

**IN THE NAME OF ALLAH,  
THE MOST GRACIOUS, THE MOST MERCIFUL**



**CENTRAL BANK OF SUDAN**

**All correspondence shall be addressed to the Governor  
Telegraphic address: ELBANK  
P. O. Box 313  
Khartoum**

**Date: 3<sup>th</sup>  
Rajab1431  
Corresponding to 15th  
June, 2010**

**Circular No. (6/2010)**

**Banking System Regulation and Development Department  
circulars**

**Addressed to all Banks,**

**Assalamu Alaikum Warahmatullahi Wabarakatuhu,**

**Subject: Regulations of Corporate Governance In Banks &  
Financial Institutions**

Further to circular no.(18/2009) concerning with development and activation of the corporate governance regulations aiming to regulate the selection process for the membership of the board of directors and awarded the necessary attention ,in addition taking into account the requirement and the role of the secretary of the board of directors as well as the rewards and incentives of the chairman and the members of the board of directors , it is decided the following :

**First: Boards of Directors**

1. It's not permissible to combine between the presidency of bank board of directors and membership of the board of directors for another bank.
2. The chairman of the board a minimum should hold appropriate university degree.
3. Should not nominate any person who has been isolated or blacklisted by the Central Bank of Sudan to the board of directors membership of any bank or an affiliated company **that bank is participated** only after the Central Bank of Sudan approval and after a period not less than 3 years for the Isolation date.
4. Board of directors members representing the participating entities:
  - a. Is not permissible for the participating entity representative in a bank to be its representative in more than one bank .
  - b. The participating entity representative in a bank board of directors more than once should not be changed during the council cycle only after obtaining the a priori approval from Central Bank of Sudan.
5. Secretary of the board of directors:
  - a. The application of the nominee member as a board of directors secretary should be provided to Central Bank of Sudan to report thereon, and herewith form for the required date for that purpose.
  - b. The nominated person should hold a university related to the banking business.
  - c. Be a full-time work in a bank
  - d. He should not occupy any executive position in the bank.
  - e. The period of the board of directors secretary ends , when the board period ends and could be renewed to him after obtaining the approval of the Central Bank of Sudan.
  - f. The secretary of the board can be isolated by the Central Bank of Sudan or the board of directors or the general assembly.
6. Meetings of the board of directors and general assemblies of banks.
  - a. Banks are prohibited from holding meetings of the general assemblies outside the country.

- b. Half of the board of directors meeting must be held at least in Sudan in the bank headquarters.
- c. Banks should send the information to be displayed in the general assembly meeting to the general department for banking supervision before two weeks of the date of execution, and should be studied by specialized department, and in the case of information is not satisfied for the required and necessary parties the bank will be alert for its inclusion, and if they do not, the Central Bank of Sudan will provide the statement of the general assembly in that purpose.

### **Second: Management Agreements**

The management agreements aim to benefit from the expertise and the possibilities of other banks whether internal or external has a long experience in the field of work and witnessed success in the banking business and provide support in all its forms(technical and administrative support)and drafting the contracts ,preparation of feasibility studies, setting regulation for recruitment , selection ,training for the staff , and preparation of estimated budgets,...etc), therefore the Central Bank of Sudan not opposed the entrance of a bank into such agreement according to the following conditions :

1. In the event that a bank has participation from foreign banks, the providing support entity should be a third party other than the foreign participated entities in the local bank.
2. Must obtain the approval of the central Bank of Sudan for all items of the agreement.
3. The necessity to ensure the familiarity of the second party (support provider) with entire aspects of the Sudanese banking business and compliance with all regulations and guidelines.
4. The entity that signed the agreement should be a financial institution.
5. The time period of the agreement two years as a maximum and should not be renewed only after returning to the Central Bank to study the renewal justifications and the position of the evaluation of the return of the first period of agreement.

6. The bank must follow-up the performance of the support providers under the agreement, and provides semi –annual report of the Central Bank of Sudan to determine the extent of implementation of the agreement.
7. You must obtain the prior approval of the Central Bank of Sudan when you implement any financial obligation to the second party (support provider).
8. Fees paid for the agreement should not be a percentage of the profits, but the estimated amount determined in advance depending on the service provided.
9. The contractor should be committed with the authorized powers in the agreement and not intervene the executive work, particularly in the area of finance ,investment ,and ratification of finance operations , so that work is limited to provide technical support, consultation, foreign transactions , and correspondents, and which not conflict with the executive work.
10. The support provider should be committed to preserve the information confidentiality which acquainted with them through its work.
11. In the case of a dispute between the bank and contractor who provide support is to resort to arbitration and this is done according to the laws in force in Sudan.
12. There is no reason that prohibits the foreign banks to open branches in Sudan or any other entities wish to establish foreign bank in Sudan , should be disclosed its desire for assistance from external entity to provide technical and administrative support when applying for certification to practice the banking business in Sudan.

**for/ Central Bank of Sudan**

**Rania Mohamed Elhassan Mahasin Abdelhafeez Hamad  
Banking Affairs Directorate,  
Banking System Regulation and Development Department**

**IN THE NAME OF ALLAH,  
THE MOST GRACIOUS, THE MOST MERCIFUL**

**Banking System Regulation and Development Department**

**Personal Questionnaire for the Nominees to the  
secretariat of the Board of Directors Banks**

- 1) Name : .....
- 2) Nationality:.....
- 3) Date of birth:.....
- 4) Academic qualifications and specialization:.....  
.....
- 5) Current position: .....
- 6) Employer: .....
- 7) Practical experiences and previous .....
- 8) Do you work in executive jobs within the bank or a member of a group of individuals or entities that have a controlling share in the bank capital

Yes  No

(If the answer is yes give the details).....

- 9) Do you occupy any position in any other bank ?  
Yes  No

(If the answer yes give the details).....

- 10) Do you have a relationship directly or indirectly, with the nominees of the secretariat of the bank board of directors or have a family relationship with any person working in leadership position or in one of its subsidiaries.
- 11) How you or the entities owned or participated have a non-performing loans with any bank?

Yes  No

(If the answer is yes give the details).....

- 12) Have you ever declared your bankruptcy or ceased to repaying your debts(loans) , or undertook any settlements to reschedule your debts.  
Yes  No

(If the answer is yes give the details).....  
13)Have you ever committed any banking violation and have been exposed to punishment or have any legal action taken against you .

Yes

No

(If the answer is yes give the details).....  
13) Have you ever been sentenced to imprisonment for any reason in any country?

Yes

No

(If the answer is yes give the details).....  
14)I acknowledge that the statements stated in my answer to the questions are complete and correct and I undertake to advise immediately the Central Bank of Sudan with any change that occurs when I become aware of it .

Name : .....

Signature :.....

Date : .....

Name of the Bank:.....

Signature of the Secretary of the Board of Directors and the stamp of the Bank

.....

Date : .....

Note :

In case of any misrepresentation the application shall be rejected and the nominee shall be denied any future nomination and shall be banned from any banking business together with taking legal proceedings against him.