

## Even Bankers **NEED EQ**

### Emotional Intelligence At Work

By Jerome-Pierre Bonnifay

A large part of our success in life is based on our Emotional Quotient (EQ). How we manage our emotions and the way we relate to others determines how successful and satisfied we are at work, home and with friends. Our EQ is the ability to make and deepen connections at three levels: with ourselves (personal mastery), with another person (one to one) and within groups/teams.

Cognitive skills have traditionally been given higher value. They are called hard skills, while those associated with emotional intelligence are called soft skills. This idea has been enriched through the ages, with Descartes going so far as to say: "I think, therefore I am". In his view, you need your hard skills side in order to make a rational decision.

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# FORGING AHEAD

Beginning this issue, the @IBBM takes on a new "look".

In line with the Institute's Strategic Development Plan and new mission statement, "to be a professional and effective training adviser and provider in developing practitioners of banking and financial services industry to enable them to function effectively in an evolving financial services environment", we are using the @IBBM as a ready-made, tangible vehicle for disseminating knowledge – both current and practical. More importantly, we want this dissemination of knowledge to be presented in a digestible form for all readers. We intend to make the knowledge that we are sharing through this medium to be useful to readers in terms of the knowledge to be gained and applied. And more positive attitudes to be developed.



Equally important, as we develop the @IBBM, we will direct you towards a new web-based information service which we are in the process of developing and which we hope to launch in due course. It is our aspiration grow information and knowledge channels in an effort to serve your growing professional needs.

Let us know what you want to read...Happy reading!

### Tan Keng Song Director

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However, it has been demonstrated by Antonio Damasio, Professor of Neurology at Iowa University, USA, that the physical process of logic and emotion are closely tied in the brain. It does not make sense to separate the two. In practice, we use emotional information as well as logical analysis when we decide what to do.

In our every day life, and more specifically at work, we are all confronted with dealing with others. And Emotional Intelligence delivers to each one of us the ability and capacity to become an amazing communicator.

But then, I must apologise to the banking industry. I do not think you qualify for High Level EQ Capacity.

Now, don't you feel relieved? Here, we have this Mat Salleh telling us – in our very conservative organisation – that we are actually allowed, and even better that our performance would be enhanced, if we were more in touch with our sacrosanct taboo: the ability to lose face, to actually be in touch with your emotions and the emotions of your peers, colleagues, subordinates, bosses. Reality check...you are allowed to do so and it is actually highly recommended!

Your success on the job depends on your ability to work with others, which includes understanding and dealing with their needs, values and feelings.

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However, we work an average of 67 hours, doing twice the work to produce three times the result expected from us a few years ago. We barely have time to think about our relationships, much less on improving them. Fortunately, practicing emotional intelligence gives you a new perspective on your interactions. Self-awareness will automatically increase empathy. You will see your conversations and relationships in a new light. You will get fresh ideas on how to approach problems and conflicts.

**“As much as 80% of adult ‘success’ comes from EQ”**

Daniel Goleman, 1995

We grow in cultures that dismiss the need to understand emotions. Individual technical achievements are emphasised in schools and used as the basis for promotion at work. As a result, we are very poorly trained at getting along with others.

**“Improved EQ skills increase ‘on task’ behaviours”**

Rosenfield, 1991

The real travesty is that we once had immediate access to our emotional state. When we were young, we knew what we felt and wanted. In fact, babies seem to have a great curiosity for learning what makes them happy or sad. And toddlers are particularly sensitive to the feelings of others. However, as we grow up, we are taught to deny this intelligence. We are cautioned by our parents and teachers to be practical. We learn from our peers that when we show love and compassion, we could end up feeling rejected, humiliated and sad. Hence, we begin to distrust the messages we get from our brain’s emotional centre. And soon we are adept at ignoring these messages altogether. The result is we create suppression habits that block our ability to use emotional information when we make decisions and communicate with others.



**The author speaking at a talk “EQ in Sales” at IBBM in Kuala Lumpur recently**

In short, we were not taught in school to access and use the wisdom of our

emotions. Most people do not even have the literacy to define how they feel when asked. We understand the meaning of the words academically but have difficulty defining what we are experiencing in ourselves at any given moment.

Before I let you go back to your very serious banking matters, I would like to ask you if you are happy, and if you have passions.

Reality check: The more we teach ourselves self-control and suppression of emotions, the more we impede positive emotions, including happiness and passion, thus restricting instead of increasing our mental abilities.

The good news is that you can re-teach your brain to feel. We are at our best when the human spirit feels nourished.

Homework: Think about the Pygmalion Effect and how your life, if you implement the Pygmalion Effect through Emotional Intelligence, can become so rewarding.

Hoping these few lines will have triggered a few new neural connections.

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**The Pygmalion Effect**

The Pygmalion effect, named after the Greek myth of Pygmalion, is expressed by the saying, “People tend to behave as you expect they will (self-fulfilling prophecy)”. The “self-fulfilling prophecy” concept, developed by sociologist Robert K. Merton (1910-2003), is based on the theory that if men perceive situations as real, they are real in their consequences.

It is a persistently held belief in another person such that the belief becomes a reality. The person believed in, being believed, becomes the person whom they are perceived to be. The self-fulfilling prophecy is widespread in both business and education. Limited expectations bring limited results, high expectations lead to exceptional results.

# HOW TO LIVE

## LIFE ON YOUR TERMS!

by Rajen Devadason

### There's no such thing as managing time on its own

**O**ur lives, you see, encompass eight dimensions spiritual, physical, family, social, emotional, career, financial and personal. That's why so many of us feel frustrated at our perceived inadequacy in managing time; there's so much at stake!

Thankfully, if we deal with four problem attitudes, we will manage our time better, and live fuller lives.

In my time management workshops, I often refer to the evil quartet - procrastination, apathy, inertia and nuisances - as 'time demons'.

You'll notice the first letters of those four fiendish attitudes form the acrostic P-A-I-N, which is appropriate.

Of the four, the biggest problem for most of us is procrastination. As Don Marquis observed back in 1927, "Procrastination is the art of keeping up with yesterday." Obviously, therefore, if we keep procrastinating, we'll have a serious problem living well today and succeeding greatly tomorrow! Overcoming procrastination is not easy. It's actually very tough; but the pay-off for doing so is enormous.

You see, those who win their lifelong war with procrastination end up winning in life.

Tragically, those who lose their battles with procrastination end up living mediocre lives. You've met them. They're the ones, who at the end of their careers, look back at a series of lost opportunities with deep regret.

In contrast, life's winners are those who figure out early on how to deal with the tricky dilemma of possessing a well-muscled inclination to put off doing what's important.

### Overcoming procrastination makes it easier to deal with...

1. Apathy – because internal motivation rises dramatically;
2. Inertia – because once procrastination is beaten, momentum toward major life goals such as funding a great retirement or climbing the corporate ladder or becoming an awesome parent grows; and
3. Nuisances – because it is easier to retain a sense of perspective concerning 'the small stuff' that will always be there but that we shouldn't dwell on.

### To help you, here's my five-step blueprint for overcoming daily procrastination:

1. At the end of each working day, in the fifteen minutes before you tear yourself away from the office, focus (and refocus) on why EXACTLY you're paid to do what you do;
2. With that reason seared into your mental pathways, decide on the three or four major tasks that MUST be accomplished the following day to justify your existence as an economic entity;
3. Set your priorities, while relinquishing your posteriors, in terms of specific tasks. Then go home to your loved ones;
4. The next day, get to the office early; aim to be the first in; and

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**5. Before the distractions – ‘nuisances’ like ringing phones, persistent emails, and meetings – set in, start on your number one prioritised task. Stay on it, like a ravenous dog on a bone, until it’s finished or you can’t move it any further along that day! Then begin immediately on the next most important task. Keep going until a quarter of an hour before knocking off time. Revisit step 1.**

**All these steps except the middle one are easy follow. You just need to exercise the self-discipline you already possess – you got out of bed this morning, didn’t you?**

Here’s what I mean by setting priorities and relinquishing posteriors.

