

1- CENTER OF RISKS SYSTEM AND REGULATIONS ISSUED FOR ITS IMPLEMENTATION

- A. Instructions to banks concerning periodic data supplied to Central Bank of Kuwait with regard to credit facilities granted for economic purposes.
- B. Center of risks system and regulations issued for its implementation.
- C. Circular No. (2/BS, IBS, IS, IIS/214/2008) on Center of Risks System and its Implementation Instructions.
- D. Circular requesting local banks to provide Central Bank of Kuwait with statements illustrating the quality of credit portfolio and the collaterals submitted against it.
- E. Circular requesting local banks to provide Central Bank of Kuwait with data on the debts of customers whose debts exceed KD 1 million each, by economic activity sector.

The Manager

*Zoul-Qaeda 5, 1416 H
March 24, 1996*

The General Manager,

**Circular concerning periodic data on credit facilities
extended for economic purposes***

Further to our letter dated 19/03/1995, concerning the center of risks system, according to which financial institutions report to the Central Bank of Kuwait periodic statements on all resident and non-resident customers granted cash or non-cash, direct or indirect, credit facilities for economic purposes,

And with reference to our instructions issued on 28/12/1993, concerning the rationalization and organization of the credit policy, in particular the instructions requiring: that the customer mention the purpose of the requested credit in detail in the credit application, upon renewing or increasing the credit facilities; that written credit agreements be signed with the customer, specifying date/dates of according and repayment of the credit facilities and the purpose thereof; and that a system be established to follow-up the granted credit facilities on regular basis, in order to make sure that they are utilized for their original purposes.

And, in the light of the recent inspection conducted in a number of financial institutions subject to the Central Bank of Kuwait's supervision, and which revealed the following:

- Inaccuracy of periodic statements submitted to Central Bank of Kuwait in relation to the classification of credit facilities by economic sectors, whereby it was revealed that due to lack of unified bases in the classification of credit facilities, the classification of the facilities by some of institutions was inconsistent with the purposes mentioned in agreements with customers.
- A number of institutions erroneously included certain loans (personal loans, residential loans, family loans, etc.) to the statement of total consumer loans reported to Central Bank of Kuwait.

*Circulated to all local banks .

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- Lack of any documents evidencing the purpose for which some of such facilities were granted. Borrowing agreements concluded with some of customers and the credit applications submitted by them, also did not include the purpose for which such facilities were extended.

Undoubtedly, data reported to Central Bank of Kuwait have a direct impact on the soundness and accuracy of the various studies and analysis it conducts, and on the basis of which Central Bank of Kuwait may issue resolutions and policies .

Based on the above, the Central Bank of Kuwait stresses the necessity of strictly adhering to its instructions concerning the rationalization and organization of the credit policy, particularly those instructions related to the purposes for which the facilities are granted. The agreements concluded with customers and the periodic statements supplied to Central Bank of Kuwait, should clearly and accurately include such purposes. We also specifically refer to the statement of the credit facilities (A.M. 2) and statement of total consumer loans (A.M. 3), where credit facilities granted to the customers are to be classified according to the purpose shown in the borrowing contracts concluded with customers.

On the other hand, your bank is required to take into account the following:

- a. Reporting non-cash credit facilities (FX lines) extended to customers for purchasing and selling foreign currencies, for each customer separately and categorized by economic sectors, in the periodic statements supplied for that purpose (credit facilities statement-Form A.M. 2). You will be provided with the code number of each of these facilities.
- b. For unifying the bases for the classifying of credit facilities and data reported to the Central Bank of Kuwait, especially in the above-mentioned two statements, and in order to achieve a greater effectiveness for the Center of Risks System and greater accuracy in the statements supplied to Central Bank of Kuwait in this regard, it has been deemed necessary to require that all financial institutions subject to Central Bank of Kuwait's supervision, use clear and specific definitions for the meanings of the various economic activities for which financing was extended , as per the following details:
 1. **FINANCIAL:** This item includes the credit facilities granted for the purpose of financing the fixed assets and working capital of the financial institutions, which usually exercise banking transactions or some of them, pursuant to resolutions issued on their incorporation and in accordance with the conditions approved by Central Bank of Kuwait. Such institutions

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exercise the promotion of savings deposits and financial investment transactions within the country and abroad. The definition also includes central banks, development and international aid funds, all types of insurance companies and related activities, stock exchanges and related activities such as stock brokerage and other activities complementary to financial mediation, as well as credit facilities granted to individuals and institutions to finance the purchase of treasury bills.

2. **TRADE & TRADING BUSINESS:** This item includes all credit facilities granted for financing the fixed assets and working capital of trading establishments and companies whose main business is to finance import and export activities, as well as the wholesale and retail trading in all types of commodities, raw materials, fish, live-stock and poultry and other live animals and birds trading, selling, maintenance and repair of the vehicles and motorcycles and repair of personal and household goods, along with wholesale and retail selling.
3. **OTHER BUSINESSES:** This item includes all credit facilities granted for the purpose of financing the agricultural crops and farming of the gardens for marketing purposes, plantation of seeds, vegetables, fruits and other plantation of wood trees; the activities of woods cutting services; raising animals and birds and all agricultural services activities; reclamation of lands and animals and birds raising services; hunting, shooting and related activities; fishing and operating of fish-ponds, fish farming and services related thereto and other activities unclassified under other items.
4. **SERVICES:** This item includes credit facilities granted for the purpose of financing the fixed assets and working capital of the companies operating in the area of tourism, land, marine and air transport of passengers and goods; railway transport and pipeline transport of gases and liquids; operating of the pumping stations and pipeline maintenance; transport supporting activities; travel agents activities; shipment and unloading of goods and passengers baggage, goods warehouses, cold storages, warehousing of all types of commodities; hotels, restaurants, coffee-shops; postal service; telecommunication services; security and defense activities; social security activities; education at all levels; health; social; entertainment (recreational); cultural, sports and religious activities; textile and fur products washing and cleaning, beauty saloons; maintenance contracting and general consultancy of all types; advertising and publicity and other service activities.

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5. **REAL-ESTATE:** This item includes credit facilities granted to individuals, companies and institutions dealing in the purchase and sale of real estate.
6. **CONSTRUCTION:** This item includes credit facilities granted to contractors for the purpose of financing construction projects, whether new constructions or expansion, and renovation of buildings/installations; repair and installation thereof; cleaning of construction sites; pavement of roads; construction of bridges and tunnels and repair thereof; drainage; water desalination plants; electricity generating activities; pipelines, electrical and telephone lines, digging water wells; installation and repair of heating, cooling and alarm systems; elevators and escalators; sanitary works and all works and utilities connected to the construction field.
7. **INDUSTRIES:** This item includes credit facilities granted for the purpose of financing the fixed assets and working capital of the industries and industrial crafts such as the industry of automobiles, ships, aircrafts, milk-products, canned food, medicine, spinning and textile, tires, electrical supplies and instruments, furniture, cement, gravel, flour, cooling storages, asbestos pipes, cigarettes, cold-drinks, mineral water, digging and drilling works related to petroleum and metal resources, refined oil products, petrochemicals, gold, precious metals, printing, publishing, newspapers, magazines and other production industries.
8. **SHARES & BONDS:** This item includes credit facilities granted for financing participations in capital of the companies and institutions, whether through subscription in capital on incorporation, or through purchase of shares thereof from the stock-exchange, as well as loans granted to individuals for financing trading in shares and bonds.
9. **PRIVATE RESIDENCE:** This item includes installment loans granted to individuals to finance the purchase of private residence, a land for construction of a private house and necessary related repair, and decorative and maintenance works.
10. **PERSONAL:** This item includes credit facilities and loans (excluding consumer loans) granted to customers for the purpose of financing personal needs, such as marriage, purchase of car, house furnishing, travel abroad and other personal needs.

