



**February 4, 2015**

### **SBP revises criteria for renewal of license of Exchange Companies**

The State Bank of Pakistan has decided to amend its instructions relating to renewal of license of Exchange Companies (ECs).

In this Circular attention of Exchange Companies is invited to instructions contained in FE Circular No. 02 dated April 20, 2012 in terms of which duration of license of exchange companies was linked with the inspection rating of the respective exchange company.

State bank decided that henceforth licenses of exchange companies shall be renewed for five years from the date of expiry of the license. However, license shall be renewed after giving due consideration, inter alia, to SBP inspection report, compliance status, corporate governance and financial health of the exchange company.

The request for renewal of the license must reach State Bank of Pakistan at least 60 days before expiry of the license. All other terms and conditions on the subject shall remain unchanged, says FE Circular No. 01 of 2015 issued to the Chief Executives of all Exchange Companies.