A priority can be set by yourself or someone important, perhaps your spouse, children, boss or clients. However, you alone have the right to determine your TOP priorities in light of the current state of development of and internal balance among your eight key life dimensions: spiritual, physical, family, social, emotional, career, financial and personal.

In its simplest terms, a priority is an item on your ‘to do’ list that is of greater importance or urgency than something else. Priorities, therefore, cannot exist in singular isolation.

For many in corporate Malaysia, exceeding the boss’ expectations to earn that next promotion is more important than getting home before dark. For others, responding to an irate customer is more urgent than touching base with happy clients.

One of our biggest problems, however, is that while we tend to be reasonably adept at setting priorities, we often forget that we can’t do it all. Yet too often we try!

The solution is to remove one thing from our priority list, and therefore our schedules, to clear space for something else. Many decades ago, management guru Peter Drucker coined the term ‘posteriority’ to refer to relatively unimportant things that should be dropped from our lives to make room for what’s important.

If you’ve been feeling frustrated and out of control of your life, then the five steps outlined above form a structured, practical blueprint to overcome procrastination, which in turn will help you defeat – or at least beat into terror-filled submission – its three infernal cousins, apathy, inertia and nuisances.

Carry out those five steps every day this year and you’ll go a long way toward exiling your biggest sources of pain arising from chronic time – and life – mismanagement.

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# HAWALA AND MONEY LAUNDERING

by Prof Bala Shanmugam

Money is a tool used to oil the economic wheels of society. This important invention, however, is often misused. A perfect example is money laundering, which is becoming a very attractive business in many developed as well as developing countries. This is an economic crime that has been ingeniously devised to legitimise ill-gotten profits. In fact, according to LogicaCMG (2003), financial institutions in the United Kingdom cited money laundering as the biggest fear and threat to their industry.

## The Hawala System

The word 'hawala' has an Arabic origin meaning 'change' or 'transform'. In the Indian languages of Hindi and Urdu, it means 'trust', underlying the principle of the hawala system. The hawala system of remittance can be traced back to India as early as the 11th century ([www.samizdata.com](http://www.samizdata.com)). The Paris-based Financial Action Task Force recognises hawala's potential with respect to money laundering and has highlighted this mode of remittance as a major conduit for laundering operations.

## Money Laundering

The term 'money laundering' became common in the early 1980s when newspapers in the USA started reporting on the Watergate scandal where large amounts

of funds changed hands illegally. Since then, money laundering has become a common expression to describe the conversion of illegal (dirty) funds to legal (clean) money.

In the post-September 11 tragedy, money laundering started to receive much attention in view of efforts to starve terrorist funding. Nevertheless, money laundering is not confined to terrorist activity alone. Drug trafficking, prostitution, corruption, fraud, smuggling and tax evasion are some of the other activities related to money laundering.

There are three basic stages to money laundering. In the initial or placement stage, the launderer introduces the illegal funds into the financial system. In the next phase, known as layering, the launderer moves the funds to distance it from its source. In the final integration stage, the funds re-enter the launderer's portfolio as legitimate money (Shanmugam, et al. 2003). Although this process is well known, it is not easy to identify its occurrence.

Money laundering is not exactly a small 'one-off' phenomenon, neither is it a passing fad. It is big business and by all counts, growing. The International Monetary Fund estimated the amount of money laundered globally is between US\$500 to US\$1.5 trillion annually (Swann, 2003). The IMF also assumes that 2% of the GDP of any country is a reasonable estimate for the amount of money being laundered.

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## Modus Operandi

The other major factor that sets hawala apart from other remittance systems is the lack of usage of any negotiable instruments, as transactions take place based on personal communications or on the basis of trust and understanding between an extensive network of hawaladars.

The trust between the three parties involved – the person buying the services, who usually does not get any receipt for the money handed over for delivery, and the hawaladars in his host and home countries – is important, for hawala works by transferring money without any actual movement or records of such movement of money between two destinations. The hawaladar (in the home country) will inform his counterpart in the host country to deliver the equivalent amount to the nominated recipient. In Malaysia, this service is commonly undertaken by moneychangers.

## Hawala and Money Laundering

The hawala mode of money remittance, free of any documentation or paper trail, has naturally become a popular vehicle for money laundering. A detection free mechanism of this nature, magnitude (quantum) and stretch (widespread network) is a boon to launderers who can remit their ill-gotten funds to any part of the world, thus converting illegal funds into legitimate cash, which is subsequently introduced into the banking system in the host country.

Taken cognizance of the role local moneychangers play, Bank Negara Malaysia has included all moneychangers within its purview under the Anti-Money Laundering Act 2001.

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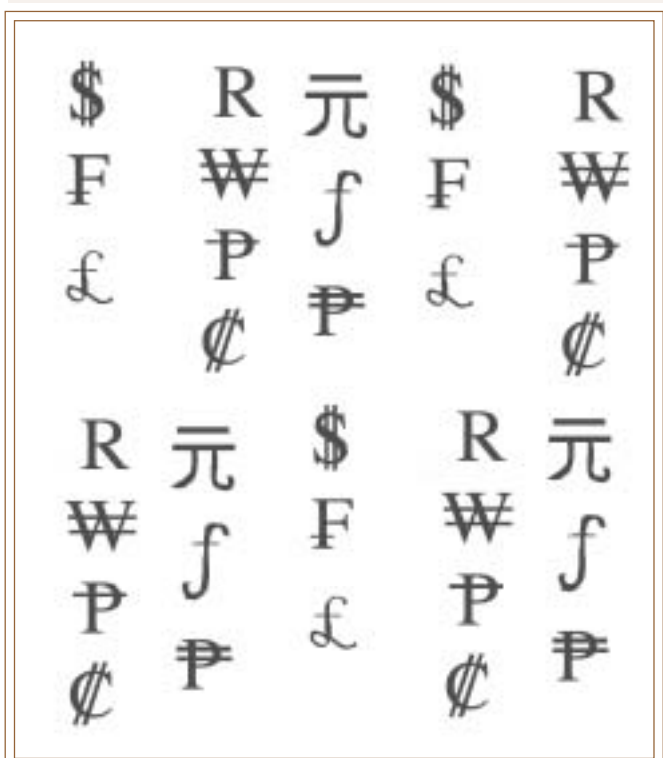
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# Sustainability Reporting

## – Does It Matter?

by Saravanan Ramasamy

Sustainability reporting in Malaysia is far from standard and it seems that many firms do not take advantage of it as a value creation tool. A report by Association of Chartered Certified Accountants (ACCA), Malaysia revealed that only 8% of the Kuala Lumpur Stock Exchange (KLSE) (now known as Malaysia Securities Exchange Berhad (MSEB)) main board listed companies produced some form of social or environmental report in 2003. A quick search in CorporateRegister.com, a directory of published corporate environmental and social reports, revealed that 81% of the UK FTSE-100 companies produce some form of social or environmental report. In its latest survey, GoodCorporation, a global standard covering the organisation's responsibility to its employees, suppliers, customers, providers of finance as well as its community and environment, reported that 79% of the US FTSE-100 companies now produce some form of social or environmental report. Another report by ACCA entitled, "The State of Corporate Environmental Reporting in Singapore" states that despite wide spread research into the extent of external environmental reporting in Europe and America, there are little evidence of the nature of environmental reporting practices in South East Asia.

