APPLICATION FOR A COMMERCIAL BANK LICENCE

SUBMISSION OF APPLICATION FORM

The application should be submitted and signed by the Chief Executive Officer or a person of higher authority in the applicant financial institutions. All applications should be directed to:

Director
Financial Sector Development Department
Bank Negara Malaysia
10th Floor, Block A
Jalan Dato' Onn
50480 Kuala Lumpur
Malaysia

Applications should reach Bank Negara Malaysia latest by the following dates:

(i) For new commercial banking licences to specialised players: 31 October 2009
(ii) For new commercial banking licences: 31 December 2009

SECTION I: DETAILS OF APPLICANT

(a) Name of Applicant Bank

(b) Address of registered head office and principal place of business (if different)

Contact number		Fax	
Website address			

(c) Details of incorporation / registration

Date		Incorporation/ registration number	
Place of incorporation / registration			
Form of incorporation (e.g. public limited company, private limited company, limited liability partnership etc.)			

(d) Applicant (Chief Executive Officer or higher)

Name			
Designation			
Contact number		Fax	
E-mail			
Declaration	I hereby attest that the information submitted in this application is true to the best of my knowledge. Misrepresentations or omissions of material facts may be grounds for rejecting this application.		
	Signature		
	Date of application		

SECTION II: BACKGROUND INFORMATION

A. BRIEF HISTORY

Please provide a brief history of your bank, including information on any takeovers involving your bank or merger with other entities. If the group is undergoing or planning to undergo a restructuring globally, please elaborate how these changes may affect the operations in Malaysia. Information should include principal business activities of main operating subsidiaries.

B. OWNERSHIP STRUCTURE

Please provide an ownership structure (showing all subsidiaries and associates) of your bank and group (including holding company and above) with substantial interest[1] or ability to exert significant influence over your bank, with the names and shareholding of substantial shareholders in your bank and your bank's holding company.

C. OVERSEAS NETWORK

Please provide a list of your bank's international branch network, including representative offices and joint ventures.

D. ADVERSE RECORDS

Please elaborate on the following, where applicable:

- if your bank (including branches) or your bank's holding company has been convicted in a Court of Law during the last 3 years or if are there any proceedings now ongoing which may lead to such a conviction;
- if your bank (including branches) or your bank's holding company has been reprimanded or has had restrictions imposed on its operations by your bank's home or other regulatory authorities; or
- if your bank had any of its previous applications to establish in other countries rejected and the reason for rejection.

[1] 5% or more (directly or indirectly) of the voting shares of the applicant.

SECTION III: FINANCIAL STRENGTH AND SOUNDNESS

A. CREDIT/ FINANCIAL STRENGTH RATING

Please provide your bank's highest and lowest ratings in each of the last 3 years, together with rating reports, if any, from the following rating agencies:

(i) Fitch
(ii) Moody's
(iii) Standard & Poor's
(iv) Any other international rating agencies (please specify)

B. RANKING

Please provide your bank's ranking internationally (as specified in "The Banker") and in your domicile country for the past 3 years in terms of:
(i) Total assets (including value in USD)
(ii) Tier 1 capital (including value in USD)
If the bank is not ranked, please provide the ranking of the group.

C. FINANCIAL POSITION AND PERFORMANCE

Please provide details on the financial position and performance of your bank's business, including key performance indicators for each of the last 3 years and explanation for any significant changes. Key performance indicators must include:
(i) Capital adequacy (e.g. risk weighted capital ratio);

(ii) Profitability (e.g. return on assets, return on equity); and

(iii) Asset quality (gross non-performing loan ratio[2]).

D. SIZE OF OPERATIONS

Please provide, in absolute and percentage terms, the total size of your bank's overseas operations in relation to its global operations.

	20__		**20__**		**20__**	
	US$	**%**	**US$**	**%**	**US$**	**%**
Assets						
Pre-tax profit						

[2] Gross non-performing loans / total loans

SECTION IV: PLANS FOR MALAYSIAN OPERATIONS

A. OVERVIEW

Proposed name of new Malaysian subsidiary

Proposed date for commencement of operations

B. CAPITAL

Please provide details on the capital structure (amount in RM and the category of shares) as well as the sources of capital to be invested

Authorised	Issued	Paid-up	Source of capital

C. STRUCTURE OF BUSINESS

Please provide a business plan which incorporates the goals or milestones of the Malaysian subsidiary's first 3 years of operations and covers the following areas:

(1) A proposed ownership structure of the Malaysian subsidiary, which should include the reporting lines to your bank's head office and/or any intermediate entity exercising control over the subsidiary, where applicable. Please also complete the attached Form BNM/SH.

(2) Briefly describe how the subsidiary in Malaysia will be supervised by the applicant.