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- c. The instructions mentioned herein are considered complementary to the instructions issued on 19/03/1995, concerning the center of risks system and regulations issued for its implementation, noting that these instructions apply to current and future credit facilities, and that necessary amendments shall be carried out thereto. These instructions are applicable as of June 1996 data.

Best regards

Hamad Abdul-Mohsen Al Marzouq

Manager of Supervision Department

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GOVERNOR

*Rabie- Al-Akhar 22, 1424 H
June 22, 2003*

THE CHAIRMAN

**CIRCULAR NO. (2/BS,IBS,IS,IIS/97/2003)
(TO ALL LOCAL BANKS INCLUDING ISLAMIC BANKS, AND
ALL INVESTMENT COMPANIES INCLUDING THOSE OPERATING
ACCORDING TO ISLAMIC SHARIA PRINCIPLES)**

" Center of Risks System and the Regulations Issued for Its Implementation "

We would like to advise you that Central Bank of Kuwait's Board of Directors approved in its meeting of 15/6/2003 "The Center of Risks System and the Regulation issued for Its Implementation". The new system includes amendment to the existing system approved by Central Bank of Kuwait's Board of Directors on 8/3/1995 and amendments thereto. The new amendment was introduced in line with the nature of financing transactions carried out by Islamic banks and investment companies operating in accordance with Islamic Sharia Principles.

The data of the Center of Risks to be supplied to Central Bank of Kuwait in accordance with this system, cover all customers who are the recipient of credit facilities/financing operations, including central banks, banks and other financial institutions, whether for economic purposes or otherwise (including issued Credit Cards) for a total value exceeding KD 5,000/-.⁽¹⁾

Enclosed is a copy of this system and the forms to be filled in implementation thereof. This system applies as of July 2003 for local banks, Kuwait Finance House and working investment companies, or from the date of commencing the bank/company's operations in case of banks and investment companies to be licensed in the future.

With my best regards

SALEM ABDUL AZIZ AL SABAH

* Circulated to all local banks .

(1) The minimum limit for data reported to the central bank of kuwait on customers was increased according to circular No. (2/BS,IBS,IS,IIS/214/2008) issued on 2/4/2008.

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B- Center of risks system and regulations issued for its implementation.

Rules for the center of risks system and regulations issued on its implementation^(*)

First: Statements to be Presented by financial institutions on their customers:

Financial institutions subject to the Center of Risks system shall provide the Central Bank with periodic statements identifying their resident and non-resident customers; whether natural or legal persons, including the central bank, banks and other financial institutions, which obtain credit facilities/financing (cash or non-cash, direct or indirect) for economic or other purposes (including customers of issued credit cards), along with stating whether such credits / finances are extended from the funds of the financial institution or from funds managed for third parties. Such data to be presented does not cover the employees of the financial institutions who obtain loans / finance according to the internal by laws applied by these institutions in this respect.

Financial Institutions shall also provide the Central Bank with statement showing the indebtedness positions of their above mentioned customers by notifying the Central Bank of the credit facilities and finances extended to these customers, regardless of these customers having or not used such facilities, and whether the sum of these facilities exceeds the minimum limit established by the Central Bank of Kuwait for notification, according to this system.

For the purposes of this system, financial institutions shall mean banks, including Islamic banks, and investment companies, including those operating in accordance with Islamic Sharia's principles.

Resident customers shall mean Kuwaiti or non-Kuwaiti natural persons holding work licenses or residence permits in Kuwait, provided that such licenses or permits are issued by the competent official authorities. Legal persons will be considered as resident if they are established and licensed by the competent authorities. Except as aforesaid, natural persons and legal persons will be considered as non-resident, including diplomatic bodies, foreign missions and institutions established outside Kuwait and executing works in Kuwait under special contacts with the government or other resident entities. The institution shall be considered as established abroad if its head office is located outside Kuwait.

^(*) Issued by Central Bank of Kuwait's Board of Directors meeting dated 15/6/2003

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Cash and non-cash credit facility / finance transactions will have the same meanings included under Central Bank of Kuwait instructions regarding "maximum credit concentration limits/maximum limits for anyone single customer's liabilities to an Islamic bank / investment company operating in accordance with Islamic Sharia's principles ".

Indirect credit facilities/financing transactions mean those extended to other customers against the customer's guarantee, or to joint stock companies or simple partnerships in which the customer is a joint guarantor.

A. Customer's identification data:

1. When any customer obtains direct or indirect credit facilities/finance, the financial institutions shall supply the Central Bank with two copies of the Customer Identification Sheet, after filling the required data in the blank spaces left for that purpose. The blank space next to the secret number must be left to be filled by the Central Bank which will assign a special secret number for each customer. Financial institutions must send these data within three working days from the date the customer is granted the credit facilities.
2. In case of natural persons and owners of sole proprietorships, the Civil ID numbers for those customers must be recorded in the appropriate field in Form No. A.M (1/A) for natural persons, and Form A.M (1) for sole proprietorships owners.

Upon receipt of the Customer Identification Sheet, the competent Department at the Central Bank shall first check it for completeness, then write down the customer's secret number in the proper space, and return the second copy of the sheet and its enclosure to the concerned financial institution.

3. The terminology used in the Customer Identification Sheet shall have the following meanings:
 - a) "Name of Persons ": For natural persons, the name should be at least trinomial and identical to that which is recorded Civil ID Card. For Establishments or companies, the names should be identical to those stated in the Commercial Register Certificate issued by the Ministry of Commerce and Industry, or to a supporting document issued by the competent authorities abroad in case of non-resident customers.

- b) "The Address ": The business address or domicile by building, street, block, city and state.
 - c) "Nationality ": The country to which the customer belongs, based on an evidencing document issued by that country's competent authorities. A company or establishment shall be considered Kuwaiti if it has been established in Kuwait in accordance with the provisions of the Commercial Companies Law and other laws regulating commercial or industrial business in Kuwait.
 - d) "Legal Status ": Means whether the borrowing customer is a single individual, a sole proprietorship, a company mentioned in the Commercial Companies Law of Kuwait, a non-profit private concern, a government institution, a joint personal account or an investment fund.
 - e) "Capital ": Means the value in cash or in kind (in cash money) deposited in the account of the customer (if the customer is an establishment or company) at the time of its establishment, adjusted by any increase or decrease of capital in accordance with provisions of the law, and as per the company or establishment's Articles of Association.
 - f) "Shareholders "or "partners ": Mean persons, natural or legal, possessing a certain portion or share of the establishment's capital.
 - g) "Percentage of Participation ": Mean the percentage of the shareholder's or partner's share in the capital of the borrowing/financed company.
 - h) "Limits of Liability ": Mean whether the shareholder's or partner's liability is limited to its share of the capital, or extends beyond such limit as a joint liability.
 - i) "Capacity or. Competence ": Means whether the partner is a minor or of legal age.
4. Financial institutions must obtain the information to be included in the Customer Identification Sheet and its enclosure, prior to extending any credit facilities/financing to the customer.
5. The Central Bank must be notified of any amendment to any item of the information given earlier in the customer identification Sheet, within three working days from the date the concerned financial institution becomes aware of the amendment.

