



Cairo on May 3rd, 2018

Attention: The Chairman of Bank

Dear Sir,



Reference to the circular dated December 21st, 2015 of the Governor of the Central Bank of Egypt regarding the regulatory controls governing import transactions and its subsequent circulars; kindly note that the following have been decided in order to facilitate import procedures:

First:

Abolish the instructions set out in Clause (1) under the above-mentioned circular, quoting, "import transactions carried out on the basis of documentary collections, they shall be confined to those documents sent directly to banks from offshore banks ..." **It has been allowed to carry out those import transactions through sending the documentary collections directly to customers of all imported goods.**

Second:

As for the **micro, small & medium enterprises (according to the definition issued on March 5th, 2017 and subsequent instructions and directives) engaged only in the import of basic food commodities**, the **security deposit** on import transactions for trading purposes executed under the documentary credits that are opened for financing the import of commodities for the account of trading companies or governmental bodies shall be cancelled. The said security deposit shall also be cancelled in case of confirmation of bills presented under suppliers' facilities for importing those commodities for the account of the aforesaid entities, or for meeting any liabilities on part of the bank, including the issuance of Letters of Guarantee in respect of import transactions carried out for the account of traders and governmental bodies, instead of the current applicable rate of 100% and taking into account the credit study conducted by each bank.

Kindly instruct that all necessary measures towards applying the foregoing be taken.

Best Regards,

Gamal Negm