

BUSINESS GUIDE ON INCORPORATION OF LABUAN PRE-INCORPORATED COMPANY

1.0 Introduction

- 1.1 Labuan FSA is introducing a new initiative to allow Labuan trust companies (LTC) to pre-incorporate a Labuan Company and make it available to investors who are keen to purchase ready-made companies in Labuan. These companies shall be known as the Labuan Pre-incorporated Company (LPC). The purpose of this business guide is to clarify on the processes and operational requirements of the LPC.
- 1.2 The LPC is basically a normal Labuan company that is incorporated through normal approach but owned by the LTC.
- 1.3 Pursuant to this initiative, LTC will be allowed to act as the beneficial owner of the LPC prior to the transfer of the LPC to third party. The details of the proposed implementation plan are discussed in the next sections.

2.0 Procedure in Incorporating a Labuan Pre-incorporated Company

- 2.1 The incorporation process of LPC is similar to the normal Labuan companies utilising all the appropriate forms and relevant processes. All submission of forms or other documents for the purpose of incorporating a LPC under the Labuan Companies Act 1990 (LCA) is **done manually** through the ROC counter pending the implementation of the new online submission system.
- 2.2 The general process for incorporating a LPC involves the following:
- (i) LTC may choose any permissible name. However, Labuan Financial Services Authority (Labuan FSA) has the right to reject any undesirable proposed names based on provisions of the LCA.
 - (ii) The name may contain any word or words in the national language of any country that denotes a company limited by shares or any abbreviation thereof as part of its name.

- (iii) LTC can reserve the name of the proposed LPC. LTC will receive approval for the reservation of name within 24 hours and the approved name will be reserved for three months from the date of approval.
- (iv) For the purpose of the incorporation of the LPC, the application must be accompanied by the following:
- a) The Memorandum and Articles of Association of the proposed company;
 - b) Form 6 on statutory declaration of compliance by an officer of the appointed Trust Company; and
 - c) Form 24 on the consent by the person(s) to be appointed as director(s) of the LPC.
- (These documents can be written in the national language of any country, accompanied by a translation in English and lodged with Labuan FSA.)*

2.3 Payment of Relevant Fees

Registration	Fee (MYR)
Reservation of name	50

Paid-up Capital	Fee (MYR)
Not exceeding MYR50,000	1,000
Between MYR50,001 and MYR1 million	2,000
Exceeding MYR1 million	5,000

3.0 Operational Requirement

- 3.1 The LTC may incorporate any numbers of LPC at any point of time;
- 3.2 LTC may market the LPC on their own or enter into an arrangement with Labuan International Business and Financial Centre Incorporated (LIBFC Inc);
- 3.3 The incorporation package (company seal and other statutory documentation) shall remain with the LTC as the owner of the LPC (provided that the incorporation package must be placed with their agents for marketing purposes); and
- 3.4 Prior to transfer to a third party (purchaser), the LPC is prohibited to undertake any business activities.

4.0 Annual Fee

The annual fee for LPC is waived for a maximum of two years from the date of its incorporation or until it is transferred to a third party, whichever is earlier. If the LPC is not transferred to a third party within two years after its incorporation, the LPC may be removed from the register.

5.0 Reporting Requirement

LTC that utilises the LPC structure is required to update Labuan FSA using a specified form on a half-yearly basis with regard to the status of the LPC owned by them including details of any transfer of LPC to a third party.

6.0 Effective date

6.1 This revised business guide shall come into effect from **1 May 2013** and would remain effective and applicable unless amended or revoked.

6.2 This revised business guide would supersede the Business Guide on Incorporation of Labuan Pre-incorporated Company issued on 31 March 2011 (circular no: 119/2011/ALTC) and Circular on the Liberalisation for the Incorporation of Labuan Pre-incorporated Company issued on 16 June 2011 (circular no: 122/2011/ALTC).

7.0 Enquiry

All enquiries pertaining to the LPC can be submitted to Cik Essah Abdul Manaf, Head, ROC Unit of Labuan FSA at 087-591312 or email to essah@labuanfsa.gov.my.