NOTICE TO MONEY-CHANGING AND REMITTANCE BUSINESSES
NOTICE NO. REG1/N-1/2026/1

NOTICE ON APPOINTMENT OF KEY RESPONSIBLE PERSONS

1. INTRODUCTION

1.1. This Notice is issued pursuant to Section 54 of the Brunei Darussalam Central Bank Order, 2010 and is applicable to all money-changing and remittance businesses licensed under the Money-Changing and Remittance Businesses Act, Chapter 174 ("the MCRBA").

1.2. This Notice outlines the conditions for an application for approval by the Authority with respect to the Key Responsible Persons in licensed money-changing and remittance businesses.

1.3. The Authority requires all Key Responsible Persons to be and remain suitable to fulfil their respective roles. As such, persons in these positions shall have the necessary qualities, competencies and experiences that will allow them to perform their duties and carry out the responsibilities required in the most effective manner.

1.4. Where applicable, this Notice shall be read together with any relevant legislations, Notices and guidelines issued by the Authority, in particular:

1.4.1. The MCRBA and its subsidiary legislation;

1.4.2. Licensing Conditions for Money-Changing Businesses ("Syarat-Syarat Lesen Bagi Perniagaan Menukar Wang");

1.4.3. Licensing Conditions for Remittance Businesses ("Syarat-Syarat Lesen Bagi Perniagaan Kiriman Wang");

1.4.4. Criminal Asset Recovery Order, 2012;

1.4.5. Guidelines on Minimum Standards for a Remittance System (Guideline No. SM/G-1/2020/1);

1.4.6. Guidelines on Minimum Requirements for Money-Changing and Remittance Businesses Compliance Officer (Guideline No. SM/G-2/2020/2);

1.4.7. Guidelines on Fit and Proper Criteria for Financial Institutions' Frontline Staff (Guidelines No. FCI/G1/2018/1);

1.4.8. Guidelines on Technology Risk Management for Money Changer and Money Remittance Businesses, and Pawnbrokers (Guideline No. TRS/G-5/2024/1);

1.4.9. Notice on Technology Risk Management (Notice No. TRS/N-1/2023/2);

1.4.10. Notice on Market Conduct (Notice No. FCI/N2/2021/1);

1.4.11. Notice for The Establishment of a Complaints Handling Function within Financial Institutions (Notice No. FCI/N1/2021/1); and

1.4.12. Any other relevant notices, directives, or guidelines, which the Authority may issue from time to time.

1.5. This Notice shall take immediate effect.

1.6. For existing licensees:-

1.6.1 due for renewal in 2027, this Notice shall apply to the extent where submission for approval for Key Responsible Person(s) is required under this Notice, commencing 3 months prior to the expiry of the existing licence.

1.6.2 an application for the appointment of Key Responsible Person(s) shall be submitted at least three (3) months prior to the expiry of the licence, together with the licence renewal application.

2. DEFINITIONS

For the purpose of this Notice:

2.1. The following terms have the following meanings, except where the context otherwise requires:

2.1.1. "Authority" means Brunei Darussalam Central Bank established under the Brunei Darussalam Central Bank Order, 2010;

2.1.2. "Key Responsible Persons" refers to:

2.1.2.1. Senior persons that are accountable or responsible for the management and oversight of the MSB of which they may hold controlled functions in executive positions, by whatever name called, which include;

2.1.2.1.1. Directors;

2.1.2.1.2. Chief Executive Officer or Managing Director;

2.1.2.1.3. Substantial Shareholders within the meaning of section 63A Companies Act;

2.1.2.1.4. Business Owners registered pursuant to section 6 of Business Name Act (Cap 92);

2.1.2.1.5. Senior Managers; and

2.1.2.1.6. Other senior officers identified by the Authority.

2.1.2.2. "Senior Managers" which refers to any person performing a senior management function whose primary or significant responsibility is for the management and performance of significant activities of the MSB, including any person who has the primary or overall responsibility for the compliance function, and who:

2.1.2.2.1. Has the authority over, makes or has substantial influence in making decisions that affect the whole or a substantial part of the MSB's activities in Brunei Darussalam;

2.1.2.2.2. Is principally accountable or responsible, whether solely or jointly with other persons, for implementing and enforcing policies and strategies approved by the Board; or

2.1.2.2.3. Is principally accountable or responsible, whether solely or jointly with other persons, for developing and implementing systems, internal controls and processes that identify, measure, monitor or control the business' risks.

