

**LABUAN FINANCIAL SERVICES AUTHORITY  
(LEMBAGA PERKHIDMATAN KEWANGAN LABUAN)**

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Reference No. : LFSA.900-24/REG/FR/2025 (2)  
Date : 6 November 2025

Association of Labuan Banks  
Association of Labuan Trust Companies  
Labuan Investment Banks Association  
Labuan International Insurance Association

Dear Sir/Madam,

**Notice on 2026 Annual and Licence Fees under the Revised Fee Structure Effective 1 January 2026**

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We refer to the Circular on Advance Notification of Regulatory Fee Revision (Circular No. 327/2025/ALL) issued on 19 September 2025. This circular informed all market participants that a full review of the regulatory fee structure for the Labuan International Business and Financial Centre (Labuan IBFC) is planned to take effect on 1 January 2026, pending approval and gazettement by the Minister of Finance.

2. Building on the joint letter from the Labuan industry associations dated 25 September 2025, Labuan FSA has thoughtfully considered the valuable feedback and concerns shared by the industry. To promote a fair and smooth rollout of the revised fee framework, Labuan FSA will adopt a gradual implementation approach for certain existing Labuan entities that are affected by the revised fees. This approach is designed to support market readiness and help the market transition smoothly to the updated regulatory fee structure.

**Transitional Arrangement for Existing Labuan Entities**

3. This transitional arrangement is intended to balance regulatory objectives with market readiness while maintaining the overall integrity and consistency of the revised fee structure. For the avoidance of doubt, the transition granted applies solely to selected annual licence, approval, and registration fees prescribed under the *Labuan Financial Services and Securities Act 2010 (LFSSA)* and the *Labuan Islamic Financial Services and Securities Act 2010 (LIFSSA)*. All other fees, including those administered under the Registrar of Company shall continue to observe the **revised rate**. To provide context and continuity from the *Circular No. 327/2025/ALL*, the summary of the overall salient changes under the revised fee framework is reproduced in **Appendix 1**.

4. Under this transitional plan, selected existing licensed entities will receive a phased implementation of the revised annual fees based on the amount of increase, and will be divided into two groups as follows:

Group	Fee Increment	Implementation
<b>A</b>	Less than 50% increase	Subjected to the revised rate from 1 January 2026
<b>B</b>	More than 50% increase	Phased over 3 years (2026–2028): <ul style="list-style-type: none"> <li>• 2026 – current rate</li> <li>• 2027 – 50% interim increase</li> <li>• 2028 – full revised rate</li> </ul>

5. Please refer to **Appendix 2** for the list of licence fees that have been granted transitional implementation. Licence categories not listed in Appendix 2 shall **remain status quo** and continue to be charged at the current applicable rates. This letter serves as an official notification (*hereinafter referred to as the “Notification Letter”*) to all existing Labuan entities to plan and make the necessary preparations for the anticipated implementation of the revised fees, which remains subject to the approval and gazettlement by the Minister of Finance of the full fee schedule.

### Clarification on Other Transitional Scenarios and Treatment

6. Kindly refer to **Appendix 3**, which provides guidance on the application of the revised regulatory fees under various transitional situations involving conditional approvals and advance payments. These examples are provided to assist Labuan entities in understanding how the revised fees will be applied under different circumstances. Labuan entities that may be affected by these scenarios are advised to liaise directly with the officer at the Registrar of Company (ROC) or Authorisation and Licensing Unit (ALU) for clarification and guidance.

### Payment Method and Compliance Reminder

7. Pending gazettlement, Labuan FSA wishes to remind that pursuant to Section 189 of the LFSSA and Section 150 of the LIFSSA, all Labuan licensed entities are statutorily required to pay their annual and licence fees, on or before 15 January 2026.

8. All payment of fees shall be done through Labuan FSA e-Payment System (LEPAY). Kindly refer to the attached **Appendix 4** for guidance on the options of payment methods available via LEPAY system. For payment via direct transfer (online transfer/over the bank counter), the entities are reminded to upload the proof of payment to LEPAY as soon as payment made for the purpose of official receipt issuance.

