

Qatar

FINANCIAL CENTRE

REGULATORY AUTHORITY

NOTICE OF RULE WAIVER

| | |
|-------------------|--|
| Firm | Bank Muscat International BSC |
| Address | Batelco Commercial Centre, P.O Box 350 Manama, Kingdom of Bahrain |
| QFC No. | 00052 |
| Notice No. | W 0056/07 |

THE QFC REGULATORY AUTHORITY HEREBY GIVES NOTICE THAT:

The Rules specified below do not apply to the above mentioned Person.

This notice is issued by the QFC Regulatory Authority under Article 16 of the QFC Financial Services Regulations 2005.

Effective Date: This notice comes into effect on 1 January 2008 and remains in effect until revoked or withdrawn.

RULES WAIVED

Rules:

- 1.2.1 (Financial Resources requirement);
- 1.3.7 through to 1.3.9 (inclusive) (Trading Book requirements);
- 2.1.1 through to 2.10.4 (inclusive) (Capital requirements);
- 3.1.1-3.7.1 (inclusive)(Islamic Finance Business);
- 4.3.1 through to 4.10.2 (inclusive) (Credit Risk);
- 5.3.1 through to 5.9.7 (inclusive) (Market Risk); and
- 7.3.1 through to 7.4.2 (inclusive) (Group Risk)

of the Interim Prudential – Investment, Insurance Mediation & Banking Business Rulebook (PIIB).

CONDITIONS

This notice is given on the condition that:

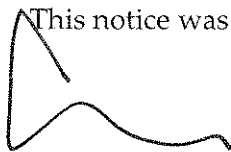
- (A) Bank Muscat International BSC ensures that it maintains financial resources which are adequate in relation to the nature, size and complexity of its business to ensure that there is no significant risk that liabilities cannot be met as they fall due; and
- B) on a quarterly basis, Bank Muscat International BSC submits to the QFC Regulatory Authority a copy of their latest capital adequacy summary, within 10 working days of it being submitted to the Central Bank of Bahrain.

INTERPRETATION

The provisions in this notice are to be construed as if these provisions are provisions of the Rulebooks.

Defined terms are identified in this notice by the capitalisation of the initial letter of a word or of each word in a phrase and are defined in the Interpretation and Application Rulebook (INAP). Unless the context otherwise requires, where capitalisation of the initial letter is not used, an expression has its natural meaning.

This notice was issued by:



~~Phillip Thorpe~~
Chairman and Chief Executive Officer

31 December 2007