

11 June 2008

CIRCULAR FM 23

To : **All Licensed Finance and Leasing Companies
Operating in the Sultanate of Oman**

After Compliments,

Sub: Increase of Paid-up Capital

1. Reference is invited to Circular FM 20 dated 19 June 2006.
2. The Board of Governors of the Central Bank of Oman, after reviewing the capital requirement of licensed Finance and Leasing Companies in the light of overall growth in the business of FLCs and to make them strong to face competition and finance large projects and to improve requirements of financial stability, have decided that all licensed FLCs shall have and at all times maintain a paid up capital of not less than Rial Omani **Twenty** Millions as against Rial Omani Ten Millions stated in Para 1 of our Circular FM 20 dated 19 June 2006.
3. All new FLCs shall comply with the above requirement from the beginning.
4. Existing companies falling short shall, in addition to increasing their capital to the minimum required level of RO 10 million by June 2009 as advised in FM 20, should ensure increasing capital to the minimum required level of Rial Omani Twenty Millions before the end of June 2012. They are encouraged to meet at least one third of the shortfall every year after June 2009.

Best Regards,

Hamood Sangour Al Zadjali
The Executive President

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