9. Additionally, the entities need to be aware that for payment made in RM or other than USD currency, the exchange rate may defer from the rate in effect on the transaction date due to market fluctuations. Such rate imposed shall be final and inclusive and the payor shall bear all exchange risks, losses, commission and other bank charges which may thereby be incurred to ensure that the amount paid to Labuan FSA's account reflects the stipulated regulatory fees. For reference, Labuan FSA will be using the daily rates published by Bank Negara Malaysia.

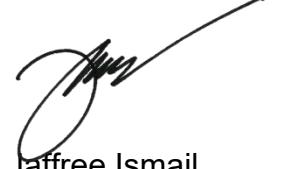
10. We also wish to remind all Labuan licensed entities should there be any shortfall payment based on the official receipt(s) issued, the entities are required to make payment of the shortfall within **seven (7) days** from the date issuance of official receipt(s).

11. Please take note that any licensed entity who fails to pay their annual and licence fees or pay later than the stipulated deadline, commits an offence under Section 189(2) of the LFSSA or Section 150(2) of the LIFSSA and may be subject to an administrative penalty under Section 36G of the Labuan Financial Services Authority Act 1996.

12. Should you require further clarification pertaining to the above, please do not hesitate to contact the following personnel:

Department/Unit	Email Address
Registrar of Company	roc@labuanfsa.gov.my
Authorisation and Licensing	licensing@labuanfsa.gov.my
Business Policy	bpu@labuanfsa.gov.my

For and on behalf of  
Labuan Financial Services Authority



Jaffree Ismail  
Deputy Director General

## **Appendix 1: Summary of Salient Changes under the Revised Fee Framework**

### **Section A: Annual Licence/ Approval Fees under Labuan Financial Services and Securities Act 2010 and Labuan Islamic Financial Services and Securities Act 2010**

<b>Item / Licence</b>	<b>Current Fee (USD)</b>	<b>Revised Fee (USD)</b>
Commercial Bank	30,000	40,000
Investment Bank	30,000	35,000
General (Re)Insurance	15,000	25,000
Life (Re)Insurance	15,000	25,000
Pure Captives (Excl. PCC)	3,000	4,000
Insurance Manager	6,500	8,000
Underwriting Manager	6,500	8,000
Insurance Brokers	6,500	8,000
Fund Manager	1,500	3,000
Securities Licensee	1,500	2,500
Fund Administrator	600	1,000
Labuan Exchange	Nil	13,000
Money Broker (Traditional)	1,500	5,000
Money Broker (Digital Asset)	1,500	10,000
Company Management	1,500	2,500
Trust Company	5,000	10,000
Managed Trust Company	5,000	7,000
Master-Rent-A-Captive	4,000	<b>Status Quo</b>
Subsidiary-Rent-A-Captive	1,000	
External-Rent-A-Captive	1,000	
LITC	13,000	
Leasing	20,000	
Subsequent leasing	6,000	
Factoring	13,000	
Credit token	13,000	
Payment System operators	13,000	
Private Trust Company	1,500	

Item / Licence	Current Fee (USD)	Revised Fee (USD)
PCC – Captive (Core)	9,500	
PCC – Captive (Cell)	3,000	
PCC – Mutual Fund (Core)	1,500	
PCC – Mutual Fund (Cell)	600	600 <b>(One off registration fee)</b>

### Section B: Other Annual/Registration Fee

Item	Current Fee (USD)	Revised Fee (USD)
Labuan companies	800	1,000
Foreign Labuan companies	1,500	2,500
Partnership	300	400
Foundation	200	300
Labuan trust or a Labuan special trust	200	300
Marketing office	2,500	3,500
Co-location office	3,500	4,500
Approved auditor	1,000	1,500

### Section C: Processing and Approval Fees

Item	Current Fee (USD)	Revised Fee (USD)
Licence application	350	500
Fast track processing fee under the LFSSA and LIFSSA	1,200	1,500
Fast track processing fee under the LTA, LCA, LFA, LLPLLPA	350	500

