

Labuan LLC with Fund Management License Invoice

Our Client's Name

Address to be provided

Date: Thursday, September 23, 2021

Invoice No: 2021 – 09 – 023GR

Professional services for Labuan LLC (without travel)	Notes	Year 1 US\$	Year 2 US\$
Labuan LLC company formation fees (without travel)	1.	4,800	1,570
Company secretary and legal registered office fees	2.	1,100	1,100
Estimate of Labuan Government registration fees	3.	465	465
Fund Management license fees (inclusive of 1 year fee payable annually)		2,150	1,500
Our fee to secure 2 local employees and physical office space solutions	4.	5,750	0
Fund Management licensing project management fees	5.	11,000	0
Malaysia corporate bank account opening fees (without travel, financial entity)	6.	7,950	0
Tax registration fees	7.	750	0
Estimate of annual accounting, tax and audit fees	8.	0	5,300
Total Healy Consultants Group PLC fees payable this month	9.	33,965	0
Estimate of total Healy Consultants Group PLC fees payable after 12 months	10.		9,935

Note: I recommend you carefully read the notes below to confirm and understand all services required by your Firm, eliminating the risk of unwanted fee surprises during the engagement;

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Notes to invoice above

1. Healy Consultants Group PLC fees to efficiently and effectively complete Labuan company registration within [3 weeks](#) from receipt of all required documents and signed forms from our Client, by **i)** choosing the optimum M&AA for our Client's business activities; **ii)** reserving a company name with the [Labuan International Business and Financial Center](#) (Labuan IBFC) **iii)** settling our accountant and lawyer fees and **iv)** preparing a high quality company incorporation application for submission to the Labuan [IBFC](#).

All engagement fees are agreed and paid up front and agree to the fees published on our country [web pages \(click link\)](#). Consequently, there are no hidden fees nor surprises nor ambushes throughout the engagement. All engagement deadlines are agreed up front in the form of [a detailed project plan](#), mapping out deliverables by week throughout the engagement term.



Every week during the engagement, Healy Consultants Group PLC will email our Client a [detailed status update](#). Our Client is immediately informed of engagement problems together with solutions. Your dedicated engagement manager is reachable by phone, Skype, live chat and email and will communicate in your preferred language.

2. In accordance with [Article 93 \(1\) of the Malaysia Offshore Companies Act 1990](#), each Labuan Company must appoint a company licensed agent, who may be a natural person or a body corporate, but the company agent must be resident in Labuan. Healy Consultants Group PLC will be the legal Labuan Company Licensed Agent and our annual responsibilities include: **i)** preparing and filing the legal annual return, **ii)** securely maintaining company records, **iii)** liaising with the Labuan government on our Client's behalf, **iv)** legal filing of changes of company structure; and **v)** reminding our Client of statutory deadlines.

In accordance with [Article 85 \(1\) of the Malaysia Offshore Companies Act 1990](#), each Labuan Company shall as from the date of its incorporation have a legal registered office in Labuan, to which all official Government communications and notices may be addressed. To comply with this statutory requirement, Healy Consultants Group PLC' Labuan office will be the registered office address for your company. Thereafter, this address will be used to receive government correspondence including **i)** tax letters **ii)** notice of the legal annual return; and **iii)** all government communications. However, this registered address will not be sufficient to meet the [economic substance requirements](#) for the business to **i)** secure a financial service license or **ii)** be eligible to the reduced corporate income tax rate of 3% offered to Labuan companies. Consequently, our Firm will also assist our Client to source physical office premises in Labuan.

3. This fee corresponds to estimated Government costs payable for the registration of the Labuan entity. All Government fee payments will be supported by original receipts and invoices. Examples of Government costs include: **i)** reserving the company name with the [Labuan IBFC](#); **ii)** preparation of company deeds and articles of association and **iii)** preparing a high quality company incorporation application for the Labuan IBFC. Following engagement completion, Healy Consultants Group PLC will refund our Client any excess of funds received over actual Government costs paid. If our estimate is below fees payable to the Labuan authorities, our Firm will revert to require our Client to settle the difference. To apply for the [Fund Management license](#), Labuan FSA requires our Client to settle **i)** processing fee of US\$350 and **ii)** annual license fee of US\$1,500 and **iii)** other miscellaneous fees payable for licensing. Healy Consultants Group PLC will provide our Client with the government invoice. In the event Labuan FSA increase the fees unexpectedly, our Client is required to provide additional funds. This will be a recurring license renewal fee and will be charged to our Client per annum in order to maintain the status of the license.

