



## CLARIFICATION NOTE FOR GUIDELINES ON THE ESTABLISHMENT OF LABUAN MUTUAL FUNDS INCLUDING ISLAMIC MUTUAL FUNDS

### 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 Mutual Funds including Islamic Mutual Funds* dated 1 January 2014 (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 Labuan FSA wishes to clarify that the ‘relevant persons’ under the Guidelines **are not subjected** to the requirements of the *Guidelines on Fit and Proper Person Requirements*.
- 2.3 As such, the requirements under **paragraphs 7.4 and 12.6 of the Guidelines with regard to private funds and public funds, respectively; are no longer applicable**. Notwithstanding this, Labuan FSA expects that the Labuan mutual funds 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 the Business Policy Unit at [bpu@labuanfsa.gov.my](mailto:bpu@labuanfsa.gov.my).

**Labuan Financial Services Authority**  
**30 September 2014**

Circular No:  
168/2014/ALL