

Money in Circulation Affairs

Chapter Three

Money in Circulation Affairs

All banks should comply with the following:

1- Cash Delivery

- The delivered money should be sorted by denomination and collected in independent packets of 100 notes each.
- Packets of currency should be delivered to the Public Debt, Banking and Issuance Department. The name and stamp of the bank, denomination and number of the banknotes must be mentioned on the cover of each bundle, and the bank will get a receipt form the mentioned department in return. The unsorted banknotes may be refused and returned to the bank.
- QCB has the right to confiscate the counterfeit banknotes that appear in bundles sent by the bank and shall deduct their value from the concerned bank's account, without violating the provisions of Law no. (11) of the year 2004, promulgating the Penal Code of Qatar.

2- Cash Receipt

- The message no. (MT199) should be used.
- When the message is not used or incorrectly used, the message no. (MT 999) will be sent to the bank for notification.
- The required transactions would not be carried out, unless the message was resent in the right way.
- The QCB would install currency counting machines for checking banknotes at the receiving room to be available to the officer of the receiving bank.
- The bank must return any excess banknotes to the QCB.

3- Cash Receipt and Delivery Dates

The receipt and delivery dates of currency shall be daily from 8:00 am. till 1:00 pm.

4- Depositing Repaid Cash at QCB

4/1 It has been recently noted that some banks operating in the State of Qatar are depositing the repaid banknotes at QCB in packets carrying their branches' cards and names of some exchange houses instead of carrying their main branch's card. Such banknote packets contain different errors, whether they have a shortfall, include some of other countries' banknotes or different banknote issuances that are not circulated anymore.

Accordingly, QCB will not accept any repaid banknotes not carrying the card of the bank's main branch, showing the date and signatures of the main branch's treasurers. As for the Automated Teller Machine (ATM), banks should direct the banknote feeding operators to be cautious of providing the ATM with the banknotes in order to avoid mixing between the money in and out of circulation.

4/2 It has been recently noted that some banks have returned large amounts of uncounted and unsorted Qatari Riyal banknotes to QCB. As a result, counterfeit banknotes, different banknote issuances and other countries' banknotes have been detected, contradicting the QCB's instructions.

Accordingly, banks should draw the attention of their treasures and exchange houses, malls and large shops, with which they are dealing, to this concern. Subsequently, if counterfeit banknotes are detected from banknotes repaid to the bank, a fine of decuple the detected amount will be imposed with a minimum of QR 500 for all detected denomination.

4/3 ³⁸With reference to QCB's instructions regarding the above-mentioned item no. (4), and to the letter no. (2007/960/ص) dated 23/9/2007 about issuing new banknotes in denominations of QR 500 and 100, it has been noticed that some banks are not complied with QCB's instructions concerning the repaid banknotes. However, QCB has recently detected some banknotes of other countries, previous issuances of the Qatari currency withdrawn from circulation, some deformed

³⁸ Refer to circular no. (80/2008) dated 29/5/2008.

banknotes in denominations of QR 500 and 100 carrying a wide security thread and a transparent window that lost their nominal values, and banknotes in some completely different nominations.

Accordingly, banks should draw attention of cashiers to be cautious while counting and sorting and not to mix any deformed banknote with any other currency. If any violation is detected, a minimum QR 1000 shall be imposed in compliance with article no. (216) of the Law of the QCB and the Regulation of Financial Institution (Law no. (13) of 2012).

5- ³⁹Repayment of Torn, Deformed and Damaged Banknotes

With reference to decision no. (17/2008) in page no. (90) concerning the above-mentioned subject, all banks operating in Qatar should comply with the following:

5/1 Accept repayment of deformed, damaged or torn notes according to the following conditions:

- The banknote must be eligible for issuance, offered for or withdrawn from circulation, or not exceed the ten-year period limited for exchange as from the date the note was withdrawn from circulation.
- The banknote should have distinguished marks.

5/2 The bank shall pay, upon QCB approval, the banknote's nominal value provided that such bank reviews conditions mentioned in item no. (5/1) according to the following regulations:

- The full nominal value of the banknote shall be paid if the serial and reference numbers are available in full or some parts are missed.
- The full nominal value of the banknote shall be paid if three fourths of the banknote is available.
- Half of the nominal value of the banknote shall be paid if one-half of the banknote is available.

5/3 If the bearer of the banknote offered for repayment did any deliberate deeds such as damage, tear, deform or pierce the banknote, or he wrote, drew or added any

³⁹ Refer to circular no. (102/2008) dated 25/8/2008.

shape on the banknote, QCB would be entitled to confiscate the banknote without paying any value to the bearer without contracting article no. (209) of the Law of the QCB and the Regulation of Financial Institution (Law no. (13) of 2012).

5/4 Burned banknotes should be directly repaid from QCB, enclosed with the formal reports of the concerned security authorities stating the value and denominations of the banknote and the reasons for being burned.

5/5 Banks should coordinate with the concerned QCB department before repaying the banknote.

These instructions are effective from 25/8/2009.

Decision no. (17/2008)

Repayment of Torn, Deformed and Damaged Banknotes

The Governor:

With reference to the ⁴⁰Law of the QCB and the Regulation of Financial Institution (Law no. (13) of 2012), especially articles no. (51, 54, 55 and 56), and to the administrative decision no. (8/2000) concerning repayment of the deformed and damaged banknotes;

We have decided the following:

Article (1)

Definitions

In the application of the provisions of this decision, unless the context otherwise requires, the following words and phrases shall have the meanings hereby assigned to them:

QCB: Qatar Central Bank

The Governor: The Governor of Qatar Central Bank

The Law: The Law of the QCB and the Regulation of Financial Institution (Law no. (13) of 2012).

