

9 March 2011

CIRCULAR ME 23

**To: All Licensed Money Exchange Establishments
Operating in the Sultanate of Oman**

After Compliments,

Re: Combating Frauds

1. Attached is a copy of Circular BM 1078 dated 18th January 2011 addressed to licensed banks on the captioned subject.
2. Licensed Money Exchange Establishments (MEs) are, hereby, advised that they, too, are vulnerable to frauds (from outside and within), particularly, in the absence of sufficiently robust policies, processes, vigil and reviews and, therefore, should be guided, broadly, by the contents of the above Circular in equipping themselves suitably.
3. While MEs shall, accordingly, ensure policy, procedures, oversight, reports, review and follow up actions on incidents and attempts of fraud if any, risk management, compliance and audit with due responsibilities cast on the Owners/Board of Directors and management as stated, they should make available the periodical review reports to CBO examiners on their visit.

The minimum requirements will be as under:

- i) Policies and procedures and controlled work environment to avoid scope for occurrence of frauds (there should be policy input and overall review by the Owners/Board and implementation and oversight by management; compliance, risk management and audit should have their responsibilities carried out diligently).

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- ii) Follow up actions on any incidence (or attempt therefor) so as to investigate and take action against fraudsters and improve deficiencies, if any, within.
 - iii) Prompt report to Royal Oman Police and the Central Bank.
 - iv) Review of reports by the Owners/Board and Management half yearly.
4. All MEs shall comply accordingly.

Best regards,

Hamood Sangour Al Zadjali
The Executive President

Encl: a/a

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