Although the awareness about sustainability reporting among Malaysian companies is seen to be improving, it is still far from the desired level, said Ms. Rachel Jackson, ACCA's Head of Social and Environmental, in a talk entitled, "Sustainability Reporting in the Banking and Financial Services Industry".

Can sustainability reporting act a value creation tool for businesses? Why do firms incur costs to disclose social and environmental information, and does it matter? These are common questions that businesses may ask when it comes to sustainability reporting. In this regard, the following section examines how businesses can make use of sustainability reporting as a value creation tool.

### *Reducing the Information Gap*

Information pertaining to social and environmental risks is highly relevant and important for potential investors to make sound investment judgment. According to Ms.

Jackson, the extent of sustainability reporting may influence the way investors interpret a firm's financial performance. The financial community has increasingly been making use of social and environmental information for performance benchmarking and business decisions. These factors provide strong economic incentives for social and environmental disclosure. For instance, by undertaking sustainability reporting, managers will be able to reduce the information gap between investors and themselves, vis-à-vis gaining investors' confidence. This, in turn, will benefit the business by lowering the cost of capital, increasing stock liquidity and enhancing interest from institutional investors.

For example, banks are increasingly factoring social and environmental criteria into their lending decision making. Besides financial screening, bankers are beginning to screen companies along ethical and ecological lines too before deciding on whether to fund a project. In this instance, UK-based The Cooperative Bank serves as a good example. The said bank won 'Best Sustainability Report' at the 2003 European Sustainability Reporting Awards. It won praises for being very stakeholder-focused and for disclosing comprehensive policies on ethical investment, the environment and community involvement. The bank goes to the extent of reporting the number of business opportunities turned down because of not meeting its ethical and ecological standards. Besides lending activities, banks are also increasing the use of social and environmental information in their investment activities. Sustainable and Responsible Investment (SRI), also known as Socially Responsible Investment, seems to be on an upward growth trajectory now. SRI is essentially investment which allows investors to take into account wider concerns, such as social justice, economic development, peace or a healthy environment, as well as conventional financial considerations. Besides the returns of conventional investments, SRI provides social and environmental rewards that go beyond the direct financial return to the investor. SRI accounts for approximately USD2.2 billion in emerging markets. Mayban Ethical Trust Fund was the first socially responsible fund to be introduced to the Malaysian investing public.

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### **Ensuring the Long-Term Survival**

Beyond investors, business activities do affect a wide range of other stakeholders such as suppliers, government, employees and society at large. The primary role of business is to produce goods and services that society wants. Thus, there is an inter-dependence between business and society in the form of an implicit social contract. A business' long-term survival depends on its ability to legitimise its activities to the society by fulfilling the social contract. Failure to do so will ultimately result in the demise of the business. One way businesses can fulfill this social contract is by managing public impression through environmental disclosures. However, it is quite disappointing to note that businesses at large are not motivated to provide quality information when it comes to managing public impression. Many businesses essentially convey only the same positive qualitative information, year after year, irrespective changing conditions and needs. In addition, as social and environmental reports tend to converge over time, businesses tend to duplicate the social and environmental reports their peers in the industry produce. Over time, social and environmental reporting tend to be standardised across firms and become a mundane routine process. Society, in turn, tends to place less importance on social and environmental reports since they do not convey the relevant information they are looking for.

In this regard, managers need to ensure that social and environmental disclosure is value-relevant and transparent. In particular, by increasing transparency, social and environmental reports have increased credibility and reduce investors' risk apprehensions. Being transparent requires businesses to have a balanced data, both positive and negative information. "Negative environmental information should not dissuade companies from undertaking sustainability reporting", said Ms. Jackson. Releasing information that is not in favour of the business can no doubt be potentially damaging. However, research has proven that in the long run, benefits derived by being a quality discloser outweigh the short run repercussions of negative information. As with financial reports which are audited by qualified auditors, standalone social and environmental reports can be independently verified either by peer review or external auditors to enhance their credibility.

### **The Way Forward**

Sustainability reporting is a process that involves businesses, investors, employees and society at large. The reluctance of businesses to provide quality and transparent social and environmental disclosure results in investors and other stakeholders being under-informed about businesses social and environmental management. The financial statements' current form does not provide an avenue for the society to effectively evaluate the business' social and environmental management or for investors to adequately assess the implicit costs businesses' social and environmental performance. On the other hand, the financial community has shown increased interest in making use of social and environmental information for performance benchmarking and business decisions. In this regard, regulatory intervention appears to be needed to minimise the divergence of interests between business and society at large. Tightening of auditing standards in order to increase the auditor's consideration of social and environmental risks and a revision of accounting standards to remove the uncertainty in social and environmental liabilities measurement criteria are some regulatory measures that can be implemented by the authorities. Until these form of regulations come into force, sustainability reporting will largely be undertaken on a voluntary basis. In this regard, it is important for businesses to be aware that sustainability reporting can be used as a value creation tool, instead of relying on routine and imitation to decide upon the extent of their disclosure.

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# Right to Recall a Loan Facility

by **Lim Gay Bin Lee, Hishammuddin Allen & Gledhill**

*Bumiputra-Commerce Bank Bhd, Kuala Terengganu v Chendering Development Sdn Bhd & Ors [2004] 1 CLJ 781, Court of Appeal.*

## Brief Facts of the Case

By an agreement, Bank Bumiputra Malaysia Berhad ('the appellant') granted to Chendering Development Sdn Bhd ('the respondent') a conditional overdraft facility for a sum not exceeding RM5 million ('the facility'). The facility was granted for three specific purposes: (1) to enable the respondent to purchase two parcels of agricultural land; (2) to enable the respondent to convert the land use from agricultural to residential and subdivide the land into lots for building houses for sale; and (3) to help finance the construction, infrastructure and management cost. The security for the facility was a first legal charge on the land. It was agreed that the facility would be disbursed in two parts: (a) RM2.48 million for purposes of payment of land costs, conversion fees, subdivision fees, etc. (b) RM2.52 million to be released progressively against architect's/engineer's certificates for work completed. Part (a) of the facility had been fully disbursed. Subsequently, the appellant recalled the facility and demanded repayment of the sum expended by the respondent and interest on that sum, stating that it was exercising its right to recall the facility. The trial judge found as a fact that in this case, there was a contract for a definite purpose which was clearly known to the appellant and within its contemplation. It was also a term of the agreement that the interest due on the facility during the pre-construction period was to be capitalised. As such, it was held that the call on the respondent to service interest and the subsequent recall of the loan facility for non-payment of interest was unlawful and improper.

## Decision

The Court of Appeal held that the appellant was not entitled to issue the recall letter purely on the ground that the respondent had not serviced interest because the respondent was not obliged under the agreement to pay interest during the bridging period.

The Court of Appeal followed the Supreme Court decision of *Bank Bumiputra Malaysia Bhd Kuala Lumpur v MAE Perakayan Sdn Bhd [1993] 2 CLJ 495* where the bank in that case, recalled a facility due to failure of the borrower to service interest on the loan. The Supreme Court in that case held that the bank was not entitled to issue the recall letter purely on the ground that interest had not been serviced by the respondent because the respondent is not obliged under the agreement to pay interest during the bridging period.

