

RELEASE IN FULL

From: Sullivan, Jacob J <SullivanJJ@state.gov>
Sent: Saturday, October 15, 2011 9:46 AM
To: H
Subject: Fw: Afghan lawmakers OK funds for Kabul Bank bailout (AP)

This will help.

From: OpsNewsTicker
Sent: Saturday, October 15, 2011 09:44 AM
To: NEWS-Mahogany
Subject: Afghan lawmakers OK funds for Kabul Bank bailout (AP)

KABUL (AP) - Afghan lawmakers have agreed to reimburse the government for bailing out the Kabul Bank, which nearly collapsed last year.

The lower house on Saturday passed a bill to provide up to \$825 million over the next eight years to recapitalize Afghanistan's central bank.

The bank's troubles began after reports that top bank executives issued more than \$800 million worth of questionable loans to shareholders, Afghan officials and friends.

Finance Minister Omar Zakhilwal says he hopes Saturday's decision will lead the International Monetary Fund to extend Afghanistan a new line of credit.

Afghanistan has been without IMF backing for more than a year, threatening to choke off billions in aid to the country.

Zakhilwal says \$70 million worth of questionable loans has been recovered.

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