



Supervision and Control of Financial Institutions
Division

Date: 23-4-2020

Circular no.: 12/2020

To: All Banks operating in Qatar

Subject: Credit Granted for Commercial Purposes

With reference to QCB's Instructions regarding credit granted for commercial purposes as mentioned in "Instructions to Banks" (September 2013, pages 231-234), the following additional regulations shall be enforced:

- 1-The salary or remuneration of the personal guarantor or any of his/her family members, granted from his/her employer shall not be accepted as guarantee in the process of granting credit facility to commercial companies and it shall not be considered a reliable source of repayment as per the personal collateral contract.
- 2- Banks shall not execute on the credit facility against any salary or remuneration paid to the personal guarantor or any of his/her family members by the employer.
- 3- Banks shall not accept the personal housing unit of the guarantor or any of his/her family members as collateral when granting credit to commercial companies.
- 4- Banks shall not execute on the private housing unit of the guarantor or any of his/her family members.
- 5- Banks shall not accept cheques from the personal guarantor and shall comply with paragraph (9) in page (211) in the referred Instructions.
- 6- This instructions shall not be applied to all credit Facilities granted before the date of issuing this circular.



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7- QCB shall impose the penalties stated in QCB's law no. (13) Of 2012 in case of any violation of the instructions herein.

This circular shall be enforced as from 23/4/2020.

Abdullah Bin Saud Al-Thani

The Governor