## Commentary

This case has reiterated the principle that a bank may not recall a bridging facility granted to a housing developer on the ground of non-payment of interest because during the pre-construction period, interest is to be capitalised thus reaffirming the case of *Bank Bumiputra Malaysia Bhd Kuala Lumpur v MAE Perakayan Sdn Bhd*.

### **BNM Introduces Measures to Enhance Bond Market Liquidity**

Bank Negara Malaysia has introduced the following measures to further enhance the efficient functioning of the ringgit bond market:

- Active use of repurchase agreements (repo) as a monetary policy instrument;
- Introduction of Institutional Securities Custodian Programme to enable borrowing and lending of securities; and
- Securities lending facility for principal dealers.

### **LFX Issues USD350m Islamic Sukuk Trust Certificates**

The Labuan International Financial Exchange (LFX) expanded its offerings of Islamic investment instruments with the primary listing of trust certificates issued under the Islamic principle of Sukuk Al-Ijarah by Sarawak Corporate Sukuk Inc. The issue is a series of trust certificates comprising USD350 million floating rate with a maturity of 5 years. This latest listing brings the total number of listings on the LFX to 26, with a total market capitalisation of USD10.43 billion.

### **Guidelines to Strengthen Consumer Protection**

Effective 1 February 2005, banking institutions will be required to offer basic banking services at minimal costs. This is in line with new Bank Negara Malaysia guidelines that governs the imposition of fees and charges by banking institutions.

Bank Negara has also taken a holistic approach to strengthen consumer protection by:

- Providing effective mechanisms for consumers to seek redress, with banking institutions setting up complaint units to handle customer grievances. In addition, an enhanced Financial Mediation Bureau begins operation in January 2005; and
- Putting in place transparency and disclosure requirements that will ensure customers are given adequate and timely information about the features and costs of financial products and services to facilitate informed decisions.

### **Single Approving Authority for MESDAQ Market Applications**

With effect from 1 January 2005, the Securities Commission is the sole approving authority for considering and approving listings and corporate proposals on the MESDAQ Market. The single approving authority process is in line with the approval process for Main and Second Board companies. Previously, MESDAQ Market listings required the approval of both the SC and Bursa Malaysia.

### **SC Issues REITS Guidelines**

The Securities Commission has released its Guidelines on Real Estate Investment Trusts (REITs) aimed at accelerating the growth of the local real estate investment trust industry. The new guidelines, which took effect from 3 January 2005, supercede the earlier Guidelines on Property Trust Funds issued in November 2002.

### **Listing Requirements Amended**

Bursa Malaysia Securities will be implementing a new framework for perusal of circulars and other documents effective 3 January 2005. It also will assume a more risk-based approach to perusal of circulars issued by listed companies

### **More Measures to Enhance Status of Capital Market**

The Securities Commission has streamlined measures pertaining to its Policies and Guidelines on the Issue/Offer of Securities (Issues Guidelines). The measures include:

- Requirements for injection of assets into listed companies will apply equally for injection of assets into distressed-listed companies. Earlier accorded flexibilities will no longer apply.
- Admission requirements of financial services companies, shipping/transportation, trading/retailing, property investment holding and infrastructure project companies, whether via a direct listing or back-door listing/reverse take-over, will be of the same standard.
- Liberalised requirements for Malaysian companies acquiring foreign assets.

## Impetus for Banks to Lend to SMEs

The National Small and Medium Enterprise Development Council has agreed to introduce interest subsidy and securitisation of SME loans. The decision, made at its meeting in December 2004, will encourage further lending by financial institutions to SMEs. The new initiatives will enable viable SMEs with higher risk profile to obtain financing at lower costs, with the government providing the interest subsidy. It should also see financial institutions increasing lending to the sector as they can securitise SME loans in their portfolio.

The Council also took the following decisions aimed at strengthening the infrastructure for SME development:

- **Definitions for SMEs in various sectors for targeted development**  
This will facilitate identification of SMEs in the various sectors and subsectors and will enable more effective targeting of SMEs with respect to the design of future development policies and support programmes and provision of technical and financial assistance.
- **Coordinated training and HR development for SMEs**  
The Human Resource Development Berhad (HRDB), an agency under the Ministry of Human Resources, will act as the coordinating authority to oversee and coordinate overall training and human resource development for SMEs.
- **Enhanced management and publication of SME information**  
The secretariat function, which is currently under Bank Negara Malaysia, has been expanded to:
  - Oversee and coordinate the monitoring, evaluation and publication of SME statistics and reports;
  - Oversee the management of the National SME Database being set up by the Department of Statistics; and
  - Publish annual reports on SME development for the benefit of policymakers and SMEs, thereby improving the availability of SME information in the market.
- **Strengthening the marketing and promotion of SME products and services.**

Coordinated efforts to strengthen the marketing and promotion of SME products and services.

## Amendments to Listing Requirements:

### MESDAQ Market Companies May Transfer to Main Board

Effective 14 February 2005, MESDAQ Market listed companies will be allowed to apply for a transfer of their listing to the Main Board. This is following amendments made by Bursa Malaysia Securities Berhad (Bursa Securities) to Chapter 3 of the Listing Requirements for the Main Board and Second Board (LR) and to Chapter 2 of the Listing Requirements of Bursa Securities for the MESDAQ Market (MMLR) in relation to transfers of listing to the Main Board by MESDAQ Market and Second Board listed companies. The Amendments have been made following changes effected by the Securities Commission to its relevant Guidelines. Previously, MESDAQ Market companies would need to de-list their shares from the MESDAQ Market before applying for a listing and quotation on the Main Board. The Amendments to the LR and MMLR will facilitate and expedite the process of transferring listing from the MESDAQ Market to the Main Board.

#### Sources:

Bank Negara Malaysia: <<http://www.bnm.gov.my/>>

Bursa Malaysia (then Kuala Lumpur Stock Exchange):  
<<http://www.bursamalaysia.com/>> or  
<<http://www.klse.com.my/>>

