

Executive Summary

This Tailored Resolution Plan is for the foreign bank operations that are domiciled in or conducted in the United States by Riyad Bank Houston Agency (“Houston Agency”), Houston, TX, which is a foreign bank agency of Riyad Bank (“Riyad Bank” and “Bank”) headquartered in Saudi Arabia. The Riyad Bank Houston Agency is part of Riyad Bank’s overseas banking network that provides banking products, serves the corporate customer base, and allows for the Bank to provide its customers with tailored services to meet their various needs. The Riyad Bank Houston Agency is the only Saudi Arabian bank in the United States. The Riyad Bank Houston Agency plays an important role in attracting investments to and facilitating trade with Saudi Arabia, as well as assisting U.S. based and multinational companies by supporting their commercial activities in Saudi Arabia. In addition, the Houston Agency supports Saudi Arabian companies and their joint ventures in the U.S.

The Riyad Bank Houston Agency is primarily engaged in wholesale corporate commercial banking. The primary business lines of Houston Agency are:

- 1) The issuance of standby letters of credit
- 2) The participation in syndicated revolving credit and other banking facilities of companies domiciled in the U.S.
- 3) The maintenance of a small portfolio of loans aggregating less than \$60 million in total

The Houston Agency does not engage in retail banking. The Houston Agency does not accept deposits from the general public nor its customers. Additionally, the Houston Agency does not trade in investments, foreign currency or derivatives, nor participates in any hedging activities for its own account, Riyad Bank or its customer’s accounts. The Houston Agency is neither a member of the FDIC nor a member of any clearing or settlement systems. The Houston Agency is supervised and regulated by the Federal Reserve Board and the Texas Department of Banking. All payments made and funds received by the Houston Agency are transacted through a current account maintained by JP Morgan Chase. The Houston Agency does not maintain any other account at any other financial institution and no other financial institution, entity, or individual maintains an account at the Houston Agency.

Furthermore, the Houston Agency office is comprised of 12 employees. The Houston Agency operates using a management information system and financial software independent from Riyad Bank. The Houston Agency does not have any other domestic or foreign offices. The Houston Agency’s primary sources of funding are its paid in capital and borrowed funds from financial institutions.

Below is abbreviated financial information of the Riyad Bank.

Financial Highlights in Millions USD	2012 Riyad Bank
Total Assets	\$ 50,715
Total Liabilities	\$ 42,191
Total Capital	\$ 8,524
Net Income	\$ 924

The requested Tailored Resolution Plan is designed to specifically address the material entities of Riyad Bank within the United States and the critical operations and business lines domiciled in the U.S. A material entity in terms of the covered company is a subsidiary, branch, affiliate that is significant to the activities of a critical operation or core business line. Following the definitions set forth in the 165(d) and based on the financial analysis presented above, Riyad Bank does not have any material entities, operations, or core business lines located in the United States. Riyad Bank Houston Agency’s business constitutes less than one percent of Riyad Bank’s total assets and less than two percent of Riyad Bank’s net income. Additionally, as Riyad Bank Houston Agency does not participate in any clearing, payment, or settlement systems, which plays a role in financial markets, the Bank does not have any identifiable critical operations in the U.S.

In the event of material financial distress, Riyad Bank Houston Agency, for practical purposes, would rely on Riyad Bank as a source of funding. If funding was not available from Riyad Bank for any reason, under the normal course of business and given the stability of the financial markets, Houston Agency within a reasonable time frame would:

- 1) Immediately cease from booking any new business.
- 2) In the event there is difficulty in obtaining funds from third parties, sell off a portion or all of its loan portfolio to other financial institutions.
- 3) Reduce its contingent standby letter of credit exposure by:
 - a. Encouraging customers to identify other banking organizations to replace the letters of credit outstanding.
 - b. Allowing the outstanding letters of credit to expire.

The General Manager, with a team at the Houston Agency has overseen the writing of this Tailored Resolution Plan. Further, pursuant to section 3(e) of the 165(d) Rule, the Board of Directors of Riyad Bank has approved this Plan. The implementation of the Plan would be overseen by the General Manager, working in conjunction with Riyad Bank’s Senior Executive Management, as appropriate.