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4. During review of the fund management license application, the Labuan [Financial Services Authority](#) will verify that **i)** the company has a Labuan operation office and **ii)** at least 2 local employees. Healy Consultants Group PLC will assist our Client to recruit two local employees and find physical office premises. The monthly salary and annual rent will then be payable by our Client directly to the employees and landlord.

Healy Consultants Group PLC will **i)** source multiple quality candidates for the above mentioned positions and **ii)** submit the candidates to our [recruitment process](#) (click link) **iii)** aggressively and skilfully negotiate their consulting terms and conditions **iv)** minimize annual fee requests by asking them to share roles and **v)** supply you a detailed comparison table; comparing and contrasting each candidate for your final interview;

5. After assisting our Clients to meet the above substance requirements, Healy Consultants Group PLC will aggressively and skilfully negotiate licensing approval from the Labuan FSA by **i)** thoroughly planning the engagement including preparing a business plan; **ii)** submitting a high quality fund management license application to the Labuan FSA; **iii)** weekly communicating with Labuan FSA to secure approval; **iv)** solving problems as they occur and **v)** timely collating additional documents supplied by our Client and supplying the same to multiple Government departments. The average timeframe to secure the license is 4 months from submission of a complete quality application.

Depending on the nationality of our Client, the profile of his customers and the nature of his business model, there is a 90% probability will revert to require the business to **i)** supply a copy of its AML/CFT program and KYC procedures **ii)** prospectus and brochures and mandates to be provided to Clients **iii)** professional indemnity license **iv)** Group organigram **iv)** evidence of qualifications from all directors and senior managers of the entity **v)** business plan describing the business model of our Client and its investment strategies. If required, Healy Consultants Group PLC will be pleased to assist our Client draft these documents, but additional engagement fees will apply for this work.

The minimum paid up capital requirement for Fund Management License is RM300,000 or equivalent in any foreign currency. In 2019, Labuan introduced substance requirements, which vary depending on the exact activities of the company. For asset management businesses, these requirements include the following **i)** a minimum paid up capital of RM300,000 **ii)** have 2 local staff in Labuan **iii)** local operational office and **iv)** minimum spending in Labuan of RM120,000 per year. Businesses not meeting these requirements or which activities are outside of [this list](#) (click link) are subject to corporate tax rate at the mainland rate of 24%.

While reviewing Fund Management License application for your business, the [Financial Services Authority](#) will request evidence of appointment of **i)** qualified directors (at least 2); **ii)** a qualified compliance officer and **iii)** an AML auditor. All directors of a fund management company must be "fit and proper" persons, with relevant work experience of at least 3 years and qualifications in the fund management business. The local authorities will require evidence of the same during its licensing review.

While regulations currently do not require Labuan licensed businesses to maintain directors residing in Labuan, there is also a 90% probability that Labuan FSA will require the foreign directors of the business to travel for a face-to-face meeting in Labuan. If required, Healy Consultants Group PLC will action this [travel policy](#). There is also a 50% probability that the Labuan FSA will revert with a recommendation for the business to have directors or senior officers in Labuan. In such case, Healy Consultants Group PLC will assist our Clients to complete these recruitments, but additional fees will apply.

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All going well, there is 80% probability that the Labuan FSA will approve a license. However, Labuan FSA enjoys ultimate power of approval of licensing exemption applications. Consequently, guaranteed success is outside of Healy Consultants Group PLC's control. What is inside our control is the preparation and submission of a high-quality application for licensing application that maximizes the likelihood of approval. As you can appreciate, it is a difficult task to obtain approval from FSA for a newly formed company, when the entity's future shareholders and directors and bank signatories reside overseas.