Securities Commission, Malaysia:  
<<http://www.sc.com.my/>>

## CPD PROGRAMMES AT A GLANCE – AT KUALA LUMPUR (MARCH – APRIL 2005)

PROGRAMME NAME	DATE
<p><b>Audit</b></p> <ul style="list-style-type: none"> <li>• Risk Management for Internal Auditors</li> <li>• Windows: Security, Audit and Control</li> <li>• Risk-Based Internal Auditing</li> <li><i>new*</i> • Auditing and Reviewing Business Continuity Management (BCM) Programmes</li> <li>• UNIX: Security, Audit and Control</li> <li>• Introduction to Internal Auditing: Module I <sup>CIAFIN</sup></li> <li>• Introduction to Internal Auditing: Module II <sup>CIAFIN</sup></li> <li>• Computer-Assisted Audit Techniques (CAATs)</li> </ul> <p><i>CIAFIN</i> This programme will benefit those preparing for IBBM's Certificate in Internal Auditing for Financial Institutions (CIAFIN) examination</p>	<ul style="list-style-type: none"> <li>• Mar 14 – 15</li> <li>• Mar 21 – 23</li> <li>• Apr 4 – 5</li> <li>• Apr 12 – 13</li> <li>• Apr 18 – 20</li> <li>• Apr 25 – 26</li> <li>• Sep 28 – 30</li> <li>• Sep 26 – 27</li> </ul>
<p><b>Compliance</b></p> <ul style="list-style-type: none"> <li>• Anti-Money Laundering Seminar: COmpliance and Audit</li> <li>• Implementing an Anti-Money Laundering Compliance Programme: A Workshop</li> <li>• Compliance with AMLA 2001: Transaction Reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Mar 14</li> <li>• Mar 15 – 16</li> <li>• Mar 17 – 18</li> </ul>
<p><b>Credit</b></p> <ul style="list-style-type: none"> <li>• Assessing Credit Risk Using Financial Statements and Cash Flow Analysis <sup>CCP (B)</sup></li> <li>• Consumer Finance Products I <sup>CCP (C)</sup></li> <li>• BAFIA 1989: From the Lending Perspective – Compliance and Penalties <sup>CCP (C) CCP (B)</sup></li> <li>• Credit Risk Management: Qualitative Analysis <sup>CCP (B)</sup></li> <li>• Advanced Credit Analysis Workshop</li> <li>• Consumer Finance Products II <sup>CCP (C)</sup></li> <li>• Advanced Financial Analysis Workshop</li> <li>• Credit Risk Management: Loan Structuring <sup>CCP (B)</sup></li> <li>• Consumer Finance: Credit and Marketing <sup>CCP (C)</sup></li> <li>• Credit Risk Management: Loan Monitoring <sup>CCP (B)</sup></li> <li>• Consumer Finance: Credit Monitoring, Collection and Recovery <sup>CCP (C)</sup></li> <li>• Land Law and Securities Documentation <sup>CCP (C) CCP (B)</sup></li> <li>• Advanced Credit: Monitoring, Control and Warning Signals</li> <li>• Advanced Credit: Managing and Restructuring Distressed Debt</li> <li>• Identifying Creative Accounting</li> <li><i>new*</i> • Strategies in Managing Account Receivables</li> <li>• Legal Perspectives of Loan Recovery and Corporate Litigation</li> <li>• Business Development and Client Relationship Strategies</li> </ul> <p><i>CCP (B)</i> This programme will benefit those preparing for IBBM's CCP (Business) examination  <i>CCP (C)</i> This programme will benefit those preparing for IBBM's CCP (Consumer) examination</p>	<ul style="list-style-type: none"> <li>• Feb 28 – Mar 2</li> <li>• Feb 28 – Mar 2</li> <li>• Mar 3 – 4</li> <li>• Mar 7 – 9</li> <li>• Mar 7 – 10</li> <li>• Mar 9 – 11</li> <li>• Mar 14 – 16</li> <li>• Mar 14 – 16</li> <li>• Mar 16 – 18</li> <li>• Mar 21 – 23</li> <li>• Mar 23 – 25</li> <li>• Mar 28 – 30</li> <li>• Apr 11 – 12</li> <li>• Apr 13 – 15</li> <li>• Apr 18 – 19</li> <li>• Apr 18 – 19</li> <li>• Apr 25 – 27</li> <li>• Apr 25 – 27</li> </ul>
<p><b>Financial Planning</b></p> <ul style="list-style-type: none"> <li><i>new*</i> • Applied Portfolio Management</li> </ul>	<ul style="list-style-type: none"> <li>• Apr 25 – 27</li> </ul>
<p><b>Preparatory Programmes for Certified Financial Planner</b></p> <ul style="list-style-type: none"> <li>• Module 3: Tax Planning*</li> </ul>	<ul style="list-style-type: none"> <li>• Mar 6, 12–13 &amp; 19–20</li> </ul>

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## CPD PROGRAMMES AT A GLANCE – AT KUALA LUMPUR (MARCH – APRIL 2005) cont'

PROGRAMME NAME	PROGRAMME DATE
<ul style="list-style-type: none"> <li>• Module 4: Investment Planning*</li> <li>• Module 5: Estate Planning and Retirement Planning*</li> </ul>	<ul style="list-style-type: none"> <li>• Mar 26–27, Apr 2–3 &amp; Apr 9</li> <li>• Apr 10, 16–17 &amp; 23–24</li> </ul>
<b>Information Technology</b> <ul style="list-style-type: none"> <li>• IT Disaster Recovery for Financial Institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Mar 7 – 9</li> </ul>
<b>International Trade Finance</b> <ul style="list-style-type: none"> <li>• Documentary Credit: Part II <sup>CDCS</sup></li> <li>• Introduction to International Trade Finance<sup>+</sup></li> </ul> <p><small>CDCS This programme will benefit those preparing for the CDCS examination</small></p> <p><small>+ Registered with the <b>ifs</b> as a course for the Certified Documentary Credit Specialist (CDCS) Re-certification programme</small></p>	<ul style="list-style-type: none"> <li>• Mar 31 – Apr 1</li> <li>• Apr 11 – 13</li> </ul>
<b>Personal Development</b> <ul style="list-style-type: none"> <li>• Professional Presentation Skills*</li> <li>• Coaching for Innovation and Growth*</li> <li><small>new*</small> • Achieving Sales and Customer Service Excellence with Neuro Linguistic Programming (NLP)*</li> <li><small>new*</small> • Strategic Thinking and Competition in Financial Services*</li> </ul>	<ul style="list-style-type: none"> <li>• Feb 28 – Mar 2</li> <li>• Apr 11 – 12</li> <li>• Apr 18 – 19</li> <li>• Apr 18 – 20</li> </ul>
<b>Risk Management</b> <ul style="list-style-type: none"> <li>• Operational Risk Management Workshop</li> </ul>	<ul style="list-style-type: none"> <li>• Mar 16 – 17</li> </ul>
<b>Treasury and Investment</b> <ul style="list-style-type: none"> <li>• Introduction to the Financial Markets</li> <li>• Fundamentals of Capital Market Instruments I: Debt Instruments</li> <li>• Effective Risk Management: Treasury, ALM and Derivatives</li> <li>• Fundamentals of Money Market</li> <li>• Fundamentals of Capital Market Instruments II: Equity and Venture Capitals</li> <li>• Understanding Capital Market Instruments and their Application in Debt Restructuring</li> <li>• Fundamentals of Foreign Exchange</li> <li>• Fundamentals of Foreign Exchange Swaps</li> </ul>	<ul style="list-style-type: none"> <li>• Feb 28 – Mar 1</li> <li>• Mar 29 – Apr 1</li> <li>• Mar 21 – 25</li> <li>• Mar 28 – 30</li> <li>• Apr 4 – 7</li> <li>• Apr 25 – 27</li> <li>• Apr 25 – 27</li> <li>• Apr 28</li> </ul>
<b>PKMC Induction Seminars</b> <ul style="list-style-type: none"> <li>• Module I: Part A – The Malaysian Code of Conduct and Market Practices &amp; Part B – The Malaysian Financial System and Conduct of Monetary Policy</li> <li>• Module II: The Money Market</li> <li>• Module III: The Foreign Exchange Market</li> </ul>	<ul style="list-style-type: none"> <li>• Apr 4 – 5</li> <li>• Apr 11 – 14</li> <li>• Apr 25 – 28</li> </ul>
<b>Directors' Programme</b> <ul style="list-style-type: none"> <li><small>new*</small> • Operational Risk Management – The Imperatives</li> </ul>	<ul style="list-style-type: none"> <li>• Mar 9</li> </ul>
<b>Special Programmes</b> <ul style="list-style-type: none"> <li>• Modul III: Pengenalan kepada Penterjemahan*</li> <li>• Modul I: Penggunaan Bahasa Melayu dalam Komunikasi Lisan*</li> </ul>	<ul style="list-style-type: none"> <li>• Feb 21 – 24</li> <li>• Apr 4 – 7</li> </ul>

All the above programmes qualify for CPE credit hours for BAI Certified Risk Professional<sup>SM</sup> (CRP) except for those marked \*.