The Concerned Department: Public Debt, Banking Affairs and Issuance Department at QCB

⁴⁰ It was previously Law no. (33) of the year 2006, items no. (29, 30 and 31).

Director of the Department: Director of the Public Debt, Banking Affairs and Issuance Department at QCB

Article (2)

The bearer of the torn, deformed and damaged banknotes should ask QCB for repayment according to the following conditions:

- 1- The banknote must be eligible for issuance, offered for or withdrawn from circulation, or not exceed the ten-year period limited for exchange as from the date the note was withdrawn from circulation.
- 2- The banknote should have distinguished marks.
- 3- The bearer of the banknote should not do, or let anyone to do, any deliberate deeds contracting article no. (209) of the Law, such as deform or damage.

Article (3)

QCB shall pay the banknote's nominal value after making sure that the conditions of article (2) are fulfilled as following:

- A- The full nominal value of the banknote shall be paid if the serial and reference numbers are available in full or some parts are missed.
- B- The full nominal value of the banknote shall be paid if three fourths of the banknote is available.
- C- Half of the nominal value of the banknote shall be paid if one-half of the banknote is available.

Article (4)

QCB shall pay the nominal value of the burned banknote, applying the provisions of article (3) provided that the bearer should enclose a formal report of the concerned security authorities stating the value and denominations of the banknote and the reasons for being burned.

Article (5)

The banknotes mentioned in articles (3 and 4) shall be stamped with “Full Value Repayment” or “Half Value Repayment” and then repaid by Treasury section at the concerned Department after obtaining signature of the Director of the Department or his deputy.

A box for the repaid banknotes shall be established, and sorting should be conducted by the Concerned Department and a representative of QCB’s Internal Audit.

Article (6)

If the bearer of the banknote offered for repayment did any deliberate deeds such as damage, tear, deform or pierce the banknote, or wrote, drew or added any shape on the banknote, QCB would be entitled to confiscate the banknote without paying any value to the bearer without contracting article (209) of the Law.

Article (7)

The decision no. (8/2000) shall be cancelled.

Article (8)

This decision shall come into effect as of the issuance date, and published in the formal newspaper.

Issued on 14/04/1429 H., correspondent to 20/04/2008 AD.

Abdullah Bin Saud Al-Thani

The Governor

6- ⁴¹Currency Counting Machine and Counterfeit Currency Detector

- Due to the individual attempts to counterfeit the Qatari currency, banks shall direct all cashiers to take precautions and to count the currency notes, received

⁴¹ Refer to circular no. (د م ص / 844/2006) dated 20/9/2006 according to letter of the Public Debt, Banking Affairs and Issuance Department no. (د م ص / 1049/2013) dated 30/10/2013.

from the customers, twice both on the front and back using up-to-date machines that have the following specifications:

DD	- Double Detection Standard
3D	- “SSD” Detection i.e. checking Height & Width of different Denomination
UV	- Ultra Violet Detection Sensor for Fake notes
EMG	- Enhance Magnetic ink detection Sensor for US dollars
IR	- Infrared ink Detection Sensor for Euro Currency
MT	- Metallic Thread Sensor for Qatari Currency

Refer to circulars no. (20/99) dated 17/5/1999 and (15/2000) dated 30/3/2000.

- Banks shall provide branches with these machines and direct all cashiers not to switch off the counterfeit currency detector.
- Banks shall direct the companies and shopping malls to take precautions when dealing with the public and to use these currency counting machines. QCB shall be informed with any counterfeit currency detection, mentioning the name of the related person and the ID number or a copy of ID. This will positively help detect the counterfeit currency easily when depositing with the bank in order to protect the Qatari currency from counterfeiting and to reduce circulating the counterfeit currency.
- The Public Debt, Banking Affairs and Issuance Department’s representative will ensure that banks comply with QCB’s recommendations and instructions.
- Banks shall offer facilities to the QCB’s representative to check the currency counting machines to ensure that they meet the required technical specifications and to check the genuineness of currencies.
- Banks shall train and qualify their staff who directly deals in currency by conducting training courses on counterfeit and fraud.
- ⁴²Banks shall obligate the cashiers to use the UV Lamp to detect the counterfeit currency on suspecting any note before sending to QCB.

⁴² Refer to circular no. (42/2013) dated 2/6/2013.

7- Buying Foreign Currencies

When dealing with banknotes in foreign currencies, all banks should comply with the following:

- Buying the currencies from trusted resources.
- Providing a counterfeit currency detector.
- Keeping the purchase or import documents in a special file.

8- ⁴³Cash Withdrawals from QCB

With reference to QCB's instructions and in public interest, please be noted that banks should use SWIFT messages for cash withdrawals from QCB. Confirmation letter, by the bank's Chief Executive Officer, his deputy or any other director whose signature is approved by QCB, should be sent to the Public Debt, Banking Affairs and Issuance Department. Additionally, a letter should be sent from the bank's treasury manager indicating the cash needs 24 hours before the withdrawal.

In case of non-compliance, no cash withdrawals will be considered.

These instructions are effective from 13/6/2010.

9- ⁴⁴Upgrading Currency Counting Machines

With reference to the above-mentioned subject and circular no. (93/2010) concerning Controls and Standards of Security Precautions at Banks and ATMs, all banks shall comply with the following:

QCB shall be notified of the supply company, which upgrades or maintains the currency counting machines, to be checked.

In case of any violation, QCB shall impose a financial penalty by virtue of article no. (216) of the Law of the QCB and the Regulation of Financial Institutions (Law no. (13) of 2012).

⁴³ Refer to letter no. (د م ص/645/2010) dated 8/6/2010.

⁴⁴ Refer to circular no. (22/2012) dated 12/3/2012.