

ISLAMIC FINANCE



CONNECTING ASIA'S ECONOMIES

**AN INNOVATIVE
ISLAMIC FINANCIAL CENTRE**



AN INNOVATIVE ISLAMIC FINANCIAL CENTRE



Malaysia's Islamic finance infrastructure coupled with Labuan IBFC's robust regulatory structure is a conducive business environment for Shariah-compliant financial transactions.

Labuan IBFC, a middle shore jurisdiction is home to the world's only omnibus Islamic legislation. With such credentials, it is not surprising that the jurisdiction is well supported by the global leaders in Islamic financial services.

RAISING THE BAR WITH A WORLD-CLASS ISLAMIC FINANCIAL ACT

The Labuan Islamic Financial Services and Securities Act 2010 (LIFSA) is the key to all Shariah related financial services in Labuan IBFC. The Act has clarified, streamlined and consolidated all guidelines with regards to Islamic financial services into a single legislation.

Labuan IBFC's legislation in Islamic financial services provides a facilitative and flexible framework for industry players to be innovative and creative in structuring fresh solutions and structures.

LIFISA also established the Shariah Supervisory Council. The Council is mandated to ascertain the application of Shariah rules and principles in relation to any businesses regulated by the Labuan FSA. All rulings made by the Council may be used as reference by the court of law.

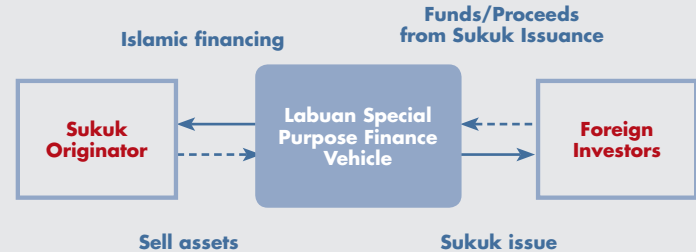
The Act has also expanded the range of Islamic financial services available in Labuan IBFC beyond merely banking, insurance and sukuk issuance to also include protected cell companies, limited partnerships and limited liability partnerships, private trust companies, trusts and foundations.

All of which can be structured on Shariah-compliant principles.

Labuan IBFC collaborates with and complements the Malaysia International Islamic Financial Centre ("MIIFC") initiative, making it well placed to promote Islamic financial products and services to an international audience.

As at the end of 2011, the value of Islamic financial banking assets totalled close to USD 2.0 billion. This is clearly a reflection of Labuan's success as an Islamic financial centre. A typical Islamic financing structure using Labuan entities and its tax profile is depicted here:

ISLAMIC FINANCE STRUCTURE



Tax Profile:

- The Labuan Special Purpose Vehicle can enjoy minimum tax under the Labuan Business Activity and Tax Act 1990
- No withholding tax on dividends/interest/royalty payments from Labuan Special Purpose Finance Vehicle to Foreign Investors or shareholders
- Liberal exchange control environment in Labuan IBFC



FOR MORE INFORMATION, LOG ON TO
www.LIBFC.com

LABUAN IBFC INCORPORATED SDN BHD (817593D)

SUITE 3A-2
LEVEL 2 BLOCK 3A
PLAZA SENTRAL
JALAN STESEN SENTRAL
KL SENTRAL
50470 KUALA LUMPUR
MALAYSIA

TEL +6 03 2773 8977
FAX +6 03 2780 2077

Labuan IBFC Incorporated Sdn Bhd, the official promotion and marketing agency for
Labuan International Business and Financial Centre, Malaysia.

Disclaimer

This document provides general information on Labuan IBFC and should not be relied upon when formulating business decisions, nor should it be treated as a substitute for professional advice pertaining to particular business circumstances. While all information herein has been prepared in good faith, no representation or warranty, expressed or implied, is made and no responsibility or liability will be accepted by Labuan IBFC Incorporated Sdn Bhd or Labuan Financial Services Authority as to the accuracy or completeness of this document. Further, this document does not include any statement or opinion with regards to the laws governing Labuan IBFC or Malaysia and specific legal advice should always be sought from qualified lawyers and/or professional advisors. In addition, this document is not directed to any person in any jurisdiction where (by reason of that person's nationality, residence or otherwise) this publication or availability of any services offered within it, is prohibited and deemed unlawful. Please note that information contained herein is subject to change without prior notice.