

# Saudi Arabian Monetary Agency

HEAD OFFICE

Deputy Governor  
For Technical Affairs

22 April 2007

311/DG

Mr. Abdulkareem Abu Alnasr  
Chief Executive Officer  
The National Commercial Bank  
P.O. Box 3555, Jeddah 21481  
Saudi Arabia

Dear Mr. Abu Alnasr

**Subject: US Litigation against the National Commercial Bank**

In response to your letter of March 25, 2007, you have asked for permission to disclose in respect of US litigation the contents of a special examination of NCB conducted in 1998 by Arthur Andersen & Co. at the direction of SAMA. As you are aware, SAMA would not generally be prepared to consent to the disclosure of a document of this kind in public - regulators do not generally permit disclosure of confidential reports except in an exceptional case.

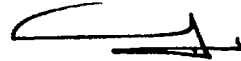
We note that you are making the enquiry because you have been ordered by a US court to do so. Although this is a relevant consideration for SAMA, the decision which SAMA has to make in this case must be based on Saudi law and Saudi regulatory and policy issues. There should be no presumption that any further consent to disclose will be given in relation to this matter, whether or not such disclosure is ordered by the court. We also note that SAMA will not continue to authorize further disclosure of bank related information beyond what is absolutely necessary for purposes of the litigation before the foreign court consistent with Saudi Arabian banking confidentiality regime. Your request relates to a special examination of NCB undertaken by Arthur Andersen & Co. and SAMA's examiners. This examination was conducted as part of a programme of examinations unrelated to terrorism financing of all Saudi local banks. Although we would ordinarily object to the disclosure of a report of this kind, we are on this occasion prepared to make no objection to this disclosure. This conclusion has been reached on the basis of a consideration of the specific content of the document and the particular facts surrounding your request, and with regard to the fact that the disclosure requested should have the effect of finally disposing of an issue before the court.

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You have asked us whether we are aware of any audit or examination of NCB in the general time frame of 1998 or later which examined alleged involvement in financing terrorist activities; or whether any adverse regulatory action was taken against NCB in the same general time frame because of alleged involvement in financing terrorist activities. SAMA is unaware of any such audit or examination, and has not required any such audit or examination, and has taken no such adverse regulatory action.

Best Regards



Dr. Abdulrahman Al-Hamidy