

 AFC

Handbook

Islamic Financial Companies in the AFC



Why AIFC?



World-class Regulation
and Developed Islamic
Finance Infrastructure



Independent Judicial
System



Special Tax Regime



Special Currency Regime



International Stock
Exchange



Vibrant financial and
business ecosystem



Special labour and visa
regime

More Information on
Advantages of Doing Business
in the AIFC on the [website](#)

PROCESS



Here's How to Get Started

To obtain authorisation and conduct activities permitted under the “Providing Islamic Financing” license in the AIFC, companies must meet minimum capital requirements:

- In case if only own funds are used: 100 000 USD*
- In case if not only own funds: 500 000 USD*
- No minimum capital requirements for branches

* More information on Regulator's [website](#)

PROCESS

01.

Preparation of the document package and application submission, followed by an initial review and acceptance of documents

02.

Assessment of documents for compliance with criteria and conducting interviews if necessary

03.

In Principal Approval: Notification and subsequent fulfillment of requirements, including the capital requirements

04.

Online company registration through the Digital Resident portal

05.

Authorisation: Issuance of a license



The application fee is USD 10,000
The registration fee is USD 300



Requirements for Providing Islamic Financing

Documents & Systems*

- Application form for Regulated Activities and Supplement form based on the proposed license
- Applications for individuals who will carry out Controlled and Designated Functions
- Regulatory business plan (Section 9 of the Application: shareholders and organisational charts, IT systems, human resources, one-year financial projections with key assumptions etc.)
- Islamic finance documentation: copy of constitutional document, Shari'ah supervisory board policy, product disclosure documentation, Shari'ah compliance policies and procedures manual
- Supporting documents: compliance manual, anti-money laundering procedures, compliance monitoring programme, risk management policy, remuneration policy



*The list is not exhaustive. The Regulator may require any additional documents



Documents & Systems (cont.)*

- Funding strategy
- Internal capital adequacy assessment process
- Employee code of conduct
- Incorporation certificate of parent/head office
- Board minutes approving establishment of the AIFC entity
- Board and management committees' terms of reference
- Regulatory licence of parent company (if applicable)



*The list is not exhaustive. The Regulator may require any additional documents



Requirements for Providing Islamic Financing

Officers (certain roles can be combined)

Controlled Functions:

- Senior Executive Officer/Director
- Finance Officer
- Compliance Officer
- Money Laundering Reporting Officer

Shari'ah Supervisory Board (SSB)

- SSB can be in-house, outsourced or from head office
- SSB must consist of at least 3 members



*The list is not exhaustive. The Regulator may require any additional documents



Additional information about Providing Islamic Financing license



Legislation

- AIFC General Rules
- Financial Services Framework Regulation
- Islamic Finance Rules
- Fees Rules
- [Authorisation Process](#)



Tax Incentives

- Exemption from corporate income tax
- Exemption from value added tax
- More information [here](#)



Special currency regime

- AIFC participants holding this license are authorised to offer their services to both legal entities and individuals in Kazakhstan in any currency including tenge
- More information [here](#)



Useful Link

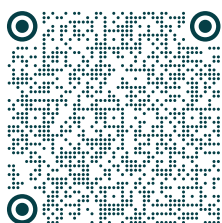
More information on Regulator's [website](#)

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Disclaimer

This is only a guide and should be read together with the relevant AIFC legislation as it may not cover all the relevant information in full.

Further advice from a professional may be required.