

**Form of Agreement to be obtained from the Direct RTGS member Type 'A'**

**Grant of Intra-Day Credit Facility**

We, ..... incorporated / constituted under the ..... and having our registered office at....., undertake in favour of the Central Bank of Bahrain (hereinafter referred to as the "Bank") as under.

Whereas we have been granted RTGS Membership Type "A".

AND whereas we have undertaken to comply with the RTGS (Membership) Regulations, 2007 and RTGS (Membership) Business Operating Guidelines, 2007, as amended from time to time and also such regulations, directives, circulars, notices, instructions, press releases, etc., as may be issued by the Bank in this behalf, hereinafter collectively referred to as "the Regulations".

AND whereas the Bank is agreeable to grant us Intra-Day Credit Facility at its discretion from time to time for facilitating settlement of our RTGS transactions.

AND whereas we have agreed to repay or reverse the said Intra-Day Credit, before the end of the RTGS business day, as specified in the Regulations or on demand by you.

In consideration of the Bank having agreed to grant the Intra-Day Credit (hereinafter referred to as IDC) facility to us as aforesaid, we unconditionally and irrevocably undertake and agree as follows :

1. We shall avail of the IDC facility from the Bank within the limit, sanctioned to us by the Bank, only for the purpose of the settlement of our RTGS transactions and subject to the terms and conditions, stipulated by the Bank in this regard.
2. The outstanding balances of the IDC at any point of time during the RTGS business day will be automatically reversed by the RTGS system, operated and maintained by the Bank, using the funds in our RTGS Settlement Account, provided that at that point of time none of our RTGS transactions is queued pending for settlement and/or that there is no Net Settlement Batch, pending for settlement, wherein we are in debit position.
3. The outstanding balances, if any, arising out of the IDC transactions, shall be repayable by us before the end of the RTGS business day or on demand by the Bank.
4. The transaction costs or charges, due on each of the IDC transactions entered into by us, at such rate and on such terms and conditions, as may be decided by the Bank from time to time, shall be paid by us.
5. The Bank may debit our Clearing Account/RTGS Settlement Account, maintained with its Directorate of Banking Services, for the amount due on account of our IDC transactions including costs and charges payable by us.
6. The Bank may grant IDC to us against our Securities (government securities & treasury bills), available in our Intra-day Credit Account in the SSS System and/or our BD Deposit, automatically transferred from our BD Deposit Account to the RTGS System at the Start of Day of the RTGS Business Day, as per our advice to the Bank. Such Securities and/or BD deposit will constitute collateral against which the Bank may grant IDC to us.
7. BD Deposit and Securities, denominated in BD, will be used as collateral for IDC in respect of the RTGS transactions in BD. Similarly, the Securities, denominated in USD and/or the USD Deposit, at the discretion of the Bank, maintained with the Directorate of Banking Services, will be used as collateral for IDC in respect of the RTGS transactions in USD.
8. The IDC will be granted at face value or at a margin, at the discretion of the Bank, against the collateral.
9. The Securities and the BD deposit will be used as collateral in the order, as advised by us to the Bank (e.g. either the Securities will be used as collateral first and after all such

available Securities have been used as collateral, the BD deposit will be used as collateral or vice versa. This will also apply to the USD Securities and USD Deposit.)

10. When a government security is used as collateral, it will automatically get transferred from our IDC Account to the Bank's IDC Account in the SSS System alongwith the transfer of ownership of the security to the Bank. When the IDC gets repaid/reversed, the security will be transferred back to our IDC Account with restoration of ownership to us.
11. The securities, to be offered as collateral for IDC purpose, shall be free from any prior charge or encumbrance and we represent and warrant this to you.
12. In default of payment by us of any sums payable by us to the Bank in respect of the IDC transactions entered into with us in pursuance hereof and any penalties, which the Bank may impose on us for violation of any terms or conditions, laid down by it in respect of the said IDC transactions, we agree that the Bank may, without any obligation on its part so to do, debit our Clearing Account/RTGS Settlement Account with it for the amount due on account of the IDC support granted by it. We also agree and undertake to comply with any other pecuniary or non-pecuniary penalties, which the Bank may choose to impose on us for defaulting in complying with any terms and conditions in connection with the said Intra-Day Credit support, which the Bank may stipulate from time to time.
13. We further agree and undertake that we shall ensure that the total amount(s), outstanding under IDC transactions, shall not exceed the stipulated limit for IDC support, sanctioned by the Bank to us from time to time.
14. We further agree that we will, from time to time, without delay and whenever required by the Bank, furnish such information regarding the Securities and about the usage of the Intra-Day Credit facility, availed of from the Bank by us, as it may require us to furnish.
15. We further unconditionally agree to execute on demand such other documents, as may be required by the Bank for the above purposes.
16. We further agree and undertake to comply with the stipulations, specified by the Bank, in respect of the mechanism by which the Securities and the BD deposit and/or USD deposit shall be transferred and delivered to it and the mechanism by which the said Securities and the BD deposit and/or the USD deposit shall be held by it and/or transferred and delivered to us by it.
17. Our signatory/ies, as under, have the requisite power of attorney (copy enclosed), issued by the relevant and competent authority in our institution/organization to execute such agreements binding our organization/institution thereto.

For and on behalf of the.....

**(Name of the RTGS Member)**  
**(Signatures of authorized officers with names and designations)**