

APPLICATION FOR INTERNATIONAL ISLAMIC BANK LICENCE (FORM IIB)

NOVEMBER 2007

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Introduction

On 14 August 2006, Bank Negara Malaysia (BNM) launched the Malaysia International Islamic Financial Centre (MIFC) initiative comprising several key measures as part of the efforts to strengthen Malaysia's position as an international Islamic financial hub. The initiative among others, allows Islamic financial products and services that are transacted in foreign currencies to be conducted from anywhere in Malaysia. One of the key measures include issuing new licences under the Islamic Banking Act 1983 (IBA) to qualified foreign and Malaysian financial institutions to conduct Islamic banking business in international currencies. The new entity will be termed **International Islamic Bank (IIB)**.

Notes for completion of Form IIB

1. These notes provide general instructions on the submission of the application for an IIB licence.

2. To facilitate the application process, BNM has drawn up a proforma application form, Form IIB and a sample memorandum of undertaking.

3. **Part A** should be completed by:
   i. Malaysian-owned and locally incorporated foreign-owned banking institution licensed under the Banking and Financial Institutions Act 1989 seeking a licence under the Islamic Banking Act 1983 for the sole and exclusive purpose of carrying on Islamic banking business in international currencies via a subsidiary set-up; or
   ii. Malaysian-owned and locally incorporated foreign-owned banking institution licensed under the Banking and Financial Institutions Act 1989 seeking a licence under the Islamic Banking Act 1983 for the sole and exclusive purpose of carrying on Islamic banking business in international currencies via a branch set-up.

4. **Part B** should be completed by:
   i. Foreign financial institution seeking a licence under the Islamic Banking Act 1983 for the sole and exclusive purpose of carrying on Islamic banking business in international currencies via a subsidiary set-up; or
   ii. Foreign financial institution seeking a licence under the Islamic Banking Act 1983 for the sole and exclusive purpose of carrying on Islamic banking business in international currencies via a branch set-up.

5. The completed Form IIB, which should be bound together with the requisite documents, should be submitted with the application letter to:-

Director
Islamic Banking and Takaful Development Department
Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
MALAYSIA

6. All applications will be acknowledged.

7. BNM may require submission of any other relevant documents.

Certified translation of documents

8. Where a document or a certified copy of it to be lodged with BNM is neither in the national language of Malaysia nor in English, the applicant is required to lodge, at the same time, a certified translation of such document either in the national language of Malaysia or in English.

9. Translated documents must be certified in the following manner:-

i. By an official to whom the custody of the original instrument, certificate, contract or document is committed, being an official holding or purporting to hold an office corresponding to that of the Register in the place in which the corporation is formed or incorporated; and

ii. By a notary or a translator public duly admitted and sworn in accordance with the law of the place in which the corporation is formed or incorporated.

Authorisation of documents and forms lodged

10. Documents submitted to BNM with Form IIB shall be certified and accompanied by a declaration to that effect by the authorised signatories. Further, the name(s) of the person(s) signing the documents and Form IIB lodged shall be legibly written or typewritten against the signature(s) of that person(s).

11. Applicants are also required to attach evidence of proper authorisation to submit the application, for example, a directors' resolution. In the case of a person applying on behalf of an applicant, a power of attorney.

Secrecy of information submitted to BNM

12. All information submitted to BNM in respect of the application for an IIB licence shall be treated as strictly confidential.

BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

APPLICATION FOR INTERNATIONAL ISLAMIC BANK LICENCE

FORM IIB

NOTES FOR APPLICANT

Please submit all required documents to the following address:

Director
Islamic Banking and Takaful Development Department
Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
Malaysia

An application is not considered complete until all documents are received by BNM

PART A

This part is only applicable to:

- Malaysian-owned and locally incorporated foreign-owned banking institution licensed under the Banking and Financial Institutions Act 1989 seeking a licence under the Islamic Banking Act 1983 for the sole and exclusive purpose of carrying on Islamic banking business in international currencies via a subsidiary set-up; or

- Malaysian-owned and locally incorporated foreign-owned banking institution licensed under the Banking and Financial Institutions Act 1989 seeking a licence under the Islamic Banking Act 1983 for the sole and exclusive purpose of carrying on Islamic banking business in international currencies via a branch set-up.

BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

DETAILS OF APPLICANT

1. Name of applicant			
2. Proposed form of IIB	IIB – subsidiary ☐ IIB – branch ☐		
3. Principal business			
4. Date of incorporation			
5. Incorporation number			
6. Place of incorporation			
7. Address of principal place of business			
8. Capital (in nearest RM million)	Authorised	Issued	Paid-up

DETAILS OF PROPOSED IIB

1. Proposed name			
2. Proposed principal business			
3. Date of proposed incorporation (for subsidiary set-up)			
4. Place of proposed incorporation (for subsidiary set-up)			
5. Proposed principal place of business			
6. Proposed capital (in nearest RM million)	Authorised	Issued	Paid-up
7. Particulars of proposed director/ chief executive officer of proposed IIB	Complete Form BNM/APP (p.8)		
8. Major shareholders of proposed IIB	Complete Form IIB/2 (p.13)		

Upon obtaining relevant documents of the proposed IIB, certified copies of the documents will need to be submitted to BNM.

PERSONAL PARTICULARS OF APPOINTEE

Applicant Licensed Institution/Financial Holding Company	

1	**NAME [Encik/Puan/Others (please specify)]**		
2	**IDENTITY CARD NO. [1]/**		**3 PASSPORT NO. [2]/**
	New		
	Old		
4	**DATE OF BIRTH**		
5	**NATIONALITY**		

6	**RESIDENTIAL ADDRESS**	**7 CONTACT DETAILS**
		Telephone No. (House):
		Telephone No. (Mobile):
		E-Mail:

8 ACADEMIC AND PROFESSIONAL QUALIFICATION (Please state the latest qualification obtained first)

Qualification	Awarded by	Country	Year Obtained
Example			
Association of Chartered Certified Accountants	**The Association of Chartered Certified Accountants**	**United Kingdom**	**1985**
Bachelor of Science in Economic	**The University of Manchester**	**United Kingdom**	**1982**

9	**CURRENT EMPLOYER INFORMATION [3]/**	
	Organization Name	
	Designation	
	Address	
	Telephone No.	

10 WORKING EXPERIENCE (Please state the latest position held first)

Position Held/Department	Main Responsibilities	Organization/(Principal Activity)	Country	Duration
Example				
Managing Director	Responsible for the day to day running of the banking institution.	ABC Bank Malaysia Berhad/ (Commercial Bank)	Malaysia	2001-present
Senior General Manager/Risk Management	Profiling of portfolio risk. Evaluate and monitor portfolio management.	National Australia Bank Limited/ (Commercial Bank)	Australia	1995-2001
General Manager/Operations	Overseeing operational functions	Shell International PLC/(Oil and Gas Trading)	United Kingdom	1991-1995

Note

1 For Malaysian Citizen: Please enclose a photocopy of Identity Card (front and back) marked "For Bank Negara Malaysia use".

2 For Non-Malaysian Citizen: Please enclose a photocopy of Passport (the personal particulars pages only) marked "For Bank Negara Malaysia use".

3 For Practising Accountants and Lawyers: Please refer to paragraph 2.56 of the “Guidelines on Corporate Governance for Licensed Institutions” (Revised BNM/GP1) and 2.57 of the “Guidelines on Corporate Governance for Licensed Islamic Banks” (Revised BNM/GP1-i)

11 POLITICAL POSTS CURRENTLY HELD

Name of Political Party	Position Held

12 PRESENT DIRECTORSHIP IN COMPANIES

Company Name	Company No.	Date of Incorporation	Designation	Principal Activity
Example				
Persona EZY Berhad	056233-W	10/10/2002	Independent Director	Retail
Multi ABC Sdn Bhd	078966-W	12/12/2002	Chairman	Retail

13 INFORMATION ON FINANCIAL OBLIGATIONS [Not applicable to Deputy CEO/CFO (or their equivalent)]

A. INFORMATION ON THE APPOINTEE'S INDIVIDUAL/JOINT ACCOUNTS/BUSINESS ACCOUNTS

Name of Borrower	Company No.	Date of Incorporation	Name of Institution	Type of Account	Account No
Example					
Encik Ali Azhar bin Ahmad	560619-07-5358	-	XYZ Bank	Housing Loan	12556229
JPT Sdn Bhd	123789-L	16/07/2006	CBD Bank	Term Loan	89543613

B. INFORMATION ON FAMILY-OWNED COMPANY BUSINESS ACCOUNTS

Name of Borrower	Company No.	Date of Incorporation	Name of Institution	Type of Account	Account No
Example					
EFG Sdn Bhd	123456-T	15/07/2003	ABC Bank	Term Loan	65489127

C. FINANCIAL GUARANTEE GIVEN TO A PERSON

Name of Borrower	IC No. / Company No.	Date of Incorporation	Name of Institution	Type of Account	Account No
Example					
Ali bin Abu	830605-10-5847	-	ABC Bank	Term Loan	84230951
Akira & Co	W-789666	14/11/2005	DEF Bank	Term Loan	84236549

