

GENERAL INSTRUCTION MANUAL

ISSUING ORG: TREASURY SERVICES DEPARTMENT

ISSUE DATE
11-27-2010REPLACES
NewSUBJECT: AMERICAN EXPRESS CORPORATE PURCHASING
CREDIT CARDAPPROVAL
SMHPAGE NO.
1 OF 7**CONTENT:**

This general instruction details the policies and procedures that cover the proper usage and responsibilities associated with the American Express - Corporate Purchasing Credit Card ("CPC"). The CPC will replace the Riyadh Bank Visa. The CPC is a Saudi Riyal credit card to be used In-Kingdom to directly purchase minor materials, related to Company operations from local vendor's stock within Saudi Arabia. These materials are considered not available in the Company inventory or not covered by active purchase agreements. The text of the instruction includes:

1. Glossary
2. Background Information
3. Purchasing Card Responsibilities
4. Card Receipt Acknowledgment
5. Card Limit
6. Monthly Reconciliation
7. Payment
8. Discrepancies and Unreconciled Items
9. Misuse of the Card
10. Lost or Stolen Cards
11. Card Cancellation

1. GLOSSARY:**1.1 ABBREVIATIONS AND ACRONYMS**

AI	Accounting Instruction
AMEX	American Express
ASAL	American Express Saudi Arabia
BOD	Banking Operations Division/TSD
CPC	Corporate Purchasing Card
ESV	Electronic Service Verification
GI	General Instruction
PO	Purchase Order
SCMM	Supply Chain Management Manual
TSD	Treasury Services Department

1.2 RELATED INSTRUCTIONS

AI 314-1	Materials Cash Purchases
AI 314-2	Corporate Purchasing Card
GI 53.006	Custodianship of Company Funds
GI 211.050	Cash Advance and Expense Settlement using eTravel
GI 211.060	Expense Report Form SA-165

GENERAL INSTRUCTION MANUAL

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ISSUE DATE
11-27-2010REPLACES
NewSUBJECT: AMERICAN EXPRESS CORPORATE PURCHASING
CREDIT CARDAPPROVAL
SMHPAGE NO.
2 OF 7

GI 211.070

Miscellaneous Payments

SCMM 01.06

Petty Cash Purchases by Saudi Aramco Organizations

SCMM 08.07

Procurement Card and Petty Cash Purchases

1.3 FORMS

American Express Application Form (Attachment I)

Acknowledgement of Responsibilities Form (Attachment II)

2. BACKGROUND INFORMATION:

- 2.1 The AMEX CPC is a blue American Express credit card issued to Saudi Aramco employees involved in the direct purchasing process and approved by their Department Heads.
- 2.2 The CPC has a special set of controls built into its use, which limit individuals' monthly total amount of expenditures and Purchase (Merchant) Categories.
- 2.3 The CPC is to be used In-Kingdom only, at any merchant that offers a point-of-sale machine connected to the American Express Global Network, to purchase departmental minor materials requirements.
- 2.4 The CPC is intended for business use only, and not be to used for personal expenses.

3. PURCHASING CARD RESPONSIBILITIES:**3.1 Eligibility**

- 3.1.1 The CPC is provided by Saudi Aramco and is designed for use by Saudi Aramco employees involved in minor purchases, for materials not available in the Company inventories or not covered under active purchase agreements. Approval by the employee's Department Head or higher is required to receive a CPC.
- 3.1.2 The CPC will be issued in the name of the employee. By accepting the CPC, the requesting Department Head and Cardholder assume responsibility for the Card and for following the policies and procedures set out in this GI.
- 3.1.3 The CPC is not transferable and shall not be used by anyone other than the Cardholder.

GENERAL INSTRUCTION MANUAL

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ISSUE DATE
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NewSUBJECT: AMERICAN EXPRESS CORPORATE PURCHASING
CREDIT CARDAPPROVAL
SMHPAGE NO.
3 OF 7

3.1.4 It is allowed to split a requirement when the total will exceeds the purchase limit.

3.2 How to Request a CPC

3.2.1 A written request approved by the Department Head or higher must be sent to BOD/TSD, requesting the issuance of a CPC, indicating the name of the applicant, badge number and a background and justification.