# IBBM to Phase Out Its General Banking Qualifications

In 2002/2003, IBBM undertook a re-engineering exercise, which involved the participation of key industry players. Subsequently, a Strategic Plan on the Future Direction of IBBM was drawn up. One of the key strategic initiatives identified is to introduce more specialist programmes and review existing ones. Pursuant to this, the IBBM General Banking Qualifications will be phased out by 2007. (See box story for more details.)

Moving forward, IBBM will give greater focus to research and development. In particular, it will look into expanding the current offerings of specialist qualifications.

So, rest assured that IBBM will continue to be THE professional training adviser and provider in developing practitioners in the banking and financial services industry to enable them to function effectively in an evolving financial services environment.

## Q&As on the Phasing Out of the BFSC, COFSA and DBFS Examinations

The Institute's recent review of its qualifications shows that with the changing educational focus in the banking and financial industry towards specialist qualifications, the demand for the Institute's General Banking Qualifications has been declining. To ensure that the Institute continues to offer relevant certifications for the industry, it has been decided that the Banking and Financial Services Certificate (BFSC), Certificate in Offshore Financial Services and Administration (COFSA) and Diploma in Banking and Financial Services (DBFS) examinations be phased out.

To help candidates focus their efforts on completing their remaining subjects, the Institute will abolish its 5-year time limit policy with effect from January 1, 2005. Therefore, passes obtained in the October 2000 examination sitting onwards will remain valid until the end of the phasing-out period.

### 1. When will the examinations be phased out?

To give candidates sufficient time to complete their remaining subjects in their respective examinations, the BFSC and COFSA examinations will be phased out at end-2006 whereas the DBFS examinations will be phased out at end-2007.

Therefore, the last examination sitting for the BFSC and COFSA will be in October 2006 whereas the last examination sitting for the DBFS will be in October 2007.

### 2. As a current examination candidate, how will the phasing out affect me?

If you are currently a BFSC or COFSA examination candidate, you will have effectively 4 examination sittings

from January 1, 2005 (i.e. April 2005, October 2005, April 2006 & October 2006) to complete your remaining subjects under your respective examinations.

If you are currently a DBFS examination candidate, you will have effectively 6 examination sittings from January 1, 2005 (i.e. April 2005, October 2005, April 2006, October 2006, April 2007 & October 2007) to complete your remaining subjects.

### 3. As a holder of the BFSC and DBFS, how will the phasing out affect me?

The discontinuation of the examinations will not, in any way, affect the credibility of the BFSC and DBFS qualifications. Both qualifications will still be recognised by the banking and financial services industry after 2007.

### 4. I am not a current examination candidate but plan to enrol for the examinations in 2005. Can I still enrol for the examinations?

Yes. However, the cut-off date for new intakes of candidates for the BFSC, COFSA or DBFS examinations is the October 2005 examination sitting. This rule also applies to BFSC and COFSA graduates who would like to progress into the DBFS.

Following the above, a new BFSC or COFSA examination candidate enrolling for the October 2005 examinations will have a maximum of 3 examination sittings (i.e. October 2005, April 2006 and October 2006) to complete their respective examinations before the examinations are phased out.

In the same manner, a new DBFS

candidate enrolling for the October 2005 examination will have a maximum of 5 examination sittings (i.e. October 2005, April 2006, October 2006, April 2007 and October 2007) to complete the examination.

### 5. How does the abolishment of the 5-year time limit policy benefit me?

The current time limit policy, states that each subject pass in the BFSC, COFSA and DBFS examinations is valid for 5 years (equivalent to 10 examination sittings) from the examination sitting in which it was obtained as long as the entire examination is not completed, after which the subject must be re-sat and passed again.

With the abolishment of the 5-year time limit policy w.e.f. January 1, 2005, the subject pass(es) you obtained in the October 2000 examination sitting and onwards will remain valid until the end of the phasing-out period. However, please note that subject passes obtained at the April 2000 examination sitting or earlier (which are invalidated passes by now) will not be reinstated.

### 6. Who can I contact at the Institute if I have any questions or require any clarification pertaining to the phasing out of the examinations?

You can contact any of the following personnel at telephone number 03-20938803 for more information:

- Hema (ext. 120)
- Malini (ext. 156)
- Ellis (ext. 149)

Alternatively, you can e-mail us at [gbq@ibbm.org.my](mailto:gbq@ibbm.org.my).

## 2005 EXAMINATION TIME-TABLE

### BFSC / COFSA / DBFS

Date	BFSC	COFSA	DBFS
Apr 11 (Mon) Oct 10 (Mon)	Introduction to Monetary Economics and the Malaysian Financial System (CF01)		<ul style="list-style-type: none"> <li>• Monetary Economics and the Malaysia Financial System (DP01)</li> <li>• International Trade Finance (DP06)</li> </ul>
Apr 12 (Tue) Oct 11 (Tue)	Operations of Financial Institutions (CF02)	Administration of Offshore Centres (CFL1)	<ul style="list-style-type: none"> <li>• Law on Banking and Finance (DP02)</li> <li>• Treasury (DP07)</li> </ul>
Apr 13 (Wed) Oct 12 (Wed)	Law and Practice of Banking (CF03)	Offshore Legislation (CFL2)	<ul style="list-style-type: none"> <li>• Principles of Lending (DP03)</li> <li>• Retail Financial Services (DP08)</li> </ul>
Apr 14 (Thu) Oct 13 (Thu)	Basic Accounting (CF04)		<ul style="list-style-type: none"> <li>• Principles of Management (DP04)</li> <li>• Investment (DP09)</li> </ul>
Apr 15 (Fri) Oct 14 (Fri)			<ul style="list-style-type: none"> <li>• Business Communication (DP05)</li> <li>• Marketing of Financial Services (DP10)</li> </ul>

### CCP / CIAFIN / PKMC / CDCS / CRP / CBA

Date	CCP	CIAFIN	PKMC	CDCS	CRP & CBA
Apr 2 (Sat)	Papers 1, 2 & 3				
Apr 14 (Thu)				✓	
Jun 11 (Sat)			Modules I & II		
Jun 16 ((Thu)					✓
Jun 17 (Fri)					✓
Jun 18 (Sat)			Modules III & IV		
July 16 (Sat)	Papers 4 & 5				
Sept 3 (Sat)	Papers 1, 2 & 3				
Nov 17 (Thu)					✓
Nov 18 (Fri)					✓
Dec 3 (Sat)		✓	Modules I & II		
Dec 10 (Sat)			Modules III & IV		
Dec 17 (Sat)	Papers 4 & 5				

- BFSC - Banking and Financial Services Certificate  
 COFSA - Certificate in Offshore Financial Services and Administration  
 DBFS - Diploma in Banking and Financial Services  
 CCP - Certified Credit Professional  
 CIAFIN - Certificate in Internal Auditing for Financial Institutions  
 PKMC - Pasaran Kewangan Malaysia Certificate  
 CDCS - Certified Documentary Credit Specialist  
 CRP - Certified Risk Professional<sup>SM</sup>  
 CBA - Certified Bank Auditor<sup>TM</sup>

## DEADLINES FOR EXAMINATION PURPOSES

<b>BFSC, COFSA &amp; DBFS EXAMINATIONS</b>		
<b>ITEM</b>	<b>APR EXAM</b>	<b>OCT EXAM</b>
Membership registration	Dec 31	Jun 30
Qualification Registration for direct entry into the Diploma in Banking and Financial Services examinations	Dec 31	Jun 30
Subject exemption application	Dec 31	Jun 30
Examination enrolment	Feb 1 - 28	Aug 1- 30
Change / withdrawal of examination entries	Feb 28	Aug 30
Change of examination centre	Mar 15	Sep 15
Despatch of Attendance Notices	3 weeks before the examinations	3 weeks before the examinations
Application for transfer of examination entries (medical reasons only)	Not later than 2 weeks after the examinations	Not later than 2 weeks after the examinations
Despatch of examination results	10 weeks after the examinations	10 weeks after the examinations

