

## Public Announcements

### Danaharta Bill Becomes Law

Pengurusan Danaharta Nasional Berhad (Danaharta) achieved yet another milestone when the Yang Di-Pertuan Agong gave his Royal Assent to the various legislation that are integral to Danaharta's operations, as follows:

- Pengurusan Danaharta Nasional Berhad Bill 1998
- National Land Code (Amendment) Bill 1998
- Supplementary Supply Bill 1998
- Development Funds (Amendment) Bill 1998

The Pengurusan Danaharta Nasional Berhad Act 1998 (Danaharta Act) was gazetted and came into force on September 1, 1998. The other Bills are expected to be gazetted this month. Having crossed this final legal hurdle and signed its first agreement to buy a non-performing loan (NPL) from Perwira Affin Merchant Bank, Danaharta is well into its mission to revitalise the banking sector. The speed at which Danaharta has moved in the last three months is evident from the milestones achieved (See Appendix A: Milestone Schedule). In comparison, similar agencies set up in Thailand and Indonesia took approximately six months to commence operations.

### Reference Institution for Determination of Interest Rate

As per Section 14(4)(m) of the Danaharta Act, for the purpose of determining the interest rate charged for credit facilities acquired by Danaharta, reference must be made to the cost of funds or base lending rate (BLR) of a licensed institution determined by Bank Negara Malaysia.

In this respect, Bank Negara Malaysia has given its approval for Danaharta to use Malayan Banking Berhad as the reference institution.

**Azman Yahya**  
**Managing Director**

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For further information, please contact:

#### Pengurusan Danaharta Nasional Berhad

- Ms Ng Mun Yee (03-461 7110)
- Ms Nora Shah (03-461 7107)

### Milestone Schedule

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<b>Day of project life</b>	<b>Date</b>	<b>Milestone</b>
	May 20, 1998	Announcement by Government of intent to create AMC/Danaharta
	May 21, 1998	Appointment by Government of Managing Director, Azman Yahya
1	June 1, 1998	Appointment of Arthur Andersen and JP Morgan as advisers on establishment of AMC/Danaharta
4	June 4, 1998	First press conference to announce preliminary details of Danaharta
20	June 20, 1998	Incorporation of Danaharta as the national asset management company
32	July 2, 1998	Start of dialogue sessions with BAFIA financial institutions at Bank Negara
43	July 13, 1998	Danaharta Bill tabled at Dewan Rakyat
46	July 16, 1998	Danaharta Bill passed by Dewan Rakyat
50	July 20, 1998	Relocation to new office in Wisma Semantan
57	July 27, 1998	NLC (Amendment) Bill tabled at Dewan Rakyat
62	Aug 1, 1998	Commencement of detailed discussions with financial institutions
65	Aug 4, 1998	NLC (Amendment) Bill passed by Dewan Rakyat
66	Aug 5, 1998	Danaharta Bill passed by Dewan Negara
72	Aug 11, 1998	NLC (Amendment) Bill passed by Dewan Negara
85	Aug 24, 1998	Appointment of Board of Directors
87	Aug 26, 1998	Board meeting and approval of policies, procedure manuals and operational guidelines for Danaharta
88	Aug 27, 1998	Announcement of the Asset Acquisition Guidelines and the Framework for Valuation Methodology
88	Aug 27, 1998	Agreement to purchase first NPL from Perwira Affin Merchant Bank
90	Aug 29, 1998	Danaharta Bill received Royal Assent
93	Sept 1, 1998	Danaharta Act came into force

**Note:**

- BAFLA - Banking and Financial Institutions Act 1989
- NLC - National Land Code