3.2.2 Additionally, an American Express application form (Attachment I) must be approved by a Department Head or higher, filled as follows and sent along with the request letter.

- o Name of the applicant for card embossing/signature & badge number
- o Name of Department
- o Assigned Department Cost Center
- o Cardholder business address for correspondence
- o Monthly credit limit
- o Purchase Merchant Categories (specify all categories requested)

3.2.3 The Application Form can be requested either directly from AMEX representative by sending an email to cpc.corporate@americanexpress.com.sa , or by sending an email to Treasury representatives *Treasury Banking Operations Div, at (966-3-873-8039 / 966-3-873-2299).

3.3 BOD Responsibility

3.3.1 Upon the receipt of both the request letter and the American Express Application Form, BOD/TSD will review the application for completeness and accuracy of Department information and assigned cost center. If approved, a letter will be sent along with the approved CPC application from to ASAL requesting the card issuance.

3.3.2 ASAL will issue the CPC and send the card to BOD/TSD via courier.

3.3.3 BOD will notify the Employee when the card arrives and will handle delivering the card and acknowledgment of Responsibility Form (attach II) to the requesting Department. The Acknowledgment of Responsibility must be completed by each designated cardholder.

3.3.4 BOD/TSD will authorize the cardholder to share the signed agreement with ASAL based on assigned card limit in order to create a PO into SAP.

GENERAL INSTRUCTION MANUAL

ISSUING ORG: TREASURY SERVICES DEPARTMENT

ISSUE DATE
11-27-2010REPLACES
NewSUBJECT: AMERICAN EXPRESS CORPORATE PURCHASING
CREDIT CARDAPPROVAL
SMHPAGE NO.
4 OF 7**4. CARDHOLDER RESPONSIBILITY:**

- 4.1 The employee must sign the acknowledgment of responsibility Form (Attachment II) in which he/she confirms and verify that he/she will comply with the policies and procedures outlined in this General instruction and in the Accounting Instruction Manual AI 314-1.
- 4.2 Each Cardholder will create a PO in SAP with the assistance of SCMD Division from SSAD Department.
- 4.3 After creating the PO, the Cardholder must assign a certifier and an approval for processing the PO and the payment authorization; which will be approved by the Cardholder's Department Head or Higher.
- 4.4 Dhahran Employees:
CPC's are collected from BOD/TSD Tower building, fourth floor, North wing.
- 4.5 Employees outside of Dhahran:
New CPC's for off-Site employees will be sent via courier after receiving the completed Acknowledgment of Responsibilities Form.
- 4.6 The acknowledgment of responsibility Form has to be signed by the Cardholder, and faxed to BOD at Fax: 875 0800.

Original should be mailed to the following address:
ADMINISTRATOR,
BANKING OPERATIONS DIVISION
T-464, DHAHRAN

- 4.7 After receipt of the CPC the Cardholder is responsible to call Amex Arabia toll free line number 800 442 4442 for card activation.

5. CARD LIMIT

- 5.1 Each CPC issued will be custom-tailored by setting limits on purchase categories (Merchant Category Codes) and Saudi Riyal limit in order to address the specific Department's needs.

5.1.1 Saudi Riyal Purchases Limits:

Saudi Riyal purchases limits are typically not to exceed the Monthly Credit Limit assigned to each CPC.

