



From : Saudi Arabian Monetary Agency

To : All Banks

Attention : Managing Directors, Chief Executive Officers and General Managers

Subject : Treasury Agreements

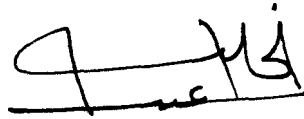
In terms of SAMA Circular dated 29th July 2000, Banks are required to have all their customer transactions for Treasury Products governed by the agreements specified thereunder.

In consonance with the ongoing global initiatives to improve transparency and regulatory oversight in financial markets and in order to adopt international standards and best practices and to achieve uniformity and standardization, Saudi Arabian Monetary Agency(SAMA) has finalized the revised Customer Agreements for Treasury Products in coordination with the Banks' Treasurers Committee. Accordingly, in pursuance of Article 16 (3) of Banking Control Law, Banks are required to use the attached Customer Agreements in all their customer transactions for Treasury Products as applicable:

- ISDA Master Agreement and its schedule
- ISDA/IIFM Tahawwut Master Agreement and its schedule

Banks are allowed to amend the schedules to the Master Agreements in accordance with the transaction type and/or customer profile as needed, however, no amendments are to be made to the text of the respective Master Agreements. Please note that these Customer Agreements are governed under Saudi Law and applicable for all such customer transactions where both the Bank and the Customer are domiciled in Saudi Arabia. Banks are required to use the new ISDA and/or ISDA/IIFM Master Agreements (as applicable) for all future transactions with new customers domiciled in Saudi Arabia. Furthermore, Banks are also required to replace all existing CTA agreements with the new ISDA and/or ISDA/IIFM Master Agreements (as applicable) as and when there is a new transaction with any existing customer domiciled in Saudi Arabia and in any case have all existing CTA Agreements replaced no later than 12 months from the date of this circular.

This circular comes into effect immediately and it supersedes our earlier circular dated 29th July 2000.



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