

**FEDERAL RESERVE BANK  
OF NEW YORK**

*Fiscal Agent of the United States*

[ Circular No. **10365** ]  
August 6, 1990 ]

**BLOCKING OF KUWAITI GOVERNMENT PROPERTY**  
**Executive Order No. 12723**

*To All Banks, and Other Concerned,  
in the Second Federal Reserve District:*

On August 2, 1990, the President issued Executive Order No. 12723 blocking all property and interests in property of the Government of Kuwait.

Printed on the following pages is a copy of a letter from the Office of Foreign Assets Control of the Department of the Treasury directed to this Bank concerning the status of various banks under that Executive Order.

Additional questions regarding this matter may be directed to Bradley K. Sabel, Counsel (Tel. No. 212-720-5041).

E. GERALD CORRIGAN,  
*President.*



DEPARTMENT OF THE TREASURY  
WASHINGTON

AUG 05 1990

Dear Mr. Patrikis:

You have asked about the status of various banks under Executive Order No. 12723 signed by President Bush on August 2, 1990, blocking all property in which the Government of Kuwait has an interest. We have had only a brief time to consider this question and, based on the information available to us within this period and consultation with the Government of Kuwait, we have determined that the banks listed below in Category I should be considered blocked entities owned by the Government of Kuwait.

Category II contains the names of banks that should not be considered blocked entities, based on the information available to us at this time. However, we will need further information from these banks by August 18, concerning their ownership and control, if they are to continue to be included in Category II.

Category III contains the names of banks in which the Government of Kuwait and the government of another country subject to sanctions under the International Emergency Economic Powers Act each have a substantial ownership interest. We are reviewing with these institutions relevant issues pertaining to ownership and control. We anticipate making a final determination regarding their status by August 18, 1990. In the meantime, we are licensing transactions between these banks and persons subject to the jurisdiction of the United States. The range of such licensed transactions will be the same as the range of permitted transaction between persons subject to the jurisdiction of the United States and banks listed in Category II. No such transactions may result in the transfer of funds to the Government of Kuwait or the Government of Iraq.

Finally, Category IV banks are those in which we have learned the Government of Kuwait has such a significant financial stake by virtue of loans and guarantees as to be considered in de facto control and, thus, these banks are also blocked. The limitation applicable to transactions by persons subject to U.S. jurisdiction with Category I banks will also be applicable to transactions by such persons with Category IV banks.

CATEGORY I

Bank of Kuwait & Middle East  
Burgan Bank  
Central Bank of Kuwait  
Credit de Bergues  
Kuwait Finance House  
Savings and Credit Bank

CATEGORY II

Bahrain Middle East Bank  
Banco Atlantico  
Dao Heng Bank  
Gulf International Bank B.S.C.  
Kuwait and Bahrain Bank  
Kuwait French Bank  
Kuwait Real Estate Bank  
National Bank of Kuwait  
Swiss Kuwaiti Bank  
UBAF Arab American Bank  
United Bank of Kuwait


CATEGORY III

Arab African International Bank  
Arab Banking Corp  
Arab Hellenic Bank  
Arab Turkish Bank  
Banco Arabe Espanol

CATEGORY IV

Al-Ahlie Bank of Kuwait  
Commercial Bank of Kuwait  
Industrial Bank of Kuwait  
The Gulf Bank

Sincerely,



R. Richard Newcomb  
Director  
Office of Foreign Assets Control

Ernest T. Patrikis  
General Counsel and  
Executive Vice President  
Federal Reserve Bank of New York  
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