B. Data related to the statement of credit facilities/financing transactions :

1. The credit facilities and financing transactions to be reported by any financial institution shall include the amount of credit facilities and financing transactions granted to the customer by the main office or various branches and subsidiaries of such financial institution authorized to grant credit / finance, be the customer resident or non-resident.
2. Amounts of credit facilities and financing transactions shall be reported in this Statement after approximation to the nearest thousand dinars, in accordance with normal approximation rules. Any facilities/finances extended in foreign currencies shall be reported in their equivalent value in Kuwaiti dinars as on the date of preparing the statement. The type of the currency must be stated in the relevant column.
3. Financial institutions shall prepare the statement of the credit facilities/financing transactions as per end of month position. This statement must be sent to the Central Bank within seven working days from the end of the month which the statement covers.
4. For the purposes of this system, the terms mentioned in the Statement of the credit facilities/financing transactions shall mean the following:
 - a) Secret number: The number allocated by the Central Bank to the customer in his personal identification sheet, a copy of which has been sent to the financial institution.
 - b) Code of the type of credit facilities/financing transactions: Digital codes allocated by the concerned department at the Central Bank and supplied to the financial institution, for the types of these credit facilities and transactions.
 - c) Account number: The number assigned by the financial institution for cash and non-cash credit facilities/financing transactions extended to the customer.

THE CREDIT FACILITIES AND FINANCING TRANSACTIONS MENTIONED BELOW MEANS THE FOLLOWING:

- 1- Loans: Cash credits payable on a specific date agreed upon between the financial institutions and customer, whether extended directly, through syndication with other financial institutions, or through the acquisition of bonds issued by the customer.
- 2- Overdraft: Cash facilities made available to the customer by the financial institution for withdrawal as needed up to set limits, and to a set date.
- 3- Discounted papers: Commercial papers, such as bills of exchange and promissory notes, discounted by a financial institution in favour of its customers.
- 4- Issued credit cards: Cards whose usage entails a debt repayable on installments, according to set limits for each customer.
- 5- Documentary letters of credit : Credit facilities/financing transactions extended by banks to their customers, where the bank undertakes to pay the beneficiary the value of such letters of credit opened at customers' request, regardless of credits being payable at sight or on a post-sight date, if the documents concerning the relevant goods were not delivered to the entity which opened the letter of credit.
- 6- Bank acceptances: Credit facilities/ non-cash financing transactions operations extended by banks to their customers, where the bank undertakes on its behalf or on its customers' behalf, to pay the beneficiary the value of accepted commercial papers on the dates they become due, whether or not these documents represent the value of documentary credit for which the relevant goods were delivered to the entity which opened the letter of credit.
- 7- Bank guarantees: Credit facilities/non-cash financing transactions extended by banks to their customers, representing a commitment issued by the bank at its customer's request, to pay to at a third party's request the amounts stated in the guarantees within a set period.
- 8- Foreign exchange Transactions (FX Lines) : Non-cash facilities extended to customers in relation to forward contracts for FX buying and selling.

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SPECIAL TRANSACTIONS FOR ISLAMIC FINANCIAL INSTITUTIONS:

- 9- Murabaha & Musawama: Forms of sales representing the methods of financing extended by Islamic financial institutions for meeting customers needs of movable and immovable assets.
- 10- Mudaraba: A financing technique used by Islamic financial institution for financing various economic activities, whereby the institution is a partner providing the capital (capital owner) to another partner (Mudarib) that contributes its effort and assumes the responsibility of management. Realized profits are distributed according to common shares according to percentages specified in the contract. The capital owner bears the losses incurred unless misconduct or negligence is proved on the part of the Mudarib .
- 11- Musharaka: A financing technique used by Islamic financial institution to finance their customers through participating with the customers in the capital of a project or specific transaction, while sharing the profits and losses according to percentages specified in the contract.
- 12- Ijara: A technique used for financing customers' needs of high-value assets, where the Islamic financial institution purchases the assets at the customers' request and lease them to these customers for period covering all or most of the productive life of the assets, against periodic rental amounts specified in the contract. These rental amounts represent the payments for recovering the assets' cost in addition to the profit margin of the Islamic financial institution.
- 13- Istisnaa: a financing technique used by Islamic Financial Institutions, according to which an Islamic financial institution undertakes to manufacture equipment or commodities, or to construct buildings or different types of capital assets according to the customers requirements, with the financial institution holding the right to entrust the Istisnaa (manufacturing) to a third party through a parallel Istisnaa contract.
- 14- Other financing transactions: Forms of customers' financing transactions other than those mentioned above, including free-of-interest loan and customers overdraft balances.

- d) Code of credit facilities/ financing transactions purpose: Digital coding of types of economic activities or non-economic activities financed through the extended credit facilities, and which are set and supplied to the financial institutions by the competent department at the Central Bank.
- e) Granted limits: Limits of credit facilities/ financing transactions approved for extension to customers up to a certain date, whether these facilities are utilized by then or not.
- f) Balance: The outcome of payables and receivables in the account, regardless whether withdrawals represent amounts utilized, interests or commissions on credit facilities, or profit margins or shares in the results of Islamic financing transactions.

The balances of credit facilities and financing transactions reported in the statement of credit facilities and financing transactions, must match the balances of accounts/ customers' transactions entered in the financial records of financial institutions

- g) Imputed interests, commissions or profits: Paid or unpaid interest and commissions on credit facilities for the period extending from date the facilities are extended or renewed to the date the financial statement is issued. In case of financing transactions carried out by Islamic financial institutions, imputed interest and commissions or profits represent paid or unpaid profit margins and profit shares accrued to these institutions in respect thereof, as per the terms of contracts concluded with customers.
- h) Date of extension credit facilities/financing: Date on which credit facilities/financing are transactions approved for extension or renewal in favor of customers, specified by day, month and year.
- i) Date credit facilities/financing transactions come due: Date of expiration of extension or renewal of credit facilities/financing transactions, specified by day, month and year.
- j) Interest or discount rate or profit margin: Percentage of the interest or discount rate calculated on cash credit facilities, on an annual basis. In case of financing facilities extended by Islamic financial institutions, based on a predetermined profit margin (Murabaha-Musawama-Istisnaa - Ijara), profit as a percentage of cost shall be reported under this item on an annual basis.

Where financing transactions are carried out against participation in a percentage of the profit (Musharaka / Mudaraba), the percentage of profit which the Islamic financial institution are entitled to transactions result according to contract rules, shall be reported under this item.

- k) Type of currency: The currency in which the credit facilities/financing transactions are extended.
- l) Code and type of the guarantee: Digital coding set by the competent Central Bank department and supplied to financial institutions, concerning in-kind collateral and mortgaged rights, provided to the financial institution by the customer or guarantor.
- m) Collateral value: Values of in-kind collateral and mortgaged rights, estimated according to the Central Bank relevant rules. Collaterals valued based on market value shall be re-valued at least once yearly, except for the collateral shares which are to be revalued at their published value in the Kuwait Stocks Exchange or any other international stock exchange, on the date that is the closest to the reporting date of credit facilities/ financing transactions.
- n) Guarantor's secret number: The secret number allocated by the Central Bank for a natural person or juristic person, who is the guarantor of the credit facilities/ financing transactions extended to any of the financial institution's customers. Joint partners in joint companies or simple partnerships, or creditors in joint debtors' accounts, are considered guarantors.

Second: Deletion and renewal :

A- If the customer repays all credit facilities/ balances of financing transactions extended to him, or if the sum of these credit facilities/financing transactions falls below Central Bank of Kuwait's set limit for reporting under this system, the financial institution shall notify the Central Bank accordingly, through the Customer Deletion Memorandum, within three working days from the repayment date. A monthly report shall also be supplied to Central Bank of Kuwait containing the names of all customers deleted during that month.

B- In the event a customer whose name was deleted under the preceding item, is re-extended credit facilities/financing transactions, the concerned financial institution shall report the same secret number which had been allocated earlier to the customer, when filling in the statement of credit facilities / financing transactions.