STATUTORY DECLARATION BY APPOINTEE (Not-applicable for Deputy CEO, CFO or equivalent)

I, ____ (name of applicant)____, of _____ (address of applicant)_____ I/C No_____ do solemnly and sincerely declare that:

A. I am not subject to the disqualifications mentioned below:

(i) I am not a bankrupt. I have not suspended any payments, or compounded with my creditors, whether within or outside Malaysia. In addition, to my knowledge and belief, there are no bankruptcy proceedings being initiated against me at present and I have never been declared a bankrupt by any court or competent authority within or outside Malaysia;

(ii) Without prejudice to paragraph (iii), no charge for a criminal offence relating to dishonesty, fraud or violence under any written law punishable with imprisonment for one year or more, whether by itself, or in lieu of, or in addition to, a fine, has been proved against me in any court within or outside Malaysia;

(iii) No charge for any offence under the Banking and Financial Institutions Act 1989 (BAFIA) or Islamic Banking Act 1983 (IBA) has been proved against me;

(iv) There has not been imposed against me any order of detention, supervision, restricted residence, banishment or deportation, or any form of restriction or supervision by bond or otherwise, under any law relating to prevention of crime, or to preventive detention for prevention of crime or drug trafficking, or to restricted residence, or to banishment or immigration;

(v) I have not been a director of, or directly concerned in the management of, any corporation which is being or has been wound up by a court or other authority competent to do so within or outside Malaysia, or of any licensed institution, the licence of which has been revoked under the BAFIA/IBA; and

B. I am : *(delete whichever is not applicable)*

(i) representing the interests of _____; or

(ii) not representing the interests of any person.

C. To my knowledge and belief, all the minimum "fit and proper criteria" as specified in Second Schedule of the BAFIA and the Guidelines on Corporate Governance for Licensed Institutions (Revised BNM/GP1) or for Licensed Islamic Banks (Revised BNM/GP1-i) have been complied with;

D. To my knowledge and belief, all the minimum requirements of an Independent Director as specified in Revised BNM/GP1 or GP1-i (For Independent Director only) have been complied with; *(delete if not applicable)*

E. All the information submitted in this form is true and complete.

AND I MAKE THIS SOLEMN DECLARATION CONSCIENTIOUSLY BELIEVING THE SAME TO BE TRUE, AND BY VIRTUE OF THE PROVISIONS OF THE STATUTORY DECLARATIONS ACT 1960.

SUBSCRIBED AND SOLEMNLY DECLARED BY THE ABOVENAMED

_____

AT _____

IN THE STATE OF _____

THIS DAY OF _____ **20**_____

Before me:

(Signature of Sessions Court Judge,

Magistrate or Commissioner For Oaths)

APPOINTEE'S CONSENT FOR DISCLOSURE OF INFORMATION

Pursuant to section 99(1)(a) of the Banking and Financial Institutions Act 1989, section 120(1)(c) of the Development Financial Institutions Act 2002 and section 34(3)(a) of the Islamic Banking Act 1983, I hereby authorize all the Licensed Institutions, Development Financial Institutions and Islamic Banks where I maintain my accounts or have financial liabilities to disclose to Bank Negara Malaysia, any information relating to my accounts and financial liabilities for the purpose of processing this application.

Signature: _____ Date: _____

Name of Appointee: _____

GLOSSARY

Note: Glossary is enclosed for the Appointee's reference only. Please detach before submitting the forms to Bank Negara Malaysia.

Family-Owned Company means a corporation in which (a) the Appointee, (b) that Appointee's spouse or (c) that Appointee's child, holds, or any two or more of the persons mentioned above, hold, severally or jointly, interests in shares of more than fifty per centum of the shares of the corporation.

Financial Guarantee includes personal guarantee or corporate guarantee, indemnities, undertakings or other obligations where the Appointee is **ultimately** liable in whatsoever manner for the debts of the company/business/partnership/borrower.

Financial Obligations
Refers to all personal/joint account/business account (excluding savings account and fixed deposit accounts), liabilities, family-owned company account and provision of guarantees where the Appointee is ultimately liable:

(a) Individual/Joint Account/Business Account
Refers to liabilities such as Term Loan, Housing Loan, Vehicle Loan, Overdraft, Current Account with overdraft facility, Credit Card, Charge Card, Off Balance Sheet Item and other liabilities where the Appointee is **ultimately** liable for the debts of the borrower. Liability for Credit Card and Charge Card includes the supplementary cardholder.

