



March 17, 2003

CIRCULAR BM 951

To: All Locally Incorporated Banks and Finance & Leasing Companies in the Sultanate

Sub: Financial Obligations of Chairman, Members of the Board of Directors and Executives of Locally Incorporated Banks and Finance & Leasing Companies to any of the Licensed Financial Institutions within the Sultanate of Oman

Attention of all locally incorporated banks and Finance & Leasing Companies licensed by the Central Bank of Oman is invited to the Central Bank Circulars BM/889 and BM/928 on the captioned subject.

The Central Bank has resolved further that, the requirement for removal from the respective position of a Senior Member in the management of a Bank should be extended also in respect of classification of his liabilities to any Finance & Leasing Company, by determinants of such classification indicated in Articles 1(a) to 1(c) of Circular BM/928. Please note that the liabilities of a Senior Member will include the facilities extended to his "Related Business Interests" as defined in the Regulation BM/REG/48/2/2000 conveyed through CBO Circular BM/889.

The Finance & Leasing Companies are also required to note that the stipulations in the Circulars are equally applicable in respect of Senior Members in their Institutions and should therefore be complied with strictly hereafter.

Please also note that in order to facilitate the implementation of a removal of a Senior Member of a Financial Institution due to classification of his account in another Financial Institution, the latter Institution should convey the particulars of the classification to the Central Bank without any delay.

All locally incorporated Banks and Finance & Leasing Companies should comply accordingly.

**Hamood Sangour Al Zadjali
The Executive President**