Third: Data which may be provided to financial institutions :

The Central Bank may inform financial institutions of the aggregate credit facilities and financing transactions extended to financial institutions' customers, in the following cases:

- A) Monthly, according to the end of each month position.
- B) In the event the respective financial institution inquiry about any of its customers, the answer shall be provided on the enquiry reply memorandum, provided that the financial institution adheres to the instructions mentioned in the enquiry form.

Fourth: Enquiries forms:

- A- The financial institution must inquire about the aggregate credit facilities and financing transactions extended to any customer applying for credit facilities or financing linancitg for the first time, or applying for an increase of credit facilities/financing transactions. The financial institution must also inquire about the indebtedness position of any customer whose name has been deleted but has applied for new credit facilities/financing transactions.
- B- Financial institutions wishing to inquire about the aggregate credit facilities/financing transactions extended to any of the customers mentioned in the preceding item, must submit their application to the Central Bank on the enquiry form designed for this purpose.
- C- When submitting an enquiry form to the Central Bank, financial institutions shall adhere to the following instructions:
 - 1. In the event of enquiry about the aggregate credit facilities/balances of financing transactions extended to customers applying for new credit facilities/financing transactions, the concerned financial institution must look into the information required in the enquiry form and record them according to the data in the Customer Identification Sheet.

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2. In the event of enquiring about the aggregate facilities/financing transactions extended to customers included in the Centre of Risks System and applying for an increase in their credit facilities/financing transactions, after such facilities/financing transactions have been deleted and reported as such to the Central Bank, the enquiring financial institution must write down the secret number allocated earlier to such customers by the Central Bank, in the appropriate space provided for this purpose in the enquiry form. In this case, the concerned financial institution may ignore the other data in the enquiry form. The financial institution using the on-line system with Central Bank of Kuwait may directly inquire about those customers through that system.
3. For any enquiry stated above, the concerned financial institution must - before presenting the enquiry Form to the Central Bank - obtain a written application, signed by the customer himself or by a representative thereof, duly authorized under by authenticated official power of attorney, indicating his desire to obtain, renew or increase those credit facilities / financing transactions. Lodging such an enquiry with the Central Bank without that written application from the customer, expose the financial institution to one of the penalties provided for in the Central Bank Law No. 32 of year 1968 and its amendments.

Fifth: Registering and keeping data at the central bank :

- A- The competent section at the Central Bank shall enter into the computer, data provided by financial institutions through the Customer Identification Sheet. Data related to dates of transaction, deletion and recurring transactions should also be entered, according to memos received from concerned financial institutions.
- B- Using the Computer Software designed for this purpose, the competent section shall review and verify the data on credit facilities/financing transactions entered through the "On-Line" system by the financial institution authorized to use that system. Each customer shall have his own statement of credit facility and financing transactions. That statement shall show the aggregate credit facilities/financing transactions extended to the customer or utilized by him, which were obtained from an individual financial institution or from a joint group thereof.

For financial institutions which do not use the " on-Line " system, data on credit facilities/financing transactions supplied by those institution, shall be entered by the competent section at the Central Bank of Kuwait.

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Sixth: General instructions:

- A- Precautionary measures shall be taken to maintain the secrecy of data of this system, which should not be accessed except by authorized persons.
- B- The exchange of Center of Risks data between financial institutions and the Central Bank shall be made through written correspondence only, which shall be sent in sealed envelopes bearing the term "Private and Confidential/Centre of Risks". Such letters shall also be registered in the incoming and outgoing mail registers while still sealed in their envelopes. The envelopes may not be opened by any person other than authorized officers at the Center of Risks Section.
- C- Forms and letters related to the Center of Risks shall be signed by financial institutions officers authorized to sign Center of Risks correspondence. The competent Section at Central Bank of Kuwait shall verify the signatures and ascertain that such correspondence comes from authorized officers at these institutions.
- D- Financial institutions using the "On-Line " System for enquiries on customers, must utilize the form designed for this purpose, in accordance with the following rules and regulations:
 - 1. Financial institution shall submit to the Supervision Sector of the Central Bank of Kuwait, the names and job titles of personnel authorized to use the" On-line "system for printing statements of customers financial positions. Authorized users in any financial institution shall be limited to four officers of the department in charge of extending the credit facilities/finance transactions .
 - 2. The concerned section at the Supervision Sector shall delegate the following authorities to the personnel authorized from financial institutions to use this system:
 - Identifying and numbering the screens used by such personnel.
 - Issuing the "Password" and providing authorized personnel with clearance to use the "on-line "system.

3. At the end of the working hours on Monday and Thursday, the financial institutions shall submit to Central Bank of Kuwait a statement detailing all the cases that have been enquired about through the "On-line" system, including data relevant to each enquiry and reasons thereof, as well all the information on the staff member who carried out the enquiry operation. This statement shall be signed by the person authorized to sign the center of risks correspondence and the general manager of the financial institution.
 4. Banks are required to setup internal regulations which would ensure that data pertaining to the enquiry transactions are not misused, and to advise the respective authorized persons that any misuse of such data or information shall expose them to the penalties provided for under Article (83) of the Law No. 32 of 1968 and its amendments.
- E- Rules of the Center of Risks System shall apply to financial institutions (banks and investment companies and Islamic financial institutions, whether banks or companies), each according to the nature of its business, the activities the financial institutions is allowed to practice under the provisions of the law, and the ministerial resolutions subjecting these institutions to the Central Bank supervision.
- F- This system shall be applied from the date of its announcement, and shall replace the previous center of risks system approved by Central Bank of Kuwait Board of Directors meeting on 8/3/1995 and subsequently amended.

Central Bank of Kuwait
Supervision Sector
Off – Site Supervision Department
Credit Section

Bank / Company.....
Ref :.....
Date.....

**Personal Accounts Form
Form AM.(I/A)**

Secret No.	Name	Address	finance Purpose of the Loan or	Civil ID No.	Nationality

Central Bank's Signature..... Signature of the Bank / Company....., Two copies of this form must be sent .

Central Bank of Kuwait
 Supervision Sector
 Off – Site Supervision Department
 Credit Section

Date.....

Page No

Statement of Credit Facilities/Financing Transactions

as at/..../.....

Form No. AM.(2)

KD 000 's

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12) (13)		(14)
Secret No	Type of Facilities/ Financing Transactions Code (*)	Credit Facility or financing Transaction No (Account No)	Purpose of the Facilities or Financing transaction Code (**)	Extended Limits	Balance (***)	Charged interest & Commissions (****)	Granting Date of the Facilities or Finance	Maturity Date of the Facilities Or Finance	Interest or Discount Rate or Percent of profit	Currency Type	Collaterals		Guarantor's Secret No.
											Type	Value	

(*) Loan, Overdraft , Discounted papers, Issued credit cards, , letters of Credit , Bank Acceptances , Bank Guarantees , FX Transactions, Murabaha, Musawama, Mudaraba, Musharaka, Ijara, Istisnaa, Other financing transactions.

(**) CBK relevant instructions must be observed when stating the purpose of facilities or finance .

(***) Includes charged interest & commissions on the Credit Facilities and profit margins and shares in case of Islamic financing transactions.

(****) Represents Interest & Commissions since Granting or Renewal date of the facilities/financing transactions whether settled or unsettled, in case there is more than one statement per account, a separate line will be allocated for each statement.

Signature of the Bank / Company

**Central Bank of Kuwait
Supervision Sector
Off – Site Supervision Department
Credit Section**

Ref.....

Date:

**Customer Deletion Memorandum
Form A.M. (4)**

**Manager, Off-Site Supervision Department
Credit Section**

Please be advised that the customers mentioned below have been deleted on the dates shown, for the reasons mentioned against the secret number of each.

