

DIRECTIVE ON MANAGEMENT AND CONTROL REQUIREMENTS FOR LABUAN ENTITIES THAT UNDERTAKE PURE EQUITY HOLDING ACTIVITIES

1.0 Introduction and Legal Provision

1.1 This Directive is issued pursuant to section 4B of the Labuan Financial Services Authority Act 1996 (LFSAA) to provide the prerequisites of the management and control requirements for Labuan entities that undertake pure equity holding activities.

2.0 Applicability

2.1 The Directive is applicable to any Labuan entity incorporated or registered or established under Labuan legislations that undertakes pure equity holding activities.

3.0 Effective Date

3.1 This Directive shall come into effect immediately and would remain effective and applicable unless otherwise amended or revoked.

4.0 Management and Control Requirements

4.1 For the purpose of complying with the management and control requirements in Labuan by Labuan entities that undertake pure equity holding activities, the following requirements shall be observed:

- (a) To comply with Para 5.5 of Inland Revenue Board's Public Ruling No. 5/2011 (Residence Status of Companies and Bodies of Person) dated 16 May 2011;
- (b) Have its registered office in Labuan;
- (c) Appoint Labuan trust company as resident secretary in Labuan; and
- (d) Keeps its accounting and business records including minutes of meeting in Labuan.

4.2 Any enquiries on this Directive may be forwarded to the following contact details:

Head
Business Policy Unit
Labuan Financial Services Authority
Level 17, Main Office Tower
Financial Park Complex
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87000 Federal Territory of Labuan

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Labuan Financial Services Authority
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