(b) Family-Owned Company Account

Refers to liabilities such as Term Loan, Bridging Loan, Vehicle/Hire Purchase Loan, Overdraft, Current Account with overdraft facility, Credit Card, Charge Card, Off Balance Sheet Item and other liabilities of the family-owned company, where the Appointee is **ultimately** liable for the debts of the borrower. Liability for Credit Card and Charge Card includes the liability of the supplementary cardholder.

Person includes an individual, any corporation, statutory body, local authority, society, trade union, co-operative society, partnership and any other body, organization, association or group of persons, whether corporate or unincorporate.

Form IIB/2

MAJOR SHAREHOLDERS OF PROPOSED IIB

Name of proposed IIB: _____

This is to certify that the following is a complete list of shareholders who each will hold ten (10) percent or more of the voting shares of the proposed IIB:

Name and address of shareholder	Type of legal entity[1] of shareholder	Class of shares to be held	Nominal value of voting shares to be held	% of share-holding	Name and address of representative (if any) of shareholders on proposed IIB's Board of Directors	Nature of business of shareholder	Any other association with banking business

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

DOCUMENTS TO BE SUBMITTED UPON APPLICATION

The following documents and other items are to accompany the application:

1. Description detailing background of the applicant and main area of business accompanied, if applicable, by a chart showing the relationship among the companies in the group of companies of which the applicant is a member.

2. Audited financial statements for the last two years preceding the date of application.

3. A three-year business plan. The business plan should include but not limited to the following:-

    i. Objectives and proposed type of activities to be carried out by the proposed IIB;
    ii. Applicant's target markets and business operations; and
    iii. An assessment of risk that may be faced by the proposed IIB, together with the proposed systems and control framework to be put in place for addressing those risks and to be used for the main business functions.

4. Memorandum of undertaking from the parent company to be furnished by the applicant, in a form acceptable by BNM, which shall provide, inter alia, that:-

    i. The proposed IIB shall comply with the financial obligations and requirements and shall meet the applicant's liabilities in respect of its Islamic banking business in international currencies in Malaysia; and

    ii. Every director/ chief executive officer of the proposed IIB shall be a fit and proper person and the appointment of such director/ chief executive officer shall only be made after consultation with BNM.

5. Constituent documents, under which the applicant is established, duly certified by a director or the chief executive officer.

INFORMATION SUBMISSION CHECKLIST

Please indicate in the box on the right, where/ which paragraph(s) in your submission are the information required in the Guidelines located.

		To be completed by Applicant	For BNM use only
1.	Details of applicant		
2.	Details of proposed IIB		
3.	Forms BNM/APP & IIB/2 (where applicable)		
4.	Description on detailed background of applicant		
5.	Audited financial statements		
6.	Business plan		
7.	Memorandum of undertaking from parent company/ head office		
8.	Directors' resolution/ Power of Attorney		
9.	Appendices I & II		
10.	Constituent documents		
11..	Other documents (please specify)		

Officer responsible for information submission:

Signature:_____Phone number:_____

Name:_____Email:_____

Designation:_____ Date: _____

Comments:

_____

_____

_____

_____

***** Please tick (√) and indicate relevant page in the application or (X) only. Do not leave it blank.

PART B

This part is only applicable to:

- Foreign financial institution seeking a licence under the Islamic Banking Act 1983 for the sole and exclusive purpose of carrying on Islamic banking business in international currencies via a subsidiary set-up; or

- Foreign financial institution seeking a licence under the Islamic Banking Act 1983 for the sole and exclusive purpose of carrying on Islamic banking business in international currencies via a branch set-up.

BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

DETAILS OF APPLICANT

1. Name of applicant			
2. Proposed form of IIB	IIB – subsidiary ☐ IIB – branch ☐		
3. Principal business			
4. Date of incorporation/ registration			
5. Incorporation/ registration number			
6. Place of incorporation/ registration			
7. Address of principal place of business			
8. Capital (in nearest million – USD or RM equivalent)	Authorised	Issued	Paid-up
11. Address of registered office in country of incorporation			
12. Country and law under which applicant's Head Office is incorporated			
13. Nature of incorporation (namely public limited company, private limited company, etc.)			
14. Any other information relevant for the consideration of the application			

Delete whichever is not applicable.

DETAILS OF PROPOSED IIB

1. Proposed name			
2. Proposed principal business			
3. Date of proposed incorporation/ registration			
4. Place of proposed incorporation/ registration			
5. Proposed principal place of business			
6. Proposed capital (in nearest million – USD or RM equivalent)	Authorised	Issued	Paid-up
7. Particulars of proposed director/ chief executive officer of proposed IIB	Complete Form BNM/APP (p.19)		
8. Major shareholders of applicant and proposed IIB	Complete Form IIB/2 (p.24)		

Delete whichever is not applicable.