Secret No.	Deletion Date	Reason for Deletion

CBK's instructions must be reviewed before filling-in this form.

Signature & Seal of the Bank / Co.....

1- CENTER OF RISKS SYSTEM AND REGULATIONS ISSUED FOR ITS IMPLEMENTATION.

B- Center of risks system and regulations issued for its implementation.

Central Bank of Kuwait
 Supervision Sector
 Off – Site Supervision Department
 Credit Section

Enquiry Form
 No. A.M (5)

Secret No	
To be filled – in by Central Bank	

**Manager, Off-Site Supervision Department
 Credit Section**

We certify that the below-mentioned customer has approached us with a written application to obtain finance. Therefore, please advise us of the total credit facilities and financing transactions obtained by him, so that we can evaluate his financial position.

Data of the customer (Borrower/Finance applicant) If there is a secret number, it should be mentioned below, in which case there would be no need to provide the rest of the data under this section			
Secret No.			
Name in Arabic			
Name in Latin			
Address			
Type of business:			
Legal Status	Nationality	Commercial registration	Date of Incorporation
Shareholders' Names (In the event of a shareholding company, names of the Chairman, his Deputy, Delegate Member and whoever has the right to borrow or obtain the finance, should be mentioned)			
Name	Civil ID No.	Name	Civil ID No.
1-		7-	
2-		8-	
3-		9-	
4-		10-	
5-		11-	
6-		12-	

CBK's relevant instructions should be Reviewed prior to filling-in this form.

Signature & Seal of the Bank / Company

1- CENTER OF RISKS SYSTEM AND REGULATIONS ISSUED FOR ITS IMPLEMENTATION.

B- Center of risks system and regulations issued for its implementation.

THE GOVERNOR

*Rabi Al-Awal 25, 1429 H
April 2, 2008*

THE CHAIRMAN,

**Circular No. (2/BS,IBS,IS, IIS/214/2008)
to all Local Banks and Investment Companies
on “Center of Risks System and its Implementation Instructions”**

This is made in reference to the Circular dated 22/6/2003, on Center of Risks System and the rules issued for its implementation. In light of the periodic review made by the central bank of Kuwait of the regulatory instructions and controls, **it has been resolved** as follows:

1. To increase the minimum for reporting on customers whose data are submitted to the central bank of Kuwait in accordance with the Center of Risks System, and who obtain credit facilities* from your bank/company, whether for economic or other purposes (including the issued credit cards), to become over KD 15,000, instead of over KD 10,000.
2. Confirm, in this respect, the contents of the above-mentioned the central bank of Kuwait’s instructions dated 22/6/2003, that the credit facilities data, reported to the central bank of Kuwait, should include the credits extended by the head office, local and foreign branches, whether the customer is resident or non-resident.
3. As for the customers of subsidiaries **abroad**, reporting to the central bank of Kuwait shall be limited to the facilities granted to resident customers, in addition to non-resident customers, who have dealings with the Kuwaiti banking and financial system’s units, including their local and foreign branches.

* (Finance transactions)

1- CENTER OF RISKS SYSTEM AND REGULATIONS ISSUED FOR ITS IMPLEMENTATION.

C- Circular No. (2/BS, IBS, IS, IIS/214/2008) on Center of Risks System and its Implementation Instructions.

4. No reporting shall be made with regard to facilities granted by subsidiaries abroad to non-resident customers, who have no dealings with the Kuwaiti banking and financial system's units, including their local and foreign branches.

Best regards,

SALEM ABDUL AZIZ AL-SABAH

Executive Director, Supervision Sector

*Thu Al-Hijja 20, 1429 H
December 18, 2008*

Circular to all local banks

The General Manager,

Within the framework of the central bank of Kuwait's monitoring of the quality of local banks' credit portfolio and the collaterals submitted against, kindly provide us with a monthly statement for the periods ended 30/9, 31/10, and 30/11/2008, showing the balances of credit facilities (financing transactions) used and the collaterals submitted against them, as per the attached forms (10 tables), uploaded on the attached CD.

These statements should reach us no later than Wednesday, 31/12/2008. In the future, please provide us with these statements, with effect from December 2008, within ten working days from the end of the relevant period for which the statement is prepared, on a CD.

Best regards,

**Executive Director, Supervision Sector
Dr. Mohammad Yousuf Al-Hashel**

1- CENTER OF RISKS SYSTEM AND REGULATIONS ISSUED FOR ITS IMPLEMENTATION.

D- Circular requesting local banks to provide Central Bank of Kuwait with statements illustrating the quality of credit portfolio and the collaterals submitted against it.

Table (1)

Central Bank of Kuwait
Supervision Sector, Off-Site Supervision Dept., Credit Section

**Total (Cash and Non-Cash) Credit Facilities/Financing Transactions Utilized by Resident Customers
(Up to KD 10 million per Customer) and the Collaterals Submitted Against them as at / /**

Name of Bank:

(KD '000)

Description	Credit Facilities fully secured by In Kind Collaterals *		Credit Facilities Partially Secured by In Kind Collaterals **		Facilities Secured By Personal Collaterals	Facilities secured by Assignment of Rights		Non-Secured Facilities	Total	
	Value of Utilized Facilities	Value of Collaterals	Value Of Utilized Facilities	Value Of Collaterals		Value of Utilized Facilities	Value of Collaterals		Total Facilities	Total Collaterals ****
I: Cash Facilities, divided as follows:	1	2	3	4	5	6	7	8	9= (1+3+5+6+8)	10= (2+4)
1 Banks									0	0
2 Investment Cos.									0	0
3 OFI									0	0
4 Oil & Gas Sector									0	0
5 Agriculture & Fisheries Sect.									0	0
6 Industrial Sect.									0	0
7 Construction									0	0
8 Trade and Business Trans									0	0
9 Public Services									0	0
10 Other Services									0	0
11 Real Estate Sector & Real Estate Transactions									0	0
12 Securities Purchase									0	0
13 Personal Sect.									0	0
A. Including consumer loans***										
B. Including installment loans***										
Total Cash Facilities	0	0	0	0	0	0	0	0	0	0
II: Non-Cash Facilities, Divided as follows:										0
1 Banks									0	0
2 Investment Cos.									0	0
3 OFI									0	0
4 Oil & Gas Sector									0	0
5 Agriculture & Fisheries Sect.									0	0
6 Industrial Sect.									0	0
7 Construction									0	0
8 Trade and Business Trans									0	0
9 Public Services									0	0
10 Other Services									0	0
11 Real Estate Sector & Real Estate Transactions									0	0
12 Securities Purchase									0	0
13 Personal Sect.									0	0
Total Non-Cash Facilities	0	0	0	0	0	0	0	0	0	0
Total Cash and Non-Cash Facilities	0	0	0	0	0	0	0	0	0	0

* Secured by 100% and over.