2.1.2.3. Persons that are responsible for the management and oversight of money-changing activities conducted by a licensee, where such activities are incidental to its principal business (e.g. Businesses operating in the tourism or hospitality sector).

This includes designated managers or other personnel responsible for overseeing such money-changing activities. However, this does not include front-line staff who directly conduct money-changing transactions with customers.

2.1.3. "MCRBA" means the Money Changing and Remittance Businesses Act, Chapter 174 and any regulations or other subsidiary legislation made thereunder;

2.1.4. "MSB" or "money services business" refers to holders of a money-changer or remittance licence as defined under the MCRBA;

2.2. Any expression used in this Notice, except where expressly defined in this Notice or where the context requires, has the same meaning as in the MCRBA.

3. APPLICATION

New Applications[1]

3.1. MSBs shall obtain written approval from the Authority before a Key Responsible Person is formally appointed by submitting documents which include, but are not limited to the following:

3.1.1. A notice in writing stating that the person it proposes to appoint fulfils the minimum criteria of a "fit and proper person" as may be determined;

3.1.2. A duly completed Fit and Proper Form [ANNEX 1]; and

3.1.3. Other information as the Authority may reasonably require for the purpose of determining the application.

3.2. For existing licensees, the requirement under paragraph 3.1. shall apply upon the Notice becoming effective pursuant to paragraph 1.6.

3.3. Where necessary, the Authority may interview the person proposed to be appointed for the purposes of determining their fitness and propriety.

3.4. If it appears to the Authority that the person appointed or proposed to be appointed is not a "fit and proper person", the Authority shall serve on the MSB and on such person a preliminary notice in writing stating:

3.4.1. That the Authority is considering objecting to the application on the grounds that it appears to the Authority that such person is not a "fit and proper person"; and

3.4.2. That the MSB may make representations to the Authority within one month from the date of the preliminary notice.

3.5. The onus is on the MSB to establish that the person appointed or to be appointed fulfils the "fit and proper" criteria and to disclose true information as required.

3.6. When assessing an application for the appointment of a Key Responsible Person, the Authority may, in addition to the fit and proper criteria set out in this Notice, consider other factors that may be relevant, such as whether the Key Responsible Person has a good standing in the profession in respect of which the application is submitted.

3.7. In the case where the Key Responsible Person has been deemed fit and proper by another institution besides the Authority, the MSB shall still obtain approval from the Authority for the appointment of the Key Responsible Person.

[1] This also applies to existing licensees who have not obtained approval for KRPs.

Renewal of Applications

3.8. Once a Key Responsible Person has been approved under paragraph 3.1 above, an MSB shall ensure that such Key Responsible Person continuously meet the "fit and proper" criteria specified in this Notice. Accordingly, MSBs shall submit a completed Fit and Proper Reappointment Form (ANNEX 2) as a notification to the Authority, at least three (3) months prior to the expiry of the licence, together with the licence renewal application.

3.9. Where necessary, the Authority may make inquiries in writing or interview the individual proposed for reappointment for the purpose of assessing their fitness and propriety. Each reappointment application remains subject to the Authority's assessment and does not guarantee automatic approval.

Notification and Application Requirements

3.10. An MSB shall notify the Authority in writing within three (3) business days of becoming aware that a Key Responsible Person has resigned, been suspended, demoted, dismissed, or no longer fulfils the criteria of a "fit and proper" person.