<b>CCP EXAMINATIONS</b>				
<b>ITEM</b>	<b>APR EXAM Papers 1,2 &amp; 3</b>	<b>JUL EXAM Papers 4 &amp; 5</b>	<b>SEP EXAM Papers 1,2 &amp; 3</b>	<b>DEC EXAM Papers 4 &amp; 5</b>
Membership registration and examination enrolment	Jul 1 - Dec 31	May 1 - 31	Jan 1 - Jun 30	Oct 1 - 31
Withdrawal of examination	Dec 31	May 31	Jun 30	Oct 31
Despatch of Attendance Notices	2 weeks before the examinations	2 weeks before the examinations	2 weeks before the examinations	2 weeks before the examinations
Application for transfer of examination entries (medical reasons only)	Not later than 2 weeks after the examinations	Not later than 2 weeks after the examinations	Not later than 2 weeks after the examinations	Not later than 2 weeks after the examinations
Despatch of examination results	3 weeks after the examinations	12 weeks after the examinations	3 weeks after the examinations	12 weeks after the examinations

## DEADLINES FOR EXAMINATION PURPOSES

CIAFIN EXAMINATIONS	
ITEM	DEC EXAM
Membership registration and examination enrolment	Jul 1 - Sep 30
Withdrawal of examination	Sep 30
Despatch of Attendance Notice	2 weeks before the examinations
Application for transfer of examination entries (medical reasons only)	Not later than 2 weeks after the examinations
Despatch of examination results	8 weeks after the examinations

PKMC EXAMINATIONS		
ITEM	JUN EXAM	DEC EXAM
Induction Seminar registration	Feb 1 - 28	Aug 1-30
Withdrawal of induction seminar registration	Feb 28	Aug 30
Examination enrolment	May 1 - 10	Nov 1-10
Withdrawal of examination	May 10	Nov 10
Despatch of Attendance Notice	2 weeks before the examinations	2 weeks before the examinations
Application for transfer of examination entries	Not later than 2 weeks after the examinations	Not later than 2 weeks after the examinations
Despatch of examination results	8 weeks after the examination	8 weeks after the examination

CDCS EXAMINATIONS	
ITEM	APR EXAM
Examination enrolment	Jan 31

CRP & CBA EXAMINATIONS		
ITEM	JUN EXAM	NOV EXAM
Examination enrolment	May 13	Oct 14

\*\* Please note that the closing dates are the last dates for receipt of applications, not posting of applications.

**Sarawak Branch**

**Dinner talk on “Developing an Operational Risk Management Culture”**

BBM-Sarawak Branch held a dinner talk on “Developing an Operational Risk Management Culture in Today’s Banking” at the Kuching Hilton on November 25, 2004. The dinner talk, officiated by Mr. N. Nallathamby, Manager of Bank Negara Malaysia (and also the Chairman of the IBBM Sarawak State Advisory Committee) was attended by more than 70 participants comprising regional managers, branch managers and senior officers from various financial institutions in Sarawak. Dr Josef Eby Ruin shared his knowledge and experience on

operational risks, tools to manage risks, the roles of staff and critical success factors in developing an effective operational risk management culture. A very big thank you to Dr Josef for his contributions.

The event also witnessed the presentation of tokens of appreciation to the Advisory Committee Members in Sarawak. The Advisory Committee Members serve on a voluntary basis and work together with the Institute for the advancement and development of the Institute in the local banking and financial services community. The Institute thanks them for their commitment and contributions to the industry through the years.

**Exam Attendance Notices**

Examination	Despatch of Attendance Notices	Cut-Off Date to Inform IBBM of Non-Receipt of Attendance Notices	Contact Person
CCP Papers 1, 2 & 3 Examinations April 2, 2005	Week of March 14, 2005	March 23, 2005	Guhan (ext 148) Cheh Lu (ext 115)
BFSC, COFSA & DBFS Examinations	Week of March 21, 2005	April 11-15, 2005 March 31, 2005	Asri (ext 126) Cheh Lu (ext 115)

**Requisition Form for Information Handbooks**

Please send me the following brochure(s):

- Banking and Financial Services Certificate (BFSC)/Certificate in Offshore Financial Services and Administration (COFSA)
- Diploma in Banking and Financial Services (DBFS)
- Certified Credit Professional (CCP)
- Certificate in Internal Auditing for Financial Institutions (CIAFIN)
- Pasaran Kewangan Malaysia Certificate (PKMC)
- Certified Documentary Credit Specialist (CDCS)
- Certified Risk Professional<sup>SM</sup> (CRP)

Name: \_\_\_\_\_

Designation: \_\_\_\_\_ Membership No.: \_\_\_\_\_

Correspondence Address: (in full) \_\_\_\_\_

Tel : \_\_\_\_\_ E-mail: \_\_\_\_\_

**Maybank's Loo Kia Song became the first CBA graduate under the BAI-IBBM collaborative arrangement. @IBBM recently met up with Loo for this interview story.**

## **LOO IS ONE WHO DOESN'T STOP LEARNING**

Loo Kia Shong, Head of Research, Training and Development, Maybank Group Audit, Malayan Banking Berhad, certainly has a strong appetite for acquiring qualifications. Apart from being a Chartered Accountant, Certified Public Accountant and Certified Internal Auditor, he has also added IBBM's Certificate in Internal Auditing for Financial Institutions (CIAFIN) and Diploma in Banking and Finance (Stage 2) qualifications to his credentials. Loo did not stop there. Recently, he added another feather to his cap – the Certified Bank Auditor™ (CBA™) certification awarded by the US-based Bank Administration Institute (BAI). The CBA designation is globally recognised throughout the financial services industry.

Loo's latest success also earned him the distinction of being the first graduate to obtain the CBA certification via the IBBM 'route'. IBBM, had, in collaboration with BAI, brought this certification to Malaysia in 2004. CIAFIN holders could apply for examination exemptions.

Loo, in fact, was the sole candidate in the examination centre at IBBM when he sat for the examinations in November 2004. We hope that this interview story with Loo will motivate others, especially the CIAFIN graduates, to pursue the CBA certification.

**@IBBM: Congratulations Mr Loo on your success. We hope to have a chat with you on your experiences taking the CBA and CIAFIN examinations.**

**Mr Loo:** Thank you. I want to commend IBBM for bringing the CBA examinations to Malaysia. If it means generating more awareness on the examination and encouraging more people to take up courses to enrich their knowledge, I'm more than happy to oblige.

**@IBBM: Have you had any interest in taking the CBA examinations before?**

**Mr Loo:** I'd heard of CBA but it was not marketed here in Malaysia then. Since IBBM has made it available in Malaysia, I took the opportunity to sign up.



**@IBBM: How did you find the CBA examinations?**

Mr Loo: I only had to do Part 4 of the examinations as I was exempted from the other examination parts. Being a Certified Public Accountant I was exempted from Part 1 and my CIAFIN qualification entitled me to exemptions from Parts 2 and 3. Part 4 – General Business has 3 areas; business law, management and economics. Of the three, business law is tougher because it touches on USA laws.

**@IBBM: How did you prepare for it?**

Mr Loo: There's no escaping hard work in preparing for the CBA. You'll have to read widely. I'm fortunate in the sense that Maybank has the CBA manuals. So I was able to read whenever there's time after office hours. I tried to do it consistently and went through the manuals several times.