<b>Item</b>	<b>Current Fee (USD)</b>	<b>Revised Fee (USD)</b>
An application for exemption under i) Section 199 of LFSSA ii) Section 159 of LIFSSA	1,750	2,000
Application for transfer of a business	1,750	2,000
An application for exemption under Section 58 of LTA	500	600
Application for work permit by Labuan entities	350	500
Establishment of marketing office	100	500
Establishment of co-location office outside Labuan	100	500
Application for a duplicate copy of any certificate issued by the Authority	100	150
Issuance of letter or statement: i) Good standing ii) Information iii) Corporate profile	70 70 30	100

## **Appendix 2: Summary of Transitional Implementation Plan for Selected Fees**

### **Group A: Less than 50 % Increase (Subjected to Revised Rate from 1 January 2026)**

<b>Licence / Entity</b>	<b>Current Fee (USD)</b>	<b>Revised Fee (USD)</b>
Commercial Bank	30,000	40,000
Investment Bank	30,000	35,000
Pure Captive	3,000	4,000
Insurance Manager	6,500	8,000
Underwriting Manager	6,500	8,000
Insurance Broker	6,500	8,000
Managed Trust Company	5,000	7,000

### **Group B: More than 50 % Increase (Phased over Three Years)**

<b>Licence / Entity</b>	<b>Current Fee (USD)</b>	<b>Revised Fee (USD)</b>	<b>Transitional Fee (USD)</b>
General (Re)Insurance	15,000	25,000	2026: 15,000 2027: 20,000 2028: 25,000
Life (Re)Insurance	15,000	25,000	2026: 15,000 2027: 20,000 2028: 25,000
Fund Manager	1,500	3,000	2026: 1,500 2027: 2,250 2028: 3,000
Securities Licensee	1,500	2,500	2026: 1,500 2027: 2,000 2028: 2,500
Fund Administrator	600	1,000	2026: 600 2027: 800 2028: 1,000

<b>Licence / Entity</b>	<b>Current Fee (USD)</b>	<b>Revised Fee (USD)</b>	<b>Transitional Fee (USD)</b>
Money Broker (Conventional)	1,500	5,000	2026: 1,500 2027: 3,250 2028: 5,000
Money Broker (Digital Asset)	1,500	10,000	2026: 1,500 2027: 5,750 2028: 10,000
Company Management	1,500	2,500	2026: 1,500 2027: 2,000 2028: 2,500
Trust Company	5,000	10,000	2026: 5,000 2027: 7,500 2028: 10,000

### **Others: New Fee Category**

Effective 1 January 2026, a Labuan Exchange established under Section 134 of the LFSSA shall be subject to an annual fee of USD13,000. Existing Labuan Exchange operators established prior to 31 December 2025 shall commence payment from 2027.

### **Appendix 3: Transitional Scenarios and Treatment of Conditional Approvals and Advance Payments**

For illustration of the scenarios below, the examples of a Commercial Bank and a Labuan Company are used, where the annual licence fee for a Commercial Bank increases from USD30,000 to USD40,000, and the annual fee for a Labuan Company increases from USD800 to USD1,000 under the revised framework.

#### **A. Fees administered under ROC**

No.	Scenario	Applicable Fee	Remarks
1	Existing Labuan company that made advance annual fee payments (more than 4 years) during the 2022 USD fee implementation exercise.	MYR2,600	Entities are not required to top up the difference from the revised rate.
2	Work permit applications approved before the issuance of the Notification Letter in 2025 which requires 2-year advance payment of Labuan company annual fee.	USD800	Entities are not required to top up for fees paid in advance prior to the Notification Letter.
3	Work permit applications approved after the issuance of the Notification Letter in 2025 which requires 2-year advance payment of Labuan company annual fee.	<ul style="list-style-type: none"> <li>If payment is made in 2025: USD800</li> <li>If payment is made in 2026: USD1,000</li> </ul>	Annual fees paid in 2025 can avail to the existing rate.
4	Existing Labuan company pays annual fee in 2025 after issuance of the Notification Letter for annual fee that is due in 2026.	<ul style="list-style-type: none"> <li>If payment is made in 2025: USD800</li> <li>If payment is made in 2026: USD1,000</li> </ul>	Annual fees paid in 2025 can avail to the existing rate.

