



CLARIFICATION NOTE FOR GUIDELINES ON THE ESTABLISHMENT OF LABUAN FOUNDATION INCLUDING ISLAMIC FOUNDATION

1.0 Preamble

- 1.1 This note is intended to clarify on the applicability of the fit and proper requirements in the context of the *Guidelines on the Establishment of Labuan Foundation including Islamic Foundation* dated 12 July 2013 (hereinafter referred to as “the Guidelines”).

2.0 Clarification

- 2.1 The revised fit and proper requirements were issued on 11 February 2014 via the *Guidelines on Fit and Proper Person Requirements* which will take effect on 1 January 2015. The revised framework provided further refinements to Labuan FSA’s expectation on the fitness and propriety of a ‘relevant person’ for a Labuan financial institution.
- 2.2 In this regard, Labuan FSA wishes to clarify that the ‘relevant persons’ subjected to the *Guidelines on Fit and Proper Person Requirements* **only apply to the Labuan charitable foundation.**
- 2.3 As such, the requirements under **paragraph 7.7 of the Guidelines with regard to non-charitable foundations are no longer applicable.** Notwithstanding this, Labuan non-charitable foundations to ensure that the persons involved, directly or indirectly, in their management or operations would be those with sufficient level of competency, integrity and credibility.

For further clarification on the matter, please contact Puan Nurnazahiyah Khamis at 087-591224 ([email: nurnazahiyah@labuanfsa.gov.my](mailto:nurnazahiyah@labuanfsa.gov.my)), Puan Erni Marlina Madzlan at 087-591203 ([email: erni@labuanfsa.gov.my](mailto:erni@labuanfsa.gov.my)) or Encik Syahrul Imran Mahadzir at 087-591318 ([email: syahrul@labuanfsa.gov.my](mailto:syahrul@labuanfsa.gov.my)).

Labuan Financial Services Authority
30 September 2014

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169/2014/ALL