Upon obtaining relevant documents of the proposed IIB, certified copies of the documents will need to be submitted to BNM.

PERSONAL PARTICULARS OF APPOINTEE

Applicant Licensed Institution/Financial Holding Company	

1	**NAME [Encik/Puan/Others (please specify)]**		
2	**IDENTITY CARD NO. [1]/**		**3 PASSPORT NO. [2]/**
	New		
	Old		
4	**DATE OF BIRTH**		
5	**NATIONALITY**		

6	**RESIDENTIAL ADDRESS**	**7 CONTACT DETAILS**
		Telephone No. (House):
		Telephone No. (Mobile):
		E-Mail:

8 ACADEMIC AND PROFESSIONAL QUALIFICATION (Please state the latest qualification obtained first)

Qualification	Awarded by	Country	Year Obtained
Example			
Association of Chartered Certified Accountants	**The Association of Chartered Certified Accountants**	**United Kingdom**	**1985**
Bachelor of Science in Economic	**The University of Manchester**	**United Kingdom**	**1982**

9	**CURRENT EMPLOYER INFORMATION [3]/**	
	Organization Name	
	Designation	
	Address	
	Telephone No.	

10 WORKING EXPERIENCE (Please state the latest position held first)

Position Held/Department	Main Responsibilities	Organization/(Principal Activity)	Country	Duration
Example				
Managing Director	Responsible for the day to day running of the banking institution.	ABC Bank Malaysia Berhad/ (Commercial Bank)	Malaysia	2001-present
Senior General Manager/Risk Management	Profiling of portfolio risk. Evaluate and monitor portfolio management.	National Australia Bank Limited/ (Commercial Bank)	Australia	1995-2001
General Manager/Operations	Overseeing operational functions	Shell International PLC/(Oil and Gas Trading)	United Kingdom	1991-1995

Note

1 For Malaysian Citizen: Please enclose a photocopy of Identity Card (front and back) marked "For Bank Negara Malaysia use".

2 For Non-Malaysian Citizen: Please enclose a photocopy of Passport (the personal particulars pages only) marked "For Bank Negara Malaysia use".

3 For Practising Accountants and Lawyers: Please refer to paragraph 2.56 of the “Guidelines on Corporate Governance for Licensed Institutions” (Revised BNM/GP1) and 2.57 of the “Guidelines on Corporate Governance for Licensed Islamic Banks” (Revised BNM/GP1-i)

11 POLITICAL POSTS CURRENTLY HELD

Name of Political Party	Position Held

12 PRESENT DIRECTORSHIP IN COMPANIES

Company Name	Company No.	Date of Incorporation	Designation	Principal Activity
Example				
Persona EZY Berhad	056233-W	10/10/2002	Independent Director	Retail
Multi ABC Sdn Bhd	078966-W	12/12/2002	Chairman	Retail

13 INFORMATION ON FINANCIAL OBLIGATIONS [Not applicable to Deputy CEO/CFO (or their equivalent)]

A. INFORMATION ON THE APPOINTEE'S INDIVIDUAL/JOINT ACCOUNTS/BUSINESS ACCOUNTS

Name of Borrower	Company No.	Date of Incorporation	Name of Institution	Type of Account	Account No
Example					
Encik Ali Azhar bin Ahmad	560619-07-5358	-	XYZ Bank	Housing Loan	12556229
JPT Sdn Bhd	123789-L	16/07/2006	CBD Bank	Term Loan	89543613

B. INFORMATION ON FAMILY-OWNED COMPANY BUSINESS ACCOUNTS

Name of Borrower	Company No.	Date of Incorporation	Name of Institution	Type of Account	Account No
Example					
EFG Sdn Bhd	123456-T	15/07/2003	ABC Bank	Term Loan	65489127

C. FINANCIAL GUARANTEE GIVEN TO A PERSON

Name of Borrower	IC No. / Company No.	Date of Incorporation	Name of Institution	Type of Account	Account No
Example					
Ali bin Abu	830605-10-5847	-	ABC Bank	Term Loan	84230951
Akira & Co	W-789666	14/11/2005	DEF Bank	Term Loan	84236549

STATUTORY DECLARATION BY APPOINTEE (Not-applicable for Deputy CEO, CFO or equivalent)

I, ____ (name of applicant)____, of _____ (address of applicant)_____ I/C No_____ do solemnly and sincerely declare that:

F. I am not subject to the disqualifications mentioned below:

(vi) I am not a bankrupt. I have not suspended any payments, or compounded with my creditors, whether within or outside Malaysia. In addition, to my knowledge and belief, there are no bankruptcy proceedings being initiated against me at present and I have never been declared a bankrupt by any court or competent authority within or outside Malaysia;