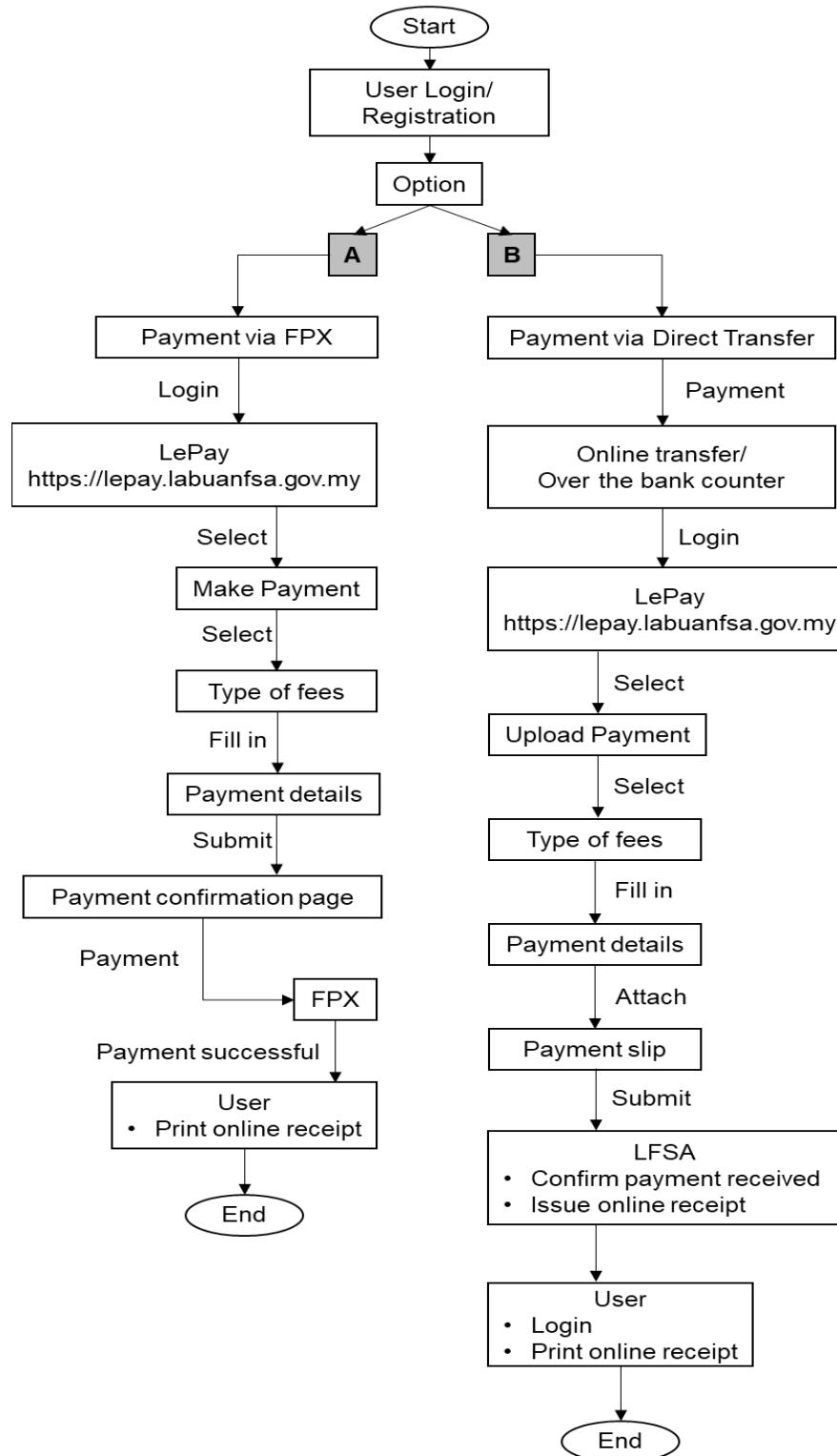
No.	Scenario	Applicable Fee	Remarks
5	Existing Labuan company with outstanding fees since 2024 wishes to pay in 2025/2026	<ul style="list-style-type: none"> <li>If payment is made in 2025: USD800</li> <li>If payment is made in 2026: USD1,000</li> </ul>	If payment is made in 2026, all outstanding fees from 2024 to 2026 will be subject to the revised rate.

