

22 Januari 2019

Pemegang Lesen Perniagaan Perkhidmatan Wang

Tuan/Puan

Requirements for Directors and Chief Executive Officers to Attend the Money Services Business Directors Education Programme (MSB–DEP)

This circular is issued pursuant to section 74(1) of the Money Services Business Act 2011 (MSBA). The circular is applicable to all licensees and takes effect from 22 January 2019.

2. To ensure that money services business (MSB) activities are conducted professionally and in compliance with applicable laws and requirements, key responsible persons of a licensee such as directors and Chief Executive Officers (CEO) play a critical role in promoting sound governance, financial and management practices.

3. In support of this, the ICLIF Leadership and Governance Centre (ICLIF) and the Malaysian Association of MSB (MAMSB) have jointly developed the MSB–DEP. The objectives of the MSB–DEP are to:

- a) promote greater clarity on the roles and responsibilities of MSB directors and CEOs in discharging their functions;
- b) foster more effective boardroom governance and processes in providing continuous oversight and strategic direction to the licensee;
- c) assist the board of directors to embed a strong risk management and compliance culture for the licensee;
- d) enhance the board of directors' effectiveness in deliberations on licensees' affairs and decision making; and
- e) equip directors and CEOs with the ability to recognise and evaluate wide-ranging issues and their impact on risk and corporate strategy.

4. All licensees with an annual turnover of RM30 million and above are required to ensure that their directors and CEOs enrol into and attend the MSB–DEP in accordance with the timelines specified as follows:

	Requirements	Timelines
For directors and CEOs appointed:	<ul style="list-style-type: none"> • Enrol into the programme 	➤ By 31 March 2019
a) Prior to and on the effective date of this circular	<ul style="list-style-type: none"> • Attend the programme 	➤ By 31 March 2021
b) After the effective date of this circular	<ul style="list-style-type: none"> • Enrol into the programme 	➤ Within 2 months of his / her appointment
	<ul style="list-style-type: none"> • Attend the programme 	➤ Within 12 months of the enrolment date

For broader exposure in the area of governance, directors and CEOs may opt for the Financial Institutions Directors' Education (FIDE) programme offered by ICLIF, as an alternative to the MSB–DEP.

5. Licensees with an annual turnover of below RM30 million are encouraged to attend the MSB–DEP. Notwithstanding this, Bank Negara Malaysia reserves the right to require a licensee to ensure its directors and CEO attend the MSB–DEP programme, based on supervisory and other considerations.

6. Any non-compliance with the requirements in this circular will be subject to appropriate actions as provided under the MSBA.