** Secured by less than 100%.

*** Match with monthly statements supplied by your bank online (Forms AM3 and AM20) and CD.

**** According to Tables 9 and 10 (attached).

Table (2)

Central Bank of Kuwait
Supervision Sector, Off-Site Supervision Dept., Credit Section

***Total (Cash and Non-Cash) Credit Facilities/Financing Transactions Utilized by Resident Customers
(over KD 10 million and Up to KD 25 million per Customer) and the Collaterals Submitted against them as at / /***

Name of Bank: _____ (KD '000)

Description	Credit Facilities fully secured by In Kind Collaterals *		Credit Facilities Partially secured by In Kind Collaterals		Facilities secured By Personal Collaterals	Facilities Secured by Assignment of Rights		Non-Secured Facilities	Total	
	Value of Utilized Facilities	Value of Collaterals	Value of Utilized Facilities	Value of Collaterals		Value of Utilized Facilities	Value of Collaterals		Total Facilities	Total Collaterals ****
I: Cash Facilities, divided as follows:										
	1	2	3	4	5	6	7	8	9= (1+3+5+6+8)	10= (2+4)
1	Banks								0	0
2	Investment Cos.								0	0
3	OFI								0	0
4	Oil & Gas Sector								0	0
5	Agriculture & Fisheries Sect.								0	0
6	Industrial Sect.								0	0
7	Construction								0	0
8	Trade and Business Trans								0	0
9	Public Services								0	0
10	Other Services								0	0
11	Real Estate Sector & Real Estate Transactions								0	0
12	Securities Purchase								0	0
13	Personal Sect.								0	0
	A. Including consumer loans***								0	0
	B. Including installment loans***								0	0
Total Cash Facilities		0	0	0	0	0	0	0	0	0
II: Non-Cash Facilities, divided as follows:										
1	Banks								0	0
2	Investment Cos.								0	0
3	OFI								0	0
4	Oil & Gas Sector								0	0
5	Agriculture & Fisheries Sect.								0	0
6	Industrial Sect.								0	0
7	Construction								0	0
8	Trade and Business Trans								0	0
9	Public Services								0	0
10	Other Services								0	0
11	Real Estate Sector & Real Estate Transactions								0	0
12	Securities Purchase								0	0
13	Personal Sect.								0	0
Total Non-Cash Facilities									0	0
Total Cash and Non-Cash Facilities									0	0

* Secured by 100% and over.

** Secured by less than 100%.

*** Match with monthly statements supplied by your bank online (Forms AM3 and AM20) and CD.

**** According to Tables 9 and 10 (attached).

Central Bank of Kuwait
Supervision Sector, Off-Site Supervision Dept., Credit Section

Table (3)

***Total (Cash and Non-Cash) Credit Facilities/Financing Transactions Utilized by Resident Customers
(over KD 25 million and Up to KD 50 million per Customer) and the Collaterals Submitted against them as at / /***

Name of Bank: _____ (KD '000)

Description	Credit Facilities fully secured by In-Kind Collaterals		Credit Facilities Partially secured by In-Kind Collaterals**		Facilities secured by Personal Collaterals	Facilities secured by Assignment of Rights		Non-secured Facilities	Total	
	Value of Utilized Facilities	Value of Collaterals	Value of Utilized Facilities	Value of Collaterals		Value of Utilized Facilities	Value of Collaterals		Total Facilities	Total Collaterals****
I: Cash Facilities, divided as follows:	1	2	3	4	5	6	7	8	9= (1+3+5+6+8)	10= (2+4)
1	Banks								0	0
2	Investment Cos.								0	0
3	OFI								0	0
4	Oil & Gas Sector								0	0
5	Agriculture & Fisheries Sect.								0	0
6	Industrial Sect.								0	0
7	Construction								0	0
8	Trade and Business Trans								0	0
9	Public Services								0	0
10	Other Services								0	0
11	Real Estate Sector & Real Estate Transactions								0	0
12	Securities Purchase								0	0
13	Personal Sect.								0	0
	A. Including consumer loans***								0	0
	B. Including installment loans***								0	0
	Total Cash Facilities	0	0	0	0	0	0	0	0	0
	II: Non-Cash Facilities, divided as follows:									0
1	Banks								0	0
2	Investment Cos.								0	0
3	OFI								0	0
4	Oil & Gas Sector								0	0
5	Agriculture & Fisheries Sect.								0	0
6	Industrial Sect.								0	0
7	Construction								0	0
8	Trade and Business Trans								0	0
9	Public Services								0	0
10	Other Services								0	0
11	Real Estate Sector & Real Estate Transactions								0	0
12	Securities Purchase								0	0
13	Personal Sect.								0	0
	Total Non-Cash Facilities	0	0	0	0	0	0	0	0	0
	Total Cash and Non-Cash Facilities	0	0	0	0	0	0	0	0	0

* Secured by 100% and over.

** Secured by less than 100%.

*** Match with monthly statements supplied by your bank online (Forms AM3 and AM20) and CD.

**** According to Tables 9 and 10 (attached).

Central Bank of Kuwait
Supervision Sector, Off-Site Supervision Dept., Credit Section

Table (4)

**Total (Cash and Non-Cash) Credit Facilities/Financing Transactions Utilized by Resident Customers
(over KD 50 million) and the Collaterals Submitted Against them as at / /**

Name of Bank:

(KD '000)

Description	Credit Facilities fully Secured by In-Kind Collaterals*		Credit Facilities Partially secured by In-Kind Collaterals**		Facilities Secured by Personal Collaterals	Facilities secured by Assignment of Rights		Non-secured Facilities	Total	
	Value of Utilized Facilities	Value of Collaterals	Value of Utilized Facilities	Value of Collaterals		Value of Utilized Facilities	Value of Collaterals		Total Facilities	Total Collaterals****
I: Cash Facilities, divided as follows:	1	2	3	4	5	6	7	8	9= (1+3+5+6+8)	10= (2+4)
1	Banks								0	0
2	Investment Cos.								0	0
3	OFI								0	0
4	Oil & Gas Sector								0	0
5	Agriculture & Fisheries Sect.								0	0
6	Industrial Sect.								0	0
7	Construction								0	0
8	Trade and Business Trans								0	0
9	Public Services								0	0
10	Other Services								0	0
11	Real Estate Sector & Real Estate Transactions								0	0
12	Securities Purchase								0	0
13	Personal Sect.								0	0
	A. Including consumer loans***								0	0
	B. Including installment loans***								0	0
	Total Cash Facilities	0	0	0	0	0	0	0	0	0
	II: Non-Cash Facilities, divided as follows:									0
1	Banks								0	0
2	Investment Cos.								0	0
3	OFI								0	0
4	Oil & Gas Sector								0	0
5	Agriculture & Fisheries Sect.								0	0
6	Industrial Sect.								0	0
7	Construction								0	0
8	Trade and Business Trans								0	0
9	Public Services								0	0
10	Other Services								0	0
11	Real Estate Sector & Real Estate Transactions								0	0
12	Securities Purchase								0	0
13	Personal Sect.								0	0
	Total Non-Cash Facilities	0	0	0	0	0	0	0	0	0
	Total Cash and Non-Cash Facilities	0	0	0	0	0	0	0	0	0

* Secured by 100% and over.

** Secured by less than 100%.

*** Match with monthly statements supplied by your bank online (Forms AM3 and AM20) and CD.

**** According to Tables 9 and 10 (attached).

Central Bank of Kuwait
Supervision Sector, Off-Site Supervision Dept., Credit Section

Table (5)

**Total (Cash and Non-Cash) Credit Facilities/Financing Transactions Utilized by Non-Resident Customers
(Up to KD 10 million per Customer) and the Collaterals Submitted Against them as at / /**

Name of Bank:

(KD '000)