3.11. Where a Key Responsible Person is proposed to be transferred to another function or wishes to undertake another function, whether within the same MSB or another MSB, a new application shall be submitted to the Authority not more than five (5) business days prior to the appointment.

4. FIT AND PROPER CRITERIA

4.1. Key Responsible Persons appointed by an MSB shall meet the fit and proper criteria set out in this Notice, both prior to and during their employment. For this purpose:

4.1.1. Key Responsible Persons shall possess the necessary qualifications, experience, professional and personal qualities to enable them to carry out their specific duties. The professional skills of Key Responsible Persons, in particular keeping up to date with developments in compliance laws, rules and standards, shall be maintained through regular and systematic education and training;

4.1.2. The MSB shall have appropriate programs to recruit and train Key Responsible Persons with suitable skills and expertise. In the event that an appointed Key Responsible Person is failing, or has failed, to fulfil the "fit and proper" criteria, the MSB may provide the person with the relevant knowledge, qualifications and/or certifications to enable them to undertake their tasks effectively. This should include capacity building conducted in-house or outsourced, as well as proper AML/CFT training; and

4.1.3. All MSBs are expected to monitor and review relevant information necessary to support their assessment of the Key Responsible Persons' compliance with the fit and proper criteria set out below.

4.2. The criteria for considering whether a Key Responsible Person is fit and proper include but are not limited to the following:

4.2.1. Honesty, integrity, and reputation;

4.2.2. Competence and capability; and

4.2.3. Financial soundness.

4.3. The Key Responsible Person appointed or proposed to be appointed is required to carry out his duties efficiently, honestly, fairly and to act in the best interests of the stakeholders and customers of the MSB.

4.4. In determining whether a Key Responsible Person meets the fit and proper criteria, the considerations set out under this Notice shall be assessed individually as well as on a cumulative basis. A failure to meet any single indicator may not, on its own, necessarily result in a determination that the Key Responsible Person is not fit and proper.

4.5. Where a failure by a Key Responsible Person to meet any fit and proper criterion is assessed by the Authority to be material, the Authority may take appropriate supervisory action, including the revocation of the Key Responsible Person's approval. In making such an assessment, the Authority may consider, including but not limited to, the following matters:

4.5.1. the seriousness of, and surrounding circumstances surrounding, the failure; and

4.5.2. the passage of time since the failure occurred.

5. HONESTY, INTEGRITY, AND REPUTATION

5.1. The Key Responsible Person appointed or proposed to be appointed shall be able to demonstrate that he or she possesses qualities such as honesty, integrity, diligence, independence of mind and fairness.

5.2. In assessing the honesty, integrity and reputation of a Key Responsible Person, the Authority shall consider matters including but not limited to the following:

5.2.1. Whether the relevant person has been refused the right or restricted in their right to carry on any trade, business, or profession for which a specific licence, registration or other authorisation is required by law in any jurisdiction;

5.2.2. Whether under any law in any jurisdiction, the person is or has been the subject of any proceedings of a disciplinary or criminal nature, or has been notified of any impending proceedings or of any investigations, which might lead to such proceedings;

5.2.3. Whether the person has contravened any provisions or has been compounded or convicted of any offence under any legislation administered by the Authority, any regulatory body, professional body, government, or its agencies whether in Brunei Darussalam or elsewhere;

5.2.4. Whether the person has been a director of, or directly concerned in the management of, any company which is being or has been convicted of an offence under any written law in any jurisdiction during their tenure of office in that company (unless the person can prove that such offence was committed without their knowledge or consent and he was not in a position to prevent the offence);

5.2.5. Whether the person has had any judgment relating to the finding of fraud, misrepresentation or dishonesty entered against him in any civil proceedings in Brunei Darussalam or elsewhere, or is a party to any pending proceedings that may lead to such a judgment;