GENERAL INSTRUCTION MANUAL

ISSUING ORG: TREASURY SERVICES DEPARTMENT

ISSUE DATE
11-27-2010REPLACES
NewSUBJECT: AMERICAN EXPRESS CORPORATE PURCHASING
CREDIT CARDAPPROVAL
SMHPAGE NO.
5 OF 7

5.1.2 List of Applicable Merchant Categories:

1. Building Services
2. Building Materials
3. Estate and Garden Services
4. Utilities and Non-Auto Fuel
5. Telecommunication Services
6. Catering & Catering Supplies
7. Cleaning Services & Supplies
8. Medical Supplies & Services
9. Business Clothing and Footwear
10. Office Stationery/Equipment/ Supplies
11. Computer Equipment & Services
12. Print and Advertising
13. Books and Periodicals
14. Mail and Courier Services
15. Miscellaneous Industrial/Commercial Supply
16. Vehicles Services & Spares
17. General Retail and Wholesale
18. Leisure Activities

6. MONTHLY RECONCILIATION:

- 6.1 Cardholders will receive an electronic copy of summary statement from ASAL listing all transactions associated with the Card.
- 6.2 Reconciliation of CPC transactions are to be done monthly. The Cardholder will be responsible for the verification and confirmation of all card account activities to match the monthly statement report against the invoices and credit card receipts.

7. PAYMENT:

- 7.1 The Cardholder will receive a monthly ESV which includes the statement through SAP as a workflow process from ASAL, listing all activities associated with the Card. These activities will include purchases and credits made during the reporting period.
- 7.2 The Cardholder will be responsible for the verification to match the monthly statement report against the invoices and credit card receipts.

GENERAL INSTRUCTION MANUAL

ISSUING ORG: TREASURY SERVICES DEPARTMENT

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11-27-2010REPLACES
NewSUBJECT: AMERICAN EXPRESS CORPORATE PURCHASING
CREDIT CARDAPPROVAL
SMHPAGE NO.
6 OF 7

- 7.3 Once reviewed and verified, the Cardholder should confirm the match in SAP, and then the workflow will be forwarded to the Department Head or higher as part of the approval process. Once approved, the payment will be made automatically to ASAL.

8. DISCREPANCIES AND UNRECONCILED ITEMS:

- 8.1 The Cardholder will be responsible to contact American Express and BOD / TSD concerning any disputed charges which may include:

8.1.1 In case a business transaction was rejected / voided and was posted to the Cardholder monthly statement.

8.1.2 If there are any transactions that cannot be identified.

- 8.2 The Cardholder must contact American Express by phone immediately by calling customer services toll free number 800-442-4442 (24 hours).

- 8.3 In addition, the Cardholder must confirm the notification by contacting BOD (966-3-873-8039 / 966-3-873-2299) to report the issue.

- 8.4 Moreover, the Cardholder should have the voided / rejected voucher (slip) along with the monthly statement in hand if needed.

9. MISUSE OF THE CARD:

- 9.1 Misuse of the CPC may result in disciplinary actions and may be grounds for dismissal. In accordance with the Acknowledgment of Responsibilities, the Cardholder agrees to reimburse Saudi Aramco for any cost incurred by Saudi Aramco resulting from Cardholder's misuse of the card. It is the Department Manager and Cardholder responsibility to keep the card safeguarded to reduce misuse risk.

10. LOST OR STOLEN CARDS:

- 10.1 If the CPC is lost or stolen, or if the Cardholder suspects the CPC or its account number has been compromised, the Cardholder must notify American Express immediately by calling customer services toll free number 800-442-4442 (24 hours).

GENERAL INSTRUCTION MANUAL

ISSUING ORG: TREASURY SERVICES DEPARTMENT

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NewSUBJECT: AMERICAN EXPRESS CORPORATE PURCHASING
CREDIT CARDAPPROVAL
SMHPAGE NO.
7 OF 7

10.2 In addition, the Cardholder must confirm the notification by contacting BOD (966-3-873-8039 / 966-3-873-2299). The CPC program representative in BOD will confirm with American Express that the card has been blocked.

11. CARD CANCELLATION:

11.1 To cancel a CPC, the Cardholder must submit the discarded card along with a letter signed by Department Head or higher addressed to BOD for further action.

Original signed by:

SALAH M. AL-HAREKY, Manager
Treasury Services Department**FRS**
RIM

Saudi Aramco ~ American Express Corporate Purchasing Card

Merchant Experience / Sign-up - Feedback Form

Dear Colleague,

We appreciate and welcome your feedback. Please complete this quick feedback form to provide us comments and information relating to our program. You can either complete this on-line or email it, or you can send through the internal mail to the address given at the bottom of this form.