(vii) Without prejudice to paragraph (iii), no charge for a criminal offence relating to dishonesty, fraud or violence under any written law punishable with imprisonment for one year or more, whether by itself, or in lieu of, or in addition to, a fine, has been proved against me in any court within or outside Malaysia;

(viii) No charge for any offence under the Banking and Financial Institutions Act 1989 (BAFIA) or Islamic Banking Act 1983 (IBA) has been proved against me;

(ix) There has not been imposed against me any order of detention, supervision, restricted residence, banishment or deportation, or any form of restriction or supervision by bond or otherwise, under any law relating to prevention of crime, or to preventive detention for prevention of crime or drug trafficking, or to restricted residence, or to banishment or immigration;

(x) I have not been a director of, or directly concerned in the management of, any corporation which is being or has been wound up by a court or other authority competent to do so within or outside Malaysia, or of any licensed institution, the licence of which has been revoked under the BAFIA/IBA; and

G. I am : *(delete whichever is not applicable)*

(i) representing the interests of _____; or

(ii) not representing the interests of any person.

H. To my knowledge and belief, all the minimum "fit and proper criteria" as specified in Second Schedule of the BAFIA and the Guidelines on Corporate Governance for Licensed Institutions (Revised BNM/GP1) or for Licensed Islamic Banks (Revised BNM/GP1-i) have been complied with;

I. To my knowledge and belief, all the minimum requirements of an Independent Director as specified in Revised BNM/GP1 or GP1-i (For Independent Director only) have been complied with; *(delete if not applicable)*

J. All the information submitted in this form is true and complete.

AND I MAKE THIS SOLEMN DECLARATION CONSCIENTIOUSLY BELIEVING THE SAME TO BE TRUE, AND BY VIRTUE OF THE PROVISIONS OF THE STATUTORY DECLARATIONS ACT 1960.

SUBSCRIBED AND SOLEMNLY DECLARED BY THE ABOVENAMED

_____

AT _____

IN THE STATE OF _____

THIS DAY OF _____ **20**_____

Before me:

(Signature of Sessions Court Judge,

Magistrate or Commissioner For Oaths)

APPOINTEE'S CONSENT FOR DISCLOSURE OF INFORMATION

Pursuant to section 99(1)(a) of the Banking and Financial Institutions Act 1989, section 120(1)(c) of the Development Financial Institutions Act 2002 and section 34(3)(a) of the Islamic Banking Act 1983, I hereby authorize all the Licensed Institutions, Development Financial Institutions and Islamic Banks where I maintain my accounts or have financial liabilities to disclose to Bank Negara Malaysia, any information relating to my accounts and financial liabilities for the purpose of processing this application.

Signature: _____ Date: _____

Name of Appointee: _____

GLOSSARY

Note: Glossary is enclosed for the Appointee's reference only. Please detach before submitting the forms to Bank Negara Malaysia.

Family-Owned Company means a corporation in which (a) the Appointee, (b) that Appointee's spouse or (c) that Appointee's child, holds, or any two or more of the persons mentioned above, hold, severally or jointly, interests in shares of more than fifty per centum of the shares of the corporation.

Financial Guarantee includes personal guarantee or corporate guarantee, indemnities, undertakings or other obligations where the Appointee is **ultimately** liable in whatsoever manner for the debts of the company/business/partnership/borrower.

Financial Obligations
Refers to all personal/joint account/business account (excluding savings account and fixed deposit accounts), liabilities, family-owned company account and provision of guarantees where the Appointee is ultimately liable:

(a) Individual/Joint Account/Business Account
Refers to liabilities such as Term Loan, Housing Loan, Vehicle Loan, Overdraft, Current Account with overdraft facility, Credit Card, Charge Card, Off Balance Sheet Item and other liabilities where the Appointee is **ultimately** liable for the debts of the borrower. Liability for Credit Card and Charge Card includes the supplementary cardholder.

(b) Family-Owned Company Account

Refers to liabilities such as Term Loan, Bridging Loan, Vehicle/Hire Purchase Loan, Overdraft, Current Account with overdraft facility, Credit Card, Charge Card, Off Balance Sheet Item and other liabilities of the family-owned company, where the Appointee is **ultimately** liable for the debts of the borrower. Liability for Credit Card and Charge Card includes the liability of the supplementary cardholder.

Person includes an individual, any corporation, statutory body, local authority, society, trade union, co-operative society, partnership and any other body, organization, association or group of persons, whether corporate or unincorporate.

