

STATE BANK OF PAKISTAN

FINANCE DEPARTMENT

KARACHI

No. CMD / 737 / 7/(Dem-500) /2011

November 11, 2011

The President / Chief Executive
All Commercial / Microfinance Banks

Dear Sir/Madam,

Exchange of Demonetized Rs. 500 Old Design Banknote

This refers to our Circular No. CMD /879 / 7/(Dem-500) /2010 dated 29th December, 2010, and Circular No. 2 dated 21st September, 2011, regarding demonetization of the Rs. 500 old design banknote.

2. Please be advised that the Federal Government has extended the last date for exchange of Rs. 500 old design banknote to 30th September, 2012 vide Gazette Notification No. 2(1)IF-IV/2010 dated 4th November, 2011.

3. This directive only allows the exchange of the Rs. 500 old design banknote from banks and SBP BSC field offices to facilitate the general public in possession such notes, however, the said banknote stands demonetized, and, hence, shall not be used as legal tender. Accordingly, with immediate effect, banks are advised to:

a. Exchange the Rs. 500 old design banknotes with banknotes/coins of all denominations until the last working day of September, 2012.

b. Surrender all such Rs. 500 old design banknotes to SBP BSC field offices for exchange or credit of exchange value in their respective bank account up to the last working day of September, 2012.

4. Banks are also requested to widely publicize the extension of date for the exchange of Rs. 500 old design banknotes in line with their respective advertisement policy for the awareness and facilitation of general public, and issue necessary instruction to all their branches for implementation of the above instructions in letter and spirit.

Please acknowledge receipt.

Yours faithfully,

-Sd-

(Riaz Nazarali Chunara)

Director