Description	Credit Facilities fully Secured by In-Kind Collaterals		Credit Facilities Partially Secured by In-Kind Collaterals		Facilities Secured by Personal Collaterals	Facilities Secured by Assignment of Rights		Non-Secured Facilities	Total	
	Value of Utilized Facilities	Value of Collaterals	Value of Utilized Facilities	Value of Collaterals		Value of Utilized Facilities	Value of Collaterals		Total Facilities	Total Collaterals****
I: Cash Facilities, divided as follows:	1	2	3	4	5	6	7	8	9= (1+3+5+6+8)	10= (2+4)
1	Banks								0	0
2	Investment Cos.								0	0
3	OFI								0	0
4	Oil & Gas Sector								0	0
5	Agriculture & Fisheries Sect.								0	0
6	Industrial Sect.								0	0
7	Construction								0	0
8	Trade and Business Trans								0	0
9	Public Services								0	0
10	Other Services								0	0
11	Real Estate Sector & Real Estate Transactions								0	0
12	Securities Purchase								0	0
13	Personal Sect.								0	0
	A. Including consumer loans***								0	0
	B. Including installment loans***								0	0
Total Cash Facilities		0	0	0	0	0	0	0	0	0
II: Non-Cash Facilities, divided as follows:										0
1	Banks								0	0
2	Investment Cos.								0	0
3	OFI								0	0
4	Oil & Gas Sector								0	0
5	Agriculture & Fisheries Sect.								0	0
6	Industrial Sect.								0	0
7	Construction								0	0
8	Trade and Business Trans								0	0
9	Public Services								0	0
10	Other Services								0	0
11	Real Estate Sector & Real Estate Transactions								0	0
12	Securities Purchase								0	0
13	Personal Sect.								0	0
Total Non-Cash Facilities		0	0	0	0	0	0	0	0	0
Total Cash and Non-Cash Facilities		0	0	0	0	0	0	0	0	0

* Secured by 100% and over.

** Secured by less than 100%.

*** Match with monthly statements supplied by your bank online (Forms AM3 and AM20) and CD.

**** According to Tables 9 and 10 (attached).

Table (6)

Central Bank of Kuwait
Supervision Sector, Off-Site Supervision Dept., Credit Section

***Total (Cash and Non-Cash) Credit Facilities/Financing Transactions Utilized by Non-Resident Customers
(Over KD 10 million and up to KD 25 million per Customer) and the Collaterals Submitted Against them as at / /***

Name of Bank:

(KD '000)

Description	Credit Facilities fully Secured by In-Kind Collaterals*		Credit Facilities Partially Secured by In-Kind Collaterals**		Facilities Secured by Personal Collaterals	Facilities Secured by Assignment of Rights		Non-Secured Facilities	Total	
	Value of Utilized Facilities	Value of Collaterals	Value of Utilized Facilities	Value of Collaterals		Value of Utilized Facilities	Value of Collaterals		Total Facilities 9= (1+3+5+6+8)	Total Collaterals **** 10= (2+4)
I: Cash Facilities, divided as follows:	1	2	3	4	5	6	7	8		
1 Banks									0	0
2 Investment Cos.									0	0
3 OFI									0	0
4 Oil & Gas Sector									0	0
5 Agriculture & Fisheries Sect.									0	0
6 Industrial Sect.									0	0
7 Construction									0	0
8 Trade and Business Trans									0	0
9 Public Services									0	0
10 Other Services									0	0
11 Real Estate Sector & Real Estate Transactions									0	0
12 Securities Purchase									0	0
13 Personal Sect.									0	0
A. Including consumer loans***									0	0
B. Including installment loans***									0	0
Total Cash Facilities	0	0	0	0	0	0	0	0	0	0
II: Non-Cash Facilities, divided as follows:										0
1 Banks									0	0
2 Investment Cos.									0	0
3 OFI									0	0
4 Oil & Gas Sector									0	0
5 Agriculture & Fisheries Sect.									0	0
6 Industrial Sect.									0	0
7 Construction									0	0
8 Trade and Business Trans									0	0
9 Public Services									0	0
10 Other Services									0	0
11 Real Estate Sector & Real Estate Transactions									0	0
12 Securities Purchase									0	0
13 Personal Sect.									0	0
Total Non-Cash Facilities	0	0	0	0	0	0	0	0	0	0
Total Cash and Non-Cash Facilities	0	0	0	0	0	0	0	0	0	0

* Secured by 100% and over.

** Secured by less than 100%.

*** Match with monthly statements supplied by your bank online (Forms AM3 and AM20) and CD.

**** According to Tables 9 and 10 (attached).

Table (7)

Central Bank of Kuwait
Supervision Sector, Off-Site Supervision Dept., Credit Section

**Total (Cash and Non-Cash) Credit Facilities/Financing Transactions Utilized by Non-Resident Customers
(over KD 25 million and up to KD 50 million) and the Collaterals Submitted Against them as at / /**

Name of Bank:

(KD '000)

Description	Credit Facilities fully Secured by In-Kind Collaterals*		Credit Facilities Partially Secured by In-Kind Collaterals**		Facilities Secured by Personal Collaterals	Facilities Secured by Assignment of Rights		Non-Secured Facilities	Total	
	Value of Utilized Facilities	Value of Collaterals	Value of Utilized Facilities	Value of Collaterals		Value of Utilized Facilities	Value of Collaterals		Total Facilities	Total Collaterals ****
I: Cash Facilities, divided as follows:	1	2	3	4	5	6	7	8	9= (1+3+5+6+8)	10= (2+4)
1 Banks									0	0
2 Investment Cos.									0	0
3 OFI									0	0
4 Oil & Gas Sector									0	0
5 Agriculture & Fisheries Sect.									0	0
6 Industrial Sect.									0	0
7 Construction									0	0
8 Trade and Business Trans									0	0
9 Public Services									0	0
10 Other Services									0	0
11 Real Estate Sector & Real Estate Transactions									0	0
12 Securities Purchase									0	0
13 Personal Sect.									0	0
A. Including consumer loans***									0	0
B. Including installment loans***									0	0
Total Cash Facilities	0	0	0	0	0	0	0	0	0	0
II: Non-Cash Facilities, divided as follows:										0
1 Banks									0	0
2 Investment Cos.									0	0
3 OFI									0	0
4 Oil & Gas Sector									0	0
5 Agriculture & Fisheries Sect.									0	0
6 Industrial Sect.									0	0
7 Construction									0	0
8 Trade and Business Trans									0	0
9 Public Services									0	0
10 Other Services									0	0
11 Real Estate Sector & Real Estate Transactions									0	0
12 Securities Purchase									0	0
13 Personal Sect.									0	0
Total Non-Cash Facilities	0	0	0	0	0	0	0	0	0	0
Total Cash and Non-Cash Facilities	0	0	0	0	0	0	0	0	0	0

* Secured by 100% and over.

** Secured by less than 100%.

*** Match with monthly statements supplied by your bank online (Forms AM3 and AM20) and CD.

**** According to Tables 9 and 10 (attached).

Table (8)

Central Bank of Kuwait
Supervision Sector, Off-Site Supervision Dept., Credit Section

**Total (Cash and Non-Cash) Credit Facilities/Financing Transactions Utilized by Non- Resident Customers
(Over KD 50 million) and the Collaterals Submitted Against them as at / /**

Name of Bank:

(KD '000)

Description	Credit Facilities fully Secured by In-Kind Collaterals*		Credit Facilities Partially Secured by In-Kind Collaterals**		Facilities Secured by Personal Collaterals	Facilities Secured by Assignment of Rights		Non-Secured Facilities	Total	
	Value of Utilized Facilities	Value of Collaterals	Value of Utilized Facilities	Value of Collaterals		Value of Utilized Facilities	Value of Collaterals		Total Facilities	Total Collaterals ****
I: Cash Facilities, divided as follows:	1	2	3	4	5	6	7	8	9= (1+3+5+6+8)	10= (2+4)
1 Banks									0	0
2 Investment Cos.									0	0
3 OFI									0	0
4 Oil & Gas Sector									0	0
5 Agriculture & Fisheries Sect.									0	0
6 Industrial Sect.									0	0
7 Construction									0	0
8 Trade and Business Trans									0	0
9 Public Services									0	0
10 Other Services									0	0
11 Real Estate Sector & Real Estate Transactions									0	0
12 Securities Purchase									0	0
13 Personal Sect.									0	0
A. Including consumer loans***									0	0
B. Including installment loans***									0	0
Total Cash Facilities	0	0	0	0	0	0	0	0	0	0
II: Non-Cash Facilities, divided as follows:										
1 Banks									0	0
2 Investment Cos.									0	0
3 OFI									0	0
4 Oil & Gas Sector									0	0
5 Agriculture & Fisheries Sect.									0	0
6 Industrial Sect.									0	0
7 Construction									0	0
8 Trade and Business Trans									0	0
9 Public Services									0	0
10 Other Services									0	0
11 Real Estate Sector & Real Estate Transactions									0	0
12 Securities Purchase									0	0
13 Personal Sect.									0	0
Total Non-Cash Facilities	0	0	0	0	0	0	0	0	0	0
Total Cash and Non-Cash Facilities	0	0	0	0	0	0	0	0	0	0

* Secured by 100% and over.