## B. Fees administered under ALU

No.	Scenario	Applicable Fee	Remarks
1	Licence Conditional Approval: New Labuan bank that wish to obtain their licence with the official date in 2025 or 2026	<ul style="list-style-type: none"> <li>If payment is made in 2025 for the licence to take effect in 2025: USD30,000</li> <li>If payment is made in 2025 for the licence to take effect in 2026: USD40,000</li> </ul>	ALU will notify the entity affected or the entity may contact the officer in charge for clarification.
2	Existing bank paid annual licence fee of USD30,000 in October 2025 for annual licence fee due in 2026	USD40,000	Annual licence fee payment made for 2026 will be subjected to the revised rate. ALU will notify the entity or the entity may contact the officer in charge for clarification.

## Appendix 4: Guidance on the payment methods available via the LEPAY system

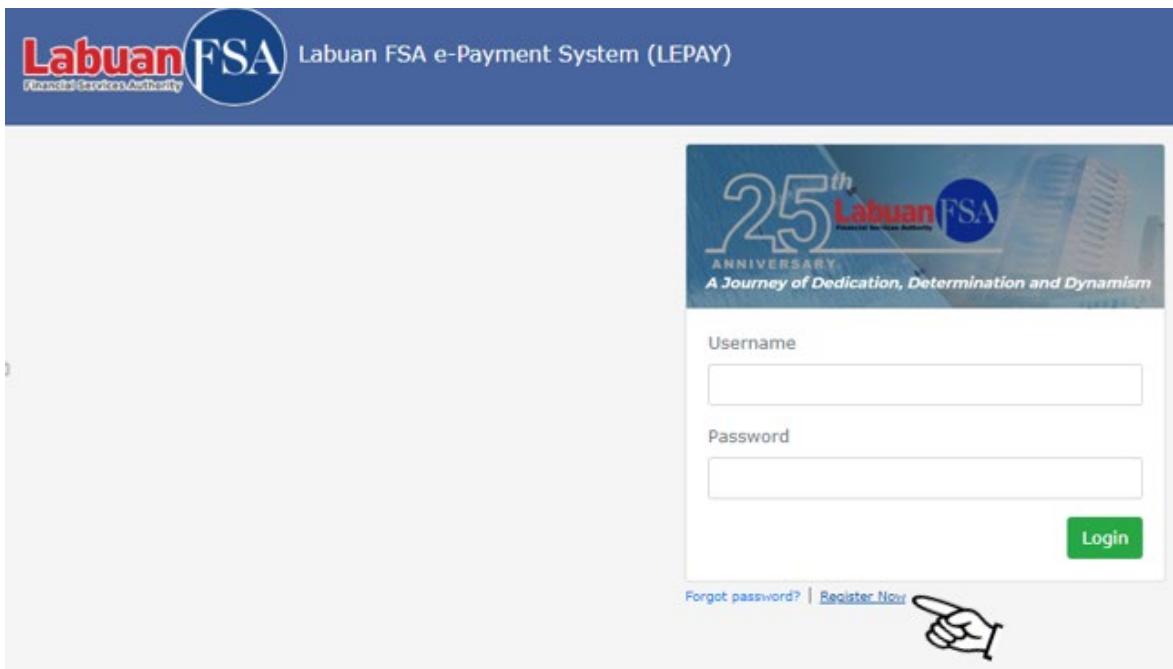
### A. Overview of Payment Method Options



## B. User Registration/ Login

Step 1: Login to <https://lepay.labuanfsa.gov.my>

Step 2: Select Register Now



Labuan FSA e-Payment System (LEPAY)

25<sup>th</sup> Labuan FSA  
ANNIVERSARY  
A Journey of Dedication, Determination and Dynamism