Form IIB/2

MAJOR SHAREHOLDERS OF APPLICANT & PROPOSED IIB

Name of proposed IIB: _____

This is to certify that the following is a complete list of shareholders who each hold/ will hold ten (10) percent or more of the voting shares of the applicant and proposed IIB:

Name and address of shareholder	Type of legal entity[2] of shareholder	Class of shares held/ to be held	Nominal value of voting shares held/ to be held	% of share-holding	Name and address of representative (if any) of shareholders on Board of Directors	Nature of business of shareholder	Any other association with banking business

Note: Please provide separate forms for particulars of major shareholders of the applicant and proposed IIB.

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

DOCUMENTS TO BE SUBMITTED UPON APPLICATION

The following documents and other items are to accompany the application:

1. Description detailing background of the applicant and main area of business accompanied, if applicable, by a chart showing the relationship among the companies in the group of companies of which the applicant is a member.

2. Audited financial statements for the last two years preceding the date of application.

3. A three-year business plan. The business plan should include but not limited to the following:-

    i. Objectives and proposed type of activities to be carried out by the proposed IIB;
    ii. Applicant's target markets and business operations; and
    iii. An assessment of risk that may be faced by the proposed IIB, together with the proposed systems and control framework to be put in place for addressing those risks and to be used for the main business functions.

4. Letter of awareness from the Home Central Bank or Monetary Authority or any other Supervisory Authority acceptable by BNM that the applicant intends to carry on Islamic banking business in international currencies in Malaysia.

5. Memorandum of undertaking from the parent company to be furnished by the applicant, in a form acceptable by BNM, which shall provide, inter alia, that:-

    i. The proposed IIB shall comply with the financial obligations and requirements and shall meet the applicant's liabilities in respect of its Islamic banking business in international currencies in Malaysia; and

    ii. Every director/ chief executive officer of the proposed IIB shall be a fit and proper person and the appointment of such director/ chief executive officer shall only be made after consultation with BNM.

6. Constituent documents, under which the applicant is established, duly certified by a director or the chief executive officer.

7. Copy of licence held by the applicant, duly certified by a director or the chief executive officer.

INFORMATION SUBMISSION CHECKLIST

Please indicate in the box on the right, where/ which paragraph(s) in your submission are the information required in the Guidelines located.

		To be completed by Applicant	For BNM use only
1.	Details of applicant		
2.	Details of proposed IIB		
3.	Forms BNM/APP & IIB/2 (where applicable)		
4.	Description on detailed background of applicant		
5.	Audited financial statements		
6.	Business plan		
7.	Letter of awareness from home regulatory authority		
8.	Memorandum of undertaking from parent company/ head office		
9.	Directors' resolution/ Power of Attorney		
10.	Appendices I & II		
11.	Constituent documents		
12.	Other documents (please specify)		

Officer responsible for information submission:

Signature:_____Phone number:_____

Name:_____Email:_____

Designation:_____ Date: _____

Comments:

_____

_____

_____

_____

***** Please tick (√) and indicate relevant page in the application or (X) only. Do not leave it blank.

Appendices

APPENDIX I

SAMPLE MEMORANDUM OF UNDERTAKING

Letterhead

(Name and Address of Applicant)

To:

Governor
Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
MALAYSIA

Your Excellency,

IN CONSIDERATION of being licensed under the Islamic Banking Act 1983 to carry on Islamic banking business in international currencies (international Islamic banking business), pursuant to Section 3 of the Islamic Banking Act 1983, we (name of Applicant) HEREBY UNDERTAKE:

a. To comply with all the financial obligations and requirements imposed on us under and by the Islamic Banking Act 1983 and to meet all our liabilities incurred in respect of international Islamic banking business in Malaysia and in case of failure to meet such financial obligations, requirements or liabilities and when so demanded in writing by Bank Negara Malaysia (BNM), on first demand, save in the case of manifest error, make good, meet and honour such financial obligations, requirements and liabilities by paying such sum of money as may be specified by BNM and in such freely convertible currency as may be specified by BNM within seven (7) days of a demand from BNM;

b. That no participant of (name of Applicant) who holds ten per centum or more of the paid-up capital of (name of Applicant) shall be changed without as soon as practical thereafter notification of the same being given to BNM;

c. That every director and/or officer of (name of Applicant) responsible for the management of its international Islamic banking business in Malaysia shall be a fit and proper person and the appointment of such director and/or officer shall only be made after consultation with BNM; and

d. That this undertaking shall be continuing and shall remain to be in force notwithstanding the discharge of any of the liabilities and obligations of (name of Applicant) in respect of this undertaking or payment made by (name of Applicant) to BNM in respect of (name of Applicant)'s financial obligations, requirements and liabilities imposed by or under the Islamic Banking Act 1983 or other relevant written laws or incurred in respect of its international Islamic banking business in Malaysia or incurred in respect of this undertaking.