6. After securing in principle approval for the license of our Client, Healy Consultants Group PLC will secure multi-currency corporate bank account numbers for our Client's company. It will take on average two months to secure corporate bank account numbers from the moment a complete quality corporate bank account opening application is submitted to the banks. In most cases, we can secure corporate bank account numbers without our Client's travel to bank's branch. When travel is unavoidable, we refund US\$950.

Corporate bank account opening for an entity is a challenging process. Consequently, we apply our guaranteed bank account approval or your Money Back policy. To maximize the probability of successful multi-currency corporate bank account approvals Healy Consultants Group PLC will:

- ✓ Prepare a quality business plan, including expected inflow and outflow of funds for the first 12 months;
- ✓ Contact multiple banks to secure their written confirmation, welcoming a formal application from our Client's business;
- ✓ Weekly negotiate and aggressively follow up with the bank relationship managers to ensure a timely corporate bank account approval;

To minimize engagement surprises and align all parties' expectations, I recommend you read [this web page](#), especially the due diligence documentation section;



7. In accordance with Labuan law, each entity must register for corporate tax at the [Labuan International Business and Financial Centre](#) (IBFC) before the commencement of the business activity;
8. For an active trading company, these [accounting and tax](#) fees are an estimate of Healy Consultants Group PLC fees to efficiently and effectively discharge your annual company accounting and tax obligations. Following receipt of a set of draft accounting numbers from your company, Healy Consultants Group PLC will more accurately advise accounting and tax fees. For a dormant company, Healy Consultants Group PLC fees are only US\$950;



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In accordance with the [Labuan Business Activity Act 1990](#) ("LBATA") and the [Income Tax Act 1967](#) ("ITA"), since 1 January 2019 all Labuan entities carrying on trading activities **i)** must comply with the [minimum substantial activity requirements](#) in order to enjoy the 3% tax and **ii)** must have their accounts audited by an approved auditor in Labuan. Assisting our Client to complete an audit of the financial statements includes **i)** appointing a Labuan audit firm and negotiating audit risk on behalf of our Client **ii)** negotiating (with the auditors) the supporting documentation required from our Client **iii)** collating the statutory documentation for our Client's one-time signature and **iv)** timely securing a clean audit report for our Client. Third party fees such as the audit fees will be borne by our Client and fee payments will be supported by original receipts and invoices;

Labuan entities carrying on non-trading activities (i.e., holding companies) will continue to benefit from the 0% tax rate. Labuan entities must maintain accounting records at their Labuan registered office address;

9. All fees quoted in this invoice correspond to fees quoted [on Healy Consultants' website](#). Please review this invoice carefully to identify errors. During the rush of the business day, it is possible that Healy Consultants Group PLC inadvertently made fee calculation errors, typing errors or omitted services or omitted historic fee payments from Clients. In the unfortunate event you identify invoice errors, please revert to me directly re the same. I apologize in advance if I or my staff made invoice errors;
10. Assuming our Clients re-engage Healy Consultants Group PLC in year 2, this fee is an estimate of the fees payable next year, 12 months after the date of shelf company transfer;
11. The fees quoted in this invoice are a prediction of the fees required to efficiently and effectively complete this engagement in a timely manner. If during the engagement Healy Consultants Group PLC realizes that the project is more complex than anticipated, requiring a large additional investment of time, my Firm will revert to request additional fees. If Healy Consultants Group PLC completes the engagement faster and more easily than expected, Healy Consultants Group PLC is happy to refund some fees to our Client;
12. In accordance with the [Labuan Financial Services and Securities Act 2010](#), the minimum paid-up capital requirement for Fund Management License is RM300,000 or its equivalent in any foreign currency;
13. If our Client and Healy Consultants Group PLC properly plan this engagement, our Clients will **not** have to travel during this engagement. Healy Consultants Group PLC will efficiently and effectively complete company registration and corporate bank account opening in a timely manner without our Client presence. Instead, our Client will need to **i)** sign and get documents legalized in the embassy in their country of origin and **ii)** courier the originals to Healy Consultants Group PLC office.
14. During the engagement, shareholders and directors' documents may need to be translated into the local language or English, before the Government and Bank approves company registration and corporate bank account opening respectively. Consequently, our Client should budget for possible additional translation and embassy attestation fees. Either our Client or Healy Consultants Group PLC can complete this administrative task. As always, Healy Consultants Group PLC will negotiate with all third parties to eliminate or reduce additional engagement costs. For transparency purposes, all third party fee payments will be supported by original receipts and invoices. Examples of possible third party payments include **i)** embassy fees **ii)** notary public costs **iii)** official translator fees.