A. Cardmember Details

Card member Name :	Saudi Aramco Dept. :
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B. Merchant Experience / Sign-up Request

Merchant Name (Experience/Sign-up)		City	Amex Sign Merchant (Y/N)	Merchant Rejected Card (Y/N)	Merchant imposed a surcharge (Y/N)	Helpful Comments
1						
2						
3						
4						
5						

C. Program Feedback

Insert details of any feedback you may have:

Thank you for your feedback and participation in this program.

Email your comments to: cpc.corporate@americanexpress.com.sa

Alternatively, send a copy via internal mail to:-

Mansour Najrani;

Telephone 873-8039 (MANSOUR.NAJRANI@ARAMCO.COM)

Saudi Aramco - Treasury Services

Dhahran, Saudi Arabia

Participating Employee Acknowledgment of Responsibilities

By participating in the American Express Corporate Purchasing Card Program as a Cardholder, you assume responsibilities pertaining to the operation and administration of the Corporate Purchasing Card Program. These responsibilities include but are not limited to the following:

- The American Express Corporate Purchasing Card is to be used for business expenditures only; for purchases of materials directly related to Company operations from local source/vendor within Saudi Arabia. The Corporate Purchasing Card may only be used within the policies and procedures outlined for the Purchasing Card Program under the Corporate Accounting Instructions (AI 314-2) and General Instructions (53.007). The American Express Corporate Purchasing Card may not be used for personal or business travel and entertainment purposes.
- The Corporate Purchasing Card will be issued in the name of the employee. By accepting the Card, the employee assumes responsibility for the Card and will be accountable for all charges made using the Card. The Card is not transferable and may not be used by anyone other than the Cardholder.
- The American Express Corporate Purchasing Card must be secured at all times. If the Card is lost or stolen, or if the Cardholder suspects the Card or Account Number has been compromised, the Cardholder agrees to immediately notify American Express and their Authorizing Manager. In addition, the Cardholder must confirm the notification by contacting the Corporate Purchasing Card Program Administrator.
- All charges will be billed and paid directly by American Express. On a monthly basis, the Cardholder will receive a statement listing all activities associated with the Card; these activities will include purchases and credits made during the reporting period. While the Cardholder will not be responsible for making payments, the Cardholder will be responsible for the verification and confirmation of all Account activities.
- Cardholder Accounts may be subject to periodic internal control reviews and audits designed to protect the interest of Saudi Aramco. By accepting the Card, the Cardholder agrees to comply with these reviews and audits. The Cardholder may be asked to produce the Card to validate its existence and produce statements and receipts to verify appropriate use.
- Policies and procedures related to the Corporate Purchasing Card Program may be updated or changed at any time. Saudi Aramco will promptly notify all Cardholders of these changes. The Cardholder agrees to and will be responsible for any and all program changes.
- The Cardholder agrees to surrender and cease use of their Card upon termination of employment whether for retirement, voluntary separation, resignation or dismissal. In addition, the Cardholder must surrender and cease use of the Card in the event of transfer or relocation. The Cardholder may also be asked to surrender the Card at any time deemed necessary by Saudi Aramco.
- Misuse or fraudulent use of the Card may result in disciplinary actions and may be grounds for dismissal. Cardholder agrees to reimburse Saudi Aramco for any cost incurred by Saudi Aramco resulting from Cardholder's fraudulent use of the card.

Corporate Purchasing Card Program

Saudi Aramco | Finance

Corporate Purchasing Card Contacts

Lost or Stolen Reporting Number:	800-442-4442
American Express Customer Care:	800-442-4442
Corporate Purchasing Card Program Administrator:	03 – 873-8039

By signing below, I, _____, hereby confirm that I have read and agree to the terms and conditions of this document. I certify that as a participating Cardholder of the American Express Corporate Purchasing Card Program, I understand and assume the responsibilities listed above.

Employee Signature

Title

Badge Number

Department

Name (Print)

Date

Department Manager Signature

Title

Name (Print)

Date