

LEMBAGA PERKHIDMATAN KEWANGAN LABUAN
(LABUAN FINANCIAL SERVICES AUTHORITY)

Our Reference : 172/2014/ALB/LIBG
Date : 16 October 2014

Chairman
Association of Labuan Banks
Labuan Investment Banks Group

Dear Sirs,

ADOPTION OF IIFM STANDARDISATION DOCUMENTS BY LABUAN ISLAMIC BANKS

As you are aware, Labuan FSA is the founding and permanent member of the International Islamic Financial Market (IIFM) since 2002. The IIFM is the international Islamic financial services industry's standard setting organisation focusing on the Islamic Capital & Money Market (ICMM) segment of the industry and its primary focus lies in the standardization of Islamic financial products' documentations and related processes at the global level. IIFM also provides a universal platform to market participants in the development of ICMM through its "Global Working Groups" initiative.

2. As at to date, IIFM has published several standards related to the ICMM which are available in its website, www.iifm.net. Some of the published standards are as follows:

- a. Master Agreement for Treasury Placement (MATP).
- b. ISDA/IIFM Tahawwut (Hedging) Master Agreement (TMA).
- c. ISDA/IIFM Mubadalatul Arbaah (MA) (Profit Rate Swap).
- d. IIFM Standard on Interbank Unrestricted Master Investment Wakalah Agreement.
- e. IIFM Standard Agreements Adaptation Procedures & Policies for Institutions.
- f. IIFM Reference Paper on l'aadat Al Shira'a (Repo Alternative) and Collateralization.

You may visit the IIFM's website for further information on its published standardised documents.

3. As the above documents may be used for cross border transactions, Labuan FSA encourages Labuan Islamic banks and Labuan Islamic investment banks to adopt the standardized documents issued by IIFM to undertake Islamic banking and investment banking business in Labuan IBFC. Should you require further information, please contact Encik Ibrahim Iskandar Azmi at 087 591 392 / iiiazmi@labuanfsa.gov.my or Puan Khairunnisa Abdul Karim at 087 591 222 / khairunnisa@labuanfsa.gov.my.

Kindly inform all members of the associations accordingly.

Yours sincerely,


Abdul Salam Chandran Abdullah
Deputy Director
Strategic Development Department