(3) A list of the proposed directors and senior management of the Malaysian subsidiary, their responsibilities and experience in relevant financial operations that commensurate with the intended activities of the Malaysian subsidiary.

(4) A detailed outline of the proposed strategy and activities of the Malaysian subsidiary and demonstrate how the proposed subsidiary will be able to contribute towards the development of the Malaysian economy and financial sector. This would include details of any specialised area of business proposed, relevant expertise to support the provision of such services and ability to fulfill the financing and other financial services needs of the economy, especially in areas where there are gaps in the current financial system and in areas of new growth.

(5) Elaborate on any additional value proposition you can bring, for e.g., establishment of shared services and outsourcing centre and contribution towards reinforcing Malaysia's position as an international Islamic financial hub.

(6) Describe how the subsidiary in Malaysia will be staffed, providing an estimate of the total staff envisaged as well as plans to ensure continuous human capital development.

(7) Please provide projections, through detailed pro forma financial statements, for the Malaysian subsidiary for the 3 years following the commencement of business in Malaysia (stating the assumptions used in deriving the projections) including relevant key financial ratios.

(8) Outline the risk management systems and procedures to be adopted to control and monitor risks in the Malaysian subsidiary, including the oversight of outsourced functions and corporate governance structure.

SECTION V: REGULATORY SYSTEM IN HOME COUNTRY

A. OVERVIEW

Briefly describe the banking system in your bank's home country and the functions and powers of the regulatory authority of your bank and holding company that are in accordance with internationally accepted best practices and standards. If your bank's home country issues more than one type of banking licence, please provide details on the licence that your bank operates.

B. SUPERVISORY FRAMEWORK

Please elaborate the extent to which your bank's supervisory authority exercises consolidated supervision, including the supervisory arrangements your bank, its subsidiaries and associates are subject to in assessing your bank's overall financial condition and compliance with laws and regulations. Please also indicate if your home country's legislation allows for the exchanging of information between overseas supervisory authorities.

SECTION VI: SUPPORTING DOCUMENTS

Please ensure the following documents are submitted together with the application. Where the original document is not in English, please provide a certified English translation[3].

(a) Letter from the home country supervisory authority, which includes:
- statement of no objection towards the establishment of a subsidiary in Malaysia
- confirmation that your bank is of good financial standing
- agreement to co-operate in the supervision of the proposed subsidiary in Malaysia, in terms of the Basel Concordat

(b) Board resolution or resolution of the highest decision making body of your bank in respect of carrying out a banking business in Malaysia

(c) Undertaking by your bank to keep Bank Negara Malaysia informed of any material adverse developments affecting its financial soundness and/or reputation globally

(d) Certified copy of the Memorandum and Articles of Association of your bank or other constituent documents under which your bank is established

(e) Certified copy of licence held by your bank

(f) Certified copy of your bank's latest unaudited financial statements

(g) Published annual reports with audited annual financial statements for the last 2 years of your bank and your bank's holding company or any shareholder with substantial interest or ability to exert significant influence over your bank.

(h) Any other information which will support the application.

[3] The documents and translation must be certified by a notary public and authenticated at the Malaysian Embassy of the applicant's home country.

Name & address of shareholder	Type of legal entity of shareholder[4]	Domicile country	Class of shares held	Nominal value of voting shares held	% share-holding	Name & address of representative (if any) of shareholders on Board of Directors	Nature of business of shareholder

Note: Please provide particulars of major shareholders of the Malaysian operation

[4] State whether shareholder is an individual, corporation (declare types of corporation, for example limited or unlimited, etc.) society, co-operative, sole proprietorship, etc.

INFORMATION SUBMISSION CHECKLIST

Please tick (√) or (X) only. Do not leave any of the parts blank. If tick (X), please provide rationale under comments.

		To be completed by Applicant	For BNM use only
	Application form		
1.	Details of applicant		
2.	Background information of the applicant		
3.	Applicant's financial strength and soundness		
4.	Business plans for Malaysian operation		
5.	Regulatory system in home country		
6.	Form BNM/SH		
	Supporting documents		
1.	Letter of awareness from home country supervisory authority		
2.	Board resolution or resolution of the highest decision making body of the applicant in respect of the application		
3.	Letter of undertaking by the applicant		
5.	Certified copy of Memorandum and Articles of Association or other constituent documents of the applicant		
6.	Certified copy of licence held by applicant		
7.	Certified copy of the applicant's latest unaudited financial statements to date		
8.	Published annual reports with audited annual financial statements for the last 2 years of the applicant and the applicant's holding company or any shareholder with substantial interest/influence over the applicant		
9.	Other documents (please specify)		

Officer responsible for information submission:

Signature:_____Phone number:_____
Name:_____Email:_____
Designation:_____ Date: _____
Comments:
_____
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