



Bilangan Kami : JPIT/PT/1/45/1/MAM

29 July 2015

Ketua Pegawai Eksekutif
Penanggung Insurans Berlesen
Pengendali Takaful Berlesen

Tuan,

**Regulatory Treatment of BNM *Mudarabah* Certificate (BMC) for
Licensed Insurers and Licensed Takaful Operators**

The BMC is an Islamic monetary instrument or *sukuk* issued by Bank Negara Malaysia (the Bank) for the purpose of managing liquidity in the Islamic money market. The BMC is denominated in Ringgit and structured based on profit-sharing agreement between the Bank and *sukuk* holders (*rabbul mal*). The Bank will undertake the role of investment manager (*mudarib*) to mobilise and invest the *sukuk* holders' funds. In line with the *mudarabah* contract, the profit generated from the investment will be distributed between the Bank and *sukuk* holders based on the agreed profit sharing ratio and losses will be borne by *sukuk* holders.

2. We wish to inform that with immediate effect, the licensed insurers and licensed takaful operators that are the *sukuk* holders shall observe the regulatory treatments as follows:

- a) for the purpose of applying the credit risk capital charges and acceptable collateral under risk-based capital requirements, the risk charges and multiple adjustments for eligible collateral shall be applied according to the requirements as specified under Appendix I of Risk-Based Capital Framework for Insurers¹ (RBC) and Appendix I of Risk-Based Capital Framework for Takaful Operators² (RBCT) respectively and;
- b) for the profit or interest rate risk under the market risk capital charges, the computation shall be guided by the requirements as per Appendix II of RBC and Appendix II of RBCT accordingly.

Sekian, harap maklum.

Yang benar,

(Wan Mohd Nazri b. Wan Osman)
Pengarah
Jabatan Perbankan Islam dan Takaful

s.k. Pengarah, Jabatan Dasar Kewangan Pruden

¹ Issued on 20 June 2013.

² Issued on 26 June 2013.