORS
- 15.01 Legal responsibility of verification of Credentials of Guards / Supervisors lies solely and entirely with the Security Agency employing the Guards / Supervisors. In no way is this responsibility shared by PBA or PBA nominated agency for carrying out re-verification of the credentials under these Guidelines.
- 15.02 PBA seeks re-verification of credentials of Guards / Supervisors through a nominated agency at its own initiative, devoid of any legal requirement of any sort, for obtaining additional comfort on the reliability of the Guards / Supervisors serving the Banking Industry under the umbrella of the PBA Panel of Approved Security Agencies. However, this re-verification does not construe any kind of legal responsibility on PBA or its nominated agency in the event of the verifications turning out faulty/defective, and this responsibility remains entirely on the employing Security Agency vis-à-vis the primary verification of credentials carried out by it.