Saudi Arabian Monetary Agency

Banking Supervision Dept.

KIT WE 10

From : Saudi Arabian Monetary Agency

11947/BCS. 9087

To

All Banks

Attention:

Managing Directors, Chief Executive Officers and General

Managers

Subject :

Joint Forum Report on Intra-Group Support Measures

issued by Basel Committee on Banking Supervision (BCBS)

BCBS has issued a report prepared by the Joint Forum for the benefit of national supervisors in gaining a better understanding of the use of intragroup support measures in times of stress or unexpected loss by financial groups across the banking, insurance and securities sectors.

The report provides an important overview of the use of intra-group support at a time when authorities are increasingly focused on ways to ensure banks and other financial entities can be wound down in an orderly manner during periods of distress. Furthermore the report provides an overview and analysis of the types and frequency of intra-group support measures derived from the results of a survey of 31 financial institutions headquartered in 10 jurisdictions on three continents.

In our view this report provides insights into and an overview of the various intra-group support measures used by financial groups and their potential impact on the groups operations in times of stress. The above document can be accessed from the BIS website (www.bis.org). Banks are advised to review this document and benefit from the guidance provided therein.

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Deputy Governor

for Technical Affairs