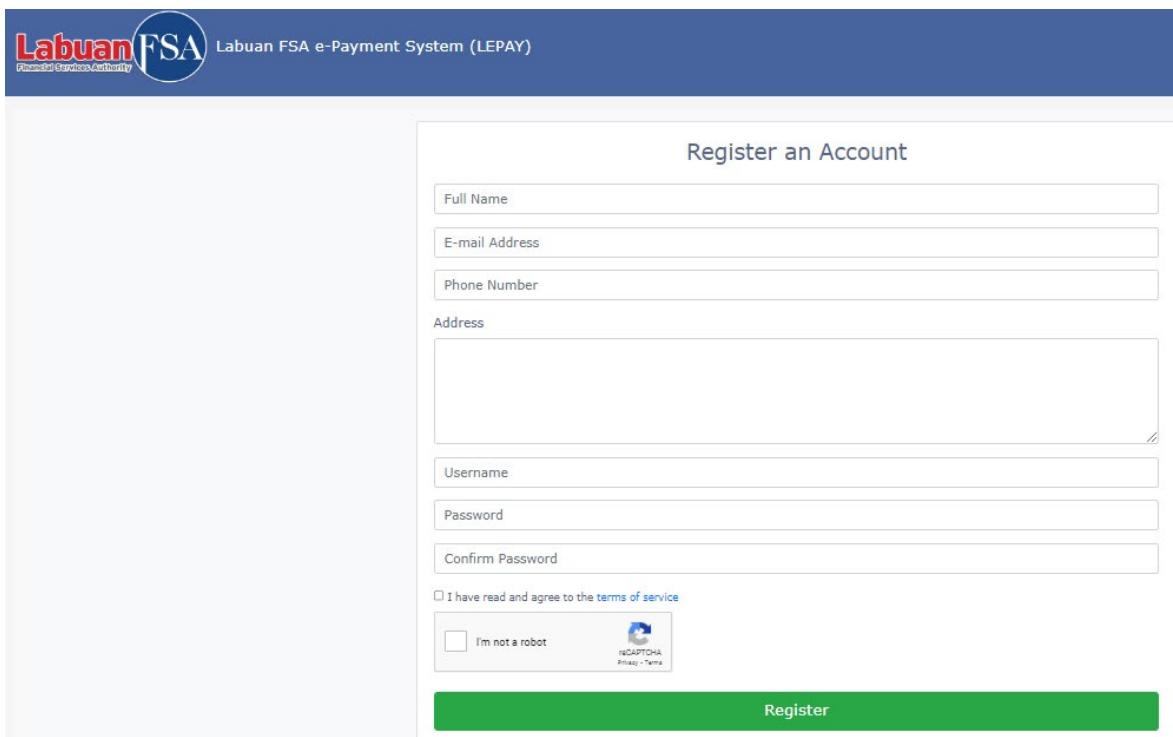
Username

Password

[Forgot password?](#) | [Register Now](#)

 [Register Now](#)

Step 3: Create profile



Labuan FSA e-Payment System (LEPAY)

Register an Account

Full Name

E-mail Address

Phone Number

Address

Username

Password

Confirm Password

I have read and agree to the [terms of service](#)

I'm not a robot  reCAPTCHA  
Privacy - Terms

[Register](#)

Step 4: Email notification will be sent to the user to activate account and verify the email address.

## Option A: Payment via FPX (Denominated in USD currency of its MYR equivalent)

Step 1: Select Make Payment



Welcome to LEPAY, Labuan FSA e-Payment System

Labuan FSA has introduced a new payment method which allow Labuan Trust Company (UTC) / Third Party to make payment for application via online banking.

Important note: Prior approval from Authority is needed before proceeding with any fast track application.

**Contact Us**

For any inquiries relating to LEPAY, you may contact us at the following contact details.