2. This undertaking is effective from the date the licence comes into effect and shall continue to be effective and in force until all the financial obligations and requirements and liabilities of (name of Applicant) in respect of which this undertaking has been given, have been honoured and met or howsoever discharged, notwithstanding that (name of Applicant) has ceased to carry on international Islamic banking business in Malaysia either by way of revocation or surrender of licence.

3. This undertaking shall be valid and effective, notwithstanding any change in (name of Applicant)'s name or structure by way of amalgamation,

reconstruction, legislation or otherwise and shall inure to the body, corporation or entity resulting from such changes or otherwise succeeding the (name of Applicant). All reference to (name of Applicant) under this undertaking shall include its successors and assigns and any company or other body corporate with which (name of Applicant) may amalgamate or merge.

4. The (name of Applicant)'s liabilities and obligations under this undertaking shall rank pari passu with other liabilities of similar nature [including future liabilities entered into between (name of Applicant) and any other person] and whether arising in Malaysia or any other country.

5. No delay or omission on the part of BNM in exercising any right, power or privilege under this undertaking shall impair such right, power or privilege or be construed by (name of Applicant) as a waiver of such right, power or privilege nor shall any single or partial exercise of any such right, power or privilege preclude any further exercise by BNM of such right, power or privilege or the exercise of any other right, power or privilege. The rights and remedies provided in this undertaking are cumulative and not exclusive of any rights or remedies provided by law.

6. In this undertaking, unless there be something in the subject or context inconsistent therewith words importing the singular number also include the plural number and vice versa.

7. This undertaking shall be governed and construed in accordance with the laws of Malaysia.

8. Any dispute, controversy or claim arising out of or relating to this undertaking, shall be decided by arbitration in accordance with the Rules for Arbitration of the Kuala Lumpur Regional Centre for Arbitration.

(i) The appointing authority shall be the Kuala Lumpur Regional Centre for Arbitration;

(ii) The number of arbitrators shall be _____ (one or three);

(iii) The place of arbitration shall be Malaysia; and

(iv) The language to be used in the arbitral proceedings shall be English.

Dated this _____ day of _____, 20 _____.

The Common Seal)
of (name of Applicant))
was hereunto affixed in)
the presence of:-)

(Authorised Signatory) (Authorised Signatory)

(Name in block letters) (Name in block letters)

Designation Designation

APPENDIX II

SAMPLE APPLICATION LETTER FOR PERMISSION SOUGHT FROM THE CONTROLLER OF FOREIGN EXCHANGE TO DEAL IN FOREIGN CURRENCY

Name of *applicant/ person
applying on behalf of applicant.
Correspondence address

Date: _____

Governor
Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
MALAYSIA

Your Excellency,

Application to Conduct Dealings in Foreign Currency

*I/We on behalf of (name of applicant) wish to seek approval from the Controller of Foreign Exchange to conduct dealings in foreign currency in Malaysia. This is in respect of our application for an International Islamic Bank licence from the Minister of Finance of Malaysia to carry on Islamic banking business in international currencies other than Malaysian ringgit.

2. Should you have any queries, kindly contact ……. at telephone number ……..

Thank you.

Yours faithfully,

(Full name in block letters)

Position

APPENDIX III

Excerpt from Guidelines on Corporate Governance for Licensed Institutions (Revised BNM/ GP1)

Negative List

Practising Accountants and Lawyers

2.56 Practising accountants may be appointed as directors of a Licensed Institution provided they are not employed or are not partners in an accounting firm, which has been engaged to conduct audit or consultancy work for that particular Licensed Institution. Practising lawyers who are partners in a legal firm, which is on the panel of lawyers of that particular Licensed Institution (and not receiving remuneration on a regular basis), may be appointed to the board of the Licensed Institution. The lawyers are required to disclose the relationship that they have with the Licensed Institution so as to address any potential issue of conflict of interest that may occur.

Excerpt from Guidelines on Corporate Governance for Licensed Islamic Banks (Revised BNM/ GP1-i)

Negative List

Practising Accountants and Lawyers

2.57 Practising accountants may be appointed as directors of an Islamic bank provided they are not employed or are not partners in an accounting firm, which has been engaged to conduct audit or consultancy work for that particular Islamic bank. Practising lawyers who are partners in a legal firm, which is on the panel of lawyers of that particular Islamic bank (and not receiving remuneration on a regular basis), may be appointed to the board of the Islamic bank. The lawyers are required to disclose the relationship that they have with the Islamic bank so as to address any potential issue of conflict of interest that may occur.