**@IBBM: Did the exemptions obtained by virtue of you being a CIAFIN holder make any difference to you when taking the CBA?**

Mr Loo: Definitely. Look at it this way, I had two less papers to worry about for CBA because of the exemptions from CIAFIN. So, that freed me to concentrate on the remaining paper.

**@IBBM: What is your view of taking the CIAFIN examination?**

Mr Loo: I strongly encourage people, especially new auditors to take up the CIAFIN. It covers local content, rules and regulations and is a good progression to other qualifications such as the CBA. In my view, some people are not so aware of the CIAFIN's benefits and that could be one of the reasons holding them back from registering for the examination.

**IBBM: You mentioned that preparation for the CBA required extensive reading. What about the CIAFIN then?**

Mr Loo: The study material for the CIAFIN is sufficient and work experience helps a lot. But you'll still need to put in, at least, 75% of sheer hard work and effort.

**@IBBM: The list of your achievements is certainly impressive and inspiring; Chartered Accountant, Certified Public Auditor, Certified Internal Auditor, CIAFIN holder and IBBM's Diploma in Banking and Finance (Stage 2). The million-dollar question is, what motivated you to accomplish so much?**

Mr Loo: I feel that by taking examinations, I'm compelled to study and thus, will concentrate fully on the points. This way, I won't regard it as light reading material. Well, you can also say I want to see how far I can

go. Knowledge acquired is not lost but it has a shelf life too. People shouldn't stop learning. Everybody needs to upgrade and continuously top-up knowledge. Generally, people should go for higher learning if they can find the time.

**@IBBM: Being a 'veteran' at examinations, what would you say is important in preparing for examinations?**

Mr Loo: When getting ready for any examination, it's good to know which the important topics are and try to think of questions that can be asked on them.

**@IBBM: We also note that you've been a long time supporter of IBBM and would like to thank you.**

Mr Loo: You're most welcome. I joined the banking industry in 1981 and shortly after my confirmation, I became a member of IBBM until now.

**@IBBM: Thanks again for taking time to share with us your invaluable comments. We wish you all the best in your future undertakings. By the way, are you planning to pursue any other qualifications?**

Mr Loo: It's my pleasure and yes, I am thinking about it ...



## Year 2005 Individual Membership Subscription

We wish to remind all IBBM members (except those admitted after November 1, 2004) that your membership subscription was due on January 1, 2005.

Renewal notices were sent to all members towards end-December 2004. If you have not received the notice, you can download the renewal form from our website. For more information, please contact Asri (ext 126) or Cheh Lu (ext 115) or e-mail us at [member@ibbm.org.my](mailto:member@ibbm.org.my).

## Membership Card

We wish to inform that the Institute will no longer issue cards for membership with effect from 2005. If you hold a membership card and lose or misplace it, there is no

need to seek a replacement. For members who are sitting for examinations, identity verification will be through the NRIC.

## Graduation and Awards Ceremony 2005

The Institute will be holding its 8th Graduation and Awards Ceremony on Saturday, May 14, 2005 to celebrate the success of Year 2004 graduates of IBBM's

qualifications as well as subject prize winners. More details will be in the next issue of @IBBM and individual invitations will be sent to all graduands and prize winners in March 2005.

## CCP September 2005 Examinations

The enrolment period for the September 2005 CCP Papers 1, 2 and 3 examinations is January 1-June 30, 2005. For convenience, you can download the examination entry form from our website.

Candidates are encouraged to enrol early so that they have adequate time to prepare for the examination and to avoid missing the enrolment deadline. If candidates do not enrol by June 30, 2005, the next available examinations for Papers 1, 2 and 3 are scheduled for March/April 2006.

### Presentation on IBBM and Its Products for Our Institutional Members

Date	Member	No. of Pax	Target Audience	Purpose of Briefing
December 6, 2004	AmBank Group	70	Credit Staff	An in-depth briefing on the Certified Credit Professional (CCP) certification
January 5, 2005	Malayan Banking Berhad	42	New Recruits	General overview of IBBM and the Certified Credit Professional (CCP) certification

***If you are interested in IBBM's briefing on its various learning/certification programmes, feel free to call Dee Peng at 03-2095 6833 ext 133.***

# IBBM Publications Order Form

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**AUTHOR:** Charles P. Jones  
**PUBLISHER:** John Wiley & Sons, 2004  
**CALL NUMBER:** 332.6 JON

**TITLE:** Organisational Behaviour: A Global Perspective  
**AUTHORS:** Jack Wood et. al.  
**PUBLISHER:** John Wiley & Sons, 2004  
**CALL NUMBER:** 302.35 WOO

**TITLE:** Macroeconomics  
**AUTHORS:** Rudiger Dornbusch, Stanley Fisher and Richard Startz  
**PUBLISHER:** McGraw Hill, 2004  
**CALL NUMBER:** 339 DOR

**TITLE:** Essentials of Investments  
**AUTHORS:** Zvi Bodie, Alex Kane and Alan J. Marcus  
**PUBLISHER:** McGraw Hill, 2003  
**CALL NUMBER:** 332.6 BOD

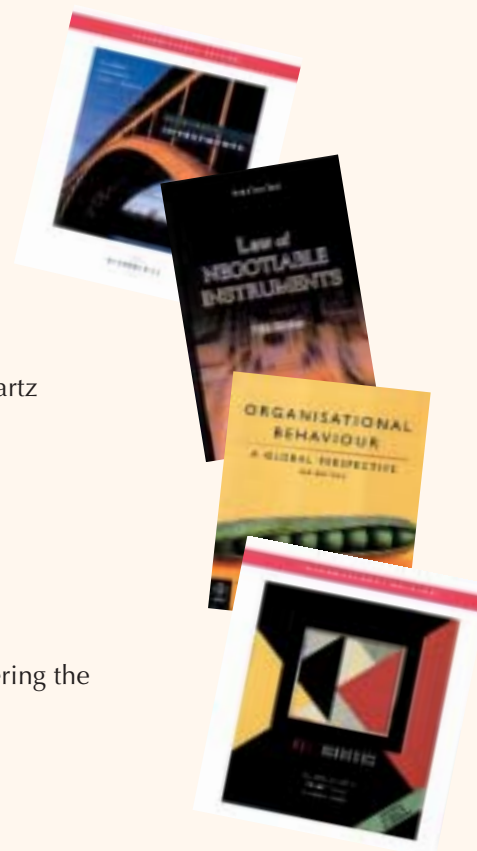
**TITLE:** Basic Business Communication: Skills for Empowering the Internet Generation  
**AUTHORS:** Raymond V. Lesikar and Marie E. Flatley  
**PUBLISHER:** McGraw Hill, 2005  
**CALL NUMBER:** 651.74 LES

**TITLE:** Banking and Negotiable Instruments Handbook\*  
**PUBLISHER:** Malayan Law Journal, 2004  
**CALL NUMBER:** 346.096 BAN

**TITLE:** Law of Negotiable Instruments\*  
**AUTHOR:** Poh Chu Chai  
**PUBLISHER:** Butterworths, 2001  
**CALL NUMBER:** 346.096 POH

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The IBBM Information Centre, Kuala Lumpur will be extending its opening hours from March 28-April 15, 2005 for the benefit of members who will be writing the IBBM general banking examinations in April 2005. The extended opening hours are as follows:

<b>Monday-Friday</b>	:	<b>9:00am – 7:00pm</b>
<b>Saturday</b>	:	<b>9:00am – 5:00pm</b>
<b>Sunday (April 3 &amp; 10)</b>	:	<b>10:00am – 2:00pm</b>