5.2.6. Whether the person has engaged in any business practices which are deceitful, oppressive, or otherwise improper, whether unlawful or not, or which otherwise reflect discredit on their method of conducting business;

5.2.7. Whether the person has been a party to any action or decision of the board or management of a business which is detrimental to the interests of the business and its consumers;

5.2.8. Whether the person has acted in a manner which may cast doubt on their fitness to hold the position, or acted in blatant disregard for proper professional conduct;

5.2.9. Whether the person has been the subject of any complaint made reasonably and in good faith, relating to activities that are regulated by the Authority or under any law in any jurisdiction;

5.2.10. Whether the person is available for full-time employment, and does not carry on any other business or vocation, except as a non-executive director or shareholder of another company;

5.2.11. Whether the person is engaged actively in any political activity;

5.2.12. Whether the person is free from any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of their judgement when acting in the capacity of a Key Responsible Person;

5.2.13. Whether the person has been censured, disciplined, suspended, or refused membership, license or registration by the Authority, or any regulatory authority of any business or profession under any written law;

5.2.14. Whether the person has been dismissed or asked to resign or has resigned from employment or from a position of trust, fiduciary appointment, or similar position because of questions of honesty and integrity;

5.2.15. Whether, in the past, the person has acted unfairly or dishonestly in their dealings with their customers, employers, auditors and regulatory authorities in any jurisdiction;

5.2.16. Whether the person has at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities in any jurisdiction resulting in a failure or potential failure to comply with legal, regulatory and professional requirements and standards;

5.2.17. Whether the person has held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation during their tenure of office in that business; and

5.2.18. Whether the person has been a director of, or directly concerned in the management of, any company which is being or has been wound up by a court or other authority competent to do so within or outside Brunei Darussalam, or has been a director of, or directly concerned in the management of, any bank where its licence has been revoked under any written law.

6. COMPETENCE AND CAPABILITY

6.1. The Key Responsible Person appointed or proposed to be appointed shall be able to demonstrate that he possesses the necessary skills, experience, ability and commitment to carry out the role.

6.2. The Key Responsible Person is expected to undertake continuous capacity building and, where appropriate, obtain relevant certifications. The Authority may require the MSB to certify that the Key Responsible Person continues to meet the “fit and proper” requirements.

6.3. In assessing the competence and capability of a Key Responsible Person, the Authority shall consider matters including but not limited to the following:

6.3.1. Whether the person has the appropriate qualification, training, skills, practical experience and commitment to effectively fulfil the role and responsibilities of the position and in the case of directors, having regard to their other commitments;

6.3.2. Whether the person has satisfactory past performance or expertise in the nature of business or duties being conducted, as the case may be, whether in Brunei Darussalam or elsewhere; and

6.3.3. Where the relevant person is an individual who is assuming concurrent responsibilities, whether such responsibilities would give rise to a conflict of interest or otherwise impair their ability to discharge their duties in relation to any activity regulated by the Authority under the relevant legislation.

7. FINANCIAL SOUNDNESS

7.1. The Key Responsible Person appointed or proposed to be appointed shall be able to demonstrate that he is able to manage their own debts or financial affairs prudently such that there are no loan defaults or court judgements related to debt or credit facilities in their name.

7.2. In assessing the financial soundness of a Key Responsible Person, the Authority shall consider matters, including but not limited to the following:

7.2.1. Whether the person has been declared an undischarged bankrupt or a person in respect of whom a bankruptcy proceeding is pending in Court in Brunei Darussalam or elsewhere;

7.2.2. Whether the person is or has been unable to fulfil any of their financial obligations, whether in Brunei Darussalam or elsewhere; and

7.2.3. Whether the person has been the subject of a judgement debt which is unsatisfied, either in whole or in part, whether in Brunei Darussalam or elsewhere.

MANAGING DIRECTOR
BRUNEI DARUSSALAM CENTRAL BANK

Issue Date: 21 Rabiulawal 1448 / 3 September 2026