** Secured by less than 100%.

*** Match with monthly statements supplied by your bank online (Forms AM3 and AM20) and CD.

**** According to Tables 9 and 10 (attached).

Central Bank of Kuwait
Supervision Sector
Off-Site Supervision Department
Credit Section

Table (9)

Total Values of Collaterals Submitted Against Cash Credit Facilities
Utilized by Resident and Non-Resident Customers
For the Period Ended / /

Name of Bank:

KD '000

No.	Type of Collateral	In-Kind Collaterals Covering Facilities by 100% and Over		In-Kind Collaterals Covering Facilities by Less than 100%		Total Value of Collaterals	
		Resident Customers*	Non-Resident Customers**	Resident Customers***	Non-Resident Customers****	Resident Customers	Non-Resident Customers
1	Government Guarantees					0	0
2	Guarantees from Banks					0	0
3	Kuwaiti Shares					0	0
4	Non-Kuwaiti Shares					0	0
5	Initial Bonds					0	0
6	KD Bills					0	0
7	FC Bills					0	0
8	KD Bonds					0	0
9	FC Bonds					0	0
10	Buildings					0	0
11	Land					0	0
12	Ships					0	0
13	Projects					0	0
14	Equipment					0	0
15	Goods					0	0
16	Gold					0	0
17	Commercial Papers					0	0
18	KD CD's					0	0
19	FC CD's					0	0
20	Deposits					0	0
21	Int'l Inst. Guarantees					0	0
22	Doc. Credits					0	0
23	Other Collaterals					0	0
24	Airplanes					0	0
25	Others					0	0
Total		0	0	0	0	0	0

* Match with total value of collaterals on column (2) for totally guaranteed cash credit facilities of resident customers on Tables (1, 2, 3 and 4).

** Match with total value of collaterals on column (2) for totally guaranteed cash credit facilities of non-resident customers on Tables (5, 6, 7 and 8).

*** Match with total value of collaterals on column (4) for partially guaranteed cash credit facilities of resident customers on Tables (1, 2, 3 and 4).

**** Match with total value of collaterals on column (4) for partially guaranteed cash credit facilities of non-resident customers on Tables (5, 6, 7 and 8).

1- CENTER OF RISKS SYSTEM AND REGULATIONS ISSUED FOR ITS IMPLEMENTATION.

D- Circular requesting local banks to provide Central Bank of Kuwait with statements illustrating the quality of credit portfolio and the collaterals submitted against it.

Central Bank of Kuwait
Supervision Sector
Off-Site Supervision Department
Credit Section

Table (10)

Total Values of Collaterals Submitted Against Non-Cash Credit Facilities
Utilized by Resident and Non-Resident Customers
For the Period Ended / /

Name of Bank:

KD '000

No.	Type of Collateral	In-Kind Collaterals Covering Facilities by 100% and Over		In-Kind Collaterals Covering Facilities by Less than 100%		Total Value of Collaterals	
		Resident Customers*	Non-Resident Customers**	Resident Customers***	Non-Resident Customers****	Resident Customers	Non-Resident Customers
1	Government Guarantees					0	0
2	Guarantees from Banks					0	0
3	Kuwaiti Shares					0	0
4	Non-Kuwaiti Shares					0	0
5	Initial Bonds					0	0
6	KD Bills					0	0
7	FC Bills					0	0
8	KD Bonds					0	0
9	FC Bonds					0	0
10	Buildings					0	0
11	Land					0	0
12	Ships					0	0
13	Projects					0	0
14	Equipment					0	0
15	Goods					0	0
16	Gold					0	0
17	Commercial Papers					0	0
18	KD CD's					0	0
19	FC CD's					0	0
20	Deposits					0	0
21	Int'l Inst. Guarantees					0	0
22	Doc. Credits					0	0
23	Other Collaterals					0	0
24	Airplanes					0	0
25	Others					0	0
Total		0	0	0	0	0	0

- * Match with total value of collaterals on column (2) for totally guaranteed non-cash credit facilities of resident customers on Tables (1, 2, 3 and 4).
- ** Match with total value of collaterals on column (2) for totally guaranteed non-cash credit facilities of non-resident customers on Tables (5, 6, 7 and 8).
- *** Match with total value of collaterals on column (4) for partially guaranteed non-cash credit facilities of resident customers on Tables (1, 2, 3 and 4).
- **** Match with total value of collaterals on column (4) for partially guaranteed non-cash credit facilities of non-resident customers on Tables (5, 6, 7 and 8).

1- CENTER OF RISKS SYSTEM AND REGULATIONS ISSUED FOR ITS IMPLEMENTATION.

- D- Circular requesting local banks to provide Central Bank of Kuwait with statements illustrating the quality of credit portfolio and the collaterals submitted against it.

THE GOVERNOR

*Thu Al-Hijja 30,1429 H
December 28,2008*

THE CHAIRMAN,

Circular to all local banks

Kindly provide the central bank of Kuwait with statements on the debts of customers whose debts exceed KD 1 million each, by economic activity. The statements should cover the name of debtor, debt balance and category (regular, irregular), and collaterals against the debt according to the latest valuation thereof. The statement should be in accordance with the attached table. In case no collaterals are taken, or in case of partial collaterals, justifications thereof should be given.

Data of the attached table should be completed on the basis of the status as of 31/12/2008. the central bank of Kuwait should be provided with this table, accompanied with your bank's financial statements for 2008. the central bank of Kuwait should also be provided, no later than ten working days from the end of the month for which the required statement is prepared, and until further notice, with this table on a monthly basis.

Best regards,

SALEM ABDUL AZIZ AL-SABAH

1- CENTER OF RISKS SYSTEM AND REGULATIONS ISSUED FOR ITS IMPLEMENTATION.

E- Circular requesting local banks to provide Central Bank of Kuwait with data on the debts of customers whose debts exceed KD 1 million each, by economic activity sector.

**Data of Customers Whose Debts Exceed KD 1 Million Each
By Economic Activity
As of / /**

(KD '000)

Description	Name of Debtor	Secret No.	Debt Balance	Existing Collaterals				Debt Category				Justifications of not taking collaterals or taking partial collaterals against the debt	
				Type	Value	% Of Coverage	Date Of last valuation	Regular	Irregular				
									Monitor	Sub Standard	Doubtful		Bad
1: Oil and Gas Sector													
Total (I)													
2: Agriculture & Fisheries													
Total (II)													
3: Industrial													
Total (III)													
4: Construction													
Total (IV)													
5: Trade and Business													
Total (V)													
6: Public Services													
Total (VI)													
7: Other Services													
Total (VII)													
8: Personal													
Total (VIII)													
9: Real Estate													
Total (IX)													
10: Financial Institutions													
Total (X)													
11: Securities Purchase													
Total (XI)													
Total Sectors													