Artem.

Прошу согласовать текст запоса в DMS:

1. Please provide us with complete list of **Myanmar legislation** relating to activities of Micro-Finance institution (hereafter referred as MFI) with the following characteristics:
   1. 100% foreign ownership;
   2. receives loans from abroad.

For every statutory document please provide

* the short description of document;
* the list of references to key articles with short essence for every article mentioned.

1. **Interest cap** (for the MFI loans).
   1. Which fees are included in the cap (30%p.a.) stated in Directive 1-2011 of Microfinance Supervisory Committee ([see](http://tinyurl.com/mqcdz47) attached)? What is the scheme of its calculation?
   2. What is the definition of the rate on micro loans according to legislation?
   3. Will the following fees be  included into the cap / Do we understand correctly that the following fees do not contribute to effective interest rate calculation:
      1. MFI membership agreement fee (according to several local experts)?
         1. Is there any cap for the membership fee?
         2. What is the regulation about the period for charging this fee (monthly, yearly, etc.)?
      2. Will the following fees be excluded from the cap calculation:
         1. upfront fee?
         2. negotiations fee?
         3. extra payment fee?
         4. prolongation fee?
         5. credit line fee?
      3. Could the following fees (taken by third parties) be excluded from MFI’s caped interest rate calculation:
         1. payment system fee (e.g. on the name of Myanmar Mobile Money) for money transfer (from MFI to customer and vice versa)?
         2. credit broker fee for assisting customers with finding the lending options and with filling-in the loan related documents?
   4. Late payment fee/penalty regulation:
      1. Is there any cap for this fee?
      2. Is there any cap for the overdue interest rate?
      3. Can we charge the customer with the overdue interest rate and the late payment fee at the same time?
      4. Is it possible to receive any penalty from customer (for payment due) in case it will be over 30% p.a.(together with interest rate)?
2. Does the **credit broker company** (hereafter referred as LGC) with the following scope of activities require any specific license:

* Providing customer with report about available lending options meeting the customer’s request;
* Assisting customer in filling-in the loan application and collecting the documents required by the lender?
  1. In case LGC has found the right loan provider (e.g. MFI) for customer then LGC charges the customer with the fee. Is there any cap for such a fee?

Remarks:

* + Please see the details of LGC’ business process in the file attached.
  + Please take in mind that LGC does not have any intersection with MFI in founding members, directors, CEOs and key personnel.

1. **Advertising.**
   1. Are there any restrictions in Myanmar for advertising MFI products and services? If yes – what are those? Please provide us with references to related legislation, legal precedents and official authorities’ opinions.
2. **CIT exemption.**
   1. Is it possible to obtain an MIC permit for LGC in case it attracts foreign investments (in form of loans) of $3 mln.
   2. Are there any corporate income tax exemptions in case LGC have got such a permit?
3. **Loans obtained by MFI.**
   1. Can MFI obtain cross-border loans from non-banking foreign legal entity?
   2. What are the limitations for such a loans?
   3. Shall we get any approval from local authority for such a loan?
   4. What is the procedure for getting such a permission?
   5. What is the timeline and the list of required document to apply for such a permission?
   6. Can MFI obtain loans from LGC?