

**22- INSTRUCTIONS CONCERNING THE BUYING AND
SELLING OF GCC CURRENCY NOTES**

GOVERNOR

*Ramadhan 15, 1424 H
November 10, 2003*

Instructions No. (2/IBS/118/2003)

THE CHAIRMAN,

Arrangements for Buying & Selling GCC Currency Notes

Reference is made to the existing arrangements concerning the exchange of GCC countries currency notes and the agreement amongst the GCC countries monetary authorities to include the Kuwaiti Dinar to such arrangements, according to which banks and exchange companies and establishments operating in GCC countries are committed to accept and exchange all GCC currency notes (both buying and selling), with a margin not exceeding 0.5% of the daily announced exchange rates of these currencies .

The Central Bank of Kuwait has set up arrangements with the GCC countries (Oman, UAE, Qatar, and Bahrain) to implement what has been agreed upon. Accordingly, it has been decided as follows:

First: The Central Bank of Kuwait shall, on daily basis, advise your bank of the buying rate of the Omani Riyal, UAE Dirham, Qatari Riyal and Bahraini Dinar against KD, as well as of selling rate of those currencies against the KD, so that the buying rate will represent the minimum rate for dealing with the public, while the selling rate will represent the maximum dealing rate.

Second: Your bank is required to accept the buying of these currencies from the public according to the buying rate against KD (as a minimum), as daily announced by Central Bank of Kuwait .

Third: In the event your bank sells the said currencies to the public, the selling rate announced by Central Bank of Kuwait (as a maximum) shall be adhered to.

Fourth: The Central Bank of Kuwait is committed to purchase the balances of the mentioned currencies existing with your bank and which have not been re-sold, at the buying rate announced by Central Bank of Kuwait on the date of its actual buying, plus a margin of 0.25% .

Fifth: These instruction shall be in force from the date of notification .

With my best wishes,

SALEM ABDUL AZIZ AL SABAH