Tel: 6 087 591200

Email: [finance\\_management@labuanfsa.gov.my](mailto:finance_management@labuanfsa.gov.my) / [roc@labuanfsa.gov.my](mailto:roc@labuanfsa.gov.my)

Step 2: Select Fee Category

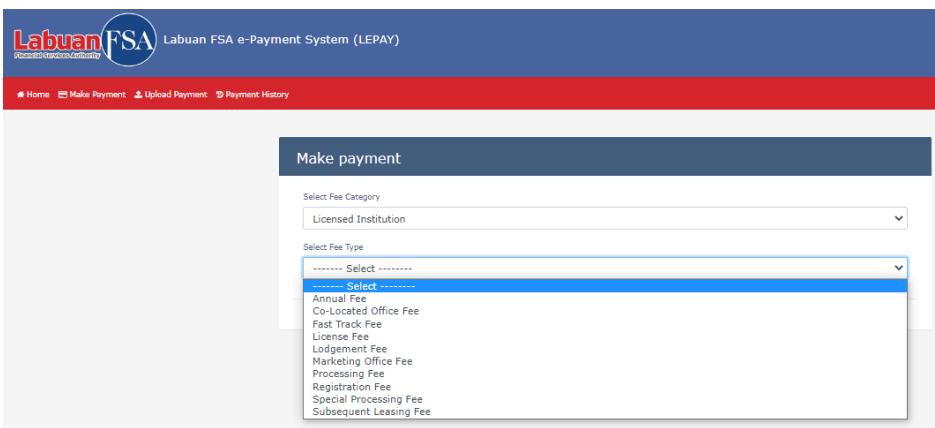


Make payment

Select Fee Category

----- Select -----  
----- Select -----  
Non Licensed Institution  
Licensed Institution

Step 3: Select Fee Type



Make payment

Select Fee Category

----- Select -----  
----- Select -----  
Non Licensed Institution  
Licensed Institution

Select Fee Type

----- Select -----  
----- Select -----  
Annual Fee  
Co-Located Office Fee  
Fast Track Fee  
License Fee  
Leasing Fee  
Marketing Office Fee  
Processing Fee  
Registration Fee  
Special Processing Fee  
Subsequent Leasing Fee

## Step 4: Select Fee & fill-in payment details

## Step 5: Continue to payment page

Step 6: To print receipt, select Payment History



**Option B: Payment via Direct Transfer to Labuan FSA's**  
**Foreign Currency Account**  
*(Refer to Page 18 for Labuan FSA's banking details)*

**Step 1: Select Upload Payment**

**Step 2: Select Fee Category, Fee Type, and Fee & fill-in payment details**

### Step 3: Attach Proof of Payment & fill-in payment details

Labuan FSA e-Payment System (LEPAY)

Home Make Payment Upload Payment Payment History

Confirm proof of payment

Payment Details	
Payment Description	Licensed Institution - Co-Located Office Fee - Bank - USD3,500
Payment for	TESTING - TESTING / TESTING
For the Year	2017
Additional Info	
Upload proof of payment	<input type="file"/> Choose File No file chosen
Transaction Date	<input type="text"/> dd/mm/yyyy
Reference Number	<input type="text"/>
Beneficiary Bank (LFSA bank account)	<input type="text"/> CIMB
Sending Bank	<input type="text"/>
Amount (USD)	<input type="text"/>

Cancel  Submit

### Step 4: Labuan FSA will verify the payment received & issue an online receipt

### Step 5: To print receipt, select Payment History

Labuan FSA e-Payment System (LEPAY)

Home Make Payment Upload Payment **Payment History**

Welcome to LEPAY, Labuan FSA e-Payment System

Labuan FSA has introduced a new payment method which allow Labuan Trust Company (LTC) / Third Party to make payment for application via online banking.

Important note: Prior approval from Authority is needed before proceeding with any fast track application.

**Contact Us**

For any inquiries relating to LEPAY, you may contact us at the following contact details.

Tel: 6 087 591200

Email: finance\_management@labuanfsa.gov.my / roc@labuanfsa.gov.my

**Option B: Details of the Bank Accounts of Labuan FSA****Maybank Berhad**

Account Name	Labuan Financial Services Authority
ID	15120001
Address	Level 17, Main Office Tower Financial Park Complex Jalan Merdeka, 87000 Labuan F.T., Malaysia
Bank Name	Maybank Berhad
Bank Address	Ground Floor, Podium Level Financial Park Complex Jalan Merdeka, 87000 Labuan F.T., Malaysia
Account Number	715120010827 (USD)
Swift Code	MBBEMYKL
Payment Purpose Code	15100