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15. If required, Healy Consultants Group PLC will be pleased to assist your firm secure employee Malaysian [visa](#) approvals for a fee of US\$4,250 for the first employee US\$3,250 for the second employee, US\$2,250 per employee thereafter. Our employee visa fees include preparation of a quality visa application and submitting to the correct Government immigration officers. The Government enjoys ultimate power of approval of visa applications. Consequently, guaranteed success is outside of Healy Consultants Group PLC' control. What is inside our control is the preparation and submission of a high-quality immigration visa application that maximizes the likelihood of visa approval.
16. If our Client requires nominee shareholder and director [services \(click link\)](#), Healy Consultants Group PLC will be pleased to assist. Our fee for professional, passive nominee corporate shareholder amounts to US\$1,800 per annum. Our fee to be both nominee director and shareholder amounts to US\$6,600 per annum. Being the sole shareholders and sole director of a Client's company exposes Healy Consultants Group PLC to reputation, litigation and financial risk.
17. If a Labuan company needs to do business with a Malaysian resident company, the Labuan entity is required to register for tax and GST (VAT) at the [Labuan International Business and Financial Centre \(IBFC\)](#) before the commencement of the business activity. If needed, Healy Consultants will be pleased to assist our Client to complete the same for a one-time fee of US\$750.
18. Depending on our Client business and nationality, the Malaysia Government may require a special regulatory license to carry on your planned business activity in the country. Healy Consultants Group PLC will assist our Client secure license approval. However, the Malaysian Government enjoys ultimate power of approval of a business activity and issuance of business licenses.
19. Some of our Clients engage Healy Consultants Group PLC to [recruit](#) local employees. We have a lot of experience in this area and we are quite skilled at securing quality candidates for our Clients.
20. Labuan companies can open offices in Labuan, Kuala Lumpur and Johor Bahru. Consequently, some of our Clients request Healy Consultants Group PLC to provide temporary [shared office space](#) for 6 months; until our Client finds their preferred business address. Our one-time office finder fee for this service amounts to US\$950. The monthly rent thereafter will be paid independently and directly to the landlord by our Client.
21. Some of our Clients require an [immediate Labuan solution](#). With this strategy, within a day Healy Consultants Group PLC can supply our Client **i)** an existing dormant Labuan company number and **ii)** an already approved Labuan corporate bank account number and **iii)** a business address. Turnkey solutions are attractive to those entrepreneurs who wish to immediately close a country deal, sign a contract or invoice a customer.
22. It is important our Clients are aware of their personal and corporate tax obligations in their country of residence and domicile; and they will fulfill those obligations annually. Let us know if you need Healy Consultants Group PLC help to clarify your local and international annual tax reporting obligations.
23. Engage Healy Consultants Group PLC to [project manage](#) business set up in every country on the planet. We are the best in the [world](#) at what we do, timely completing [the A to Z](#) of every country engagement.

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24. During the course of your engagement, multiple couriers will be sent to **i)** Governments and banks **ii)** lawyers and accountants and **iii)** to our Client. Average total engagement courier fees approximate US\$150 and it is fair and reasonable we ask our multi-national Clients for these third-party costs. As always, courier fee payments will be supported by original receipts and invoices. Following engagement completion, Healy Consultants Group PLC will refund our Client any excess funds received over actual courier costs paid during the engagement. Thank you for your understanding.
25. During the annual renewal engagement with our Client, our in-house [Legal and Compliance Department \(click link\)](#) reviews the quality and completeness of our Client file. Consequently, Healy Consultants Group PLC may revert to our Client to ask for more up to date [due diligence documentation](#).
26. To assist our Clients to minimize foreign exchange costs, we offer the payment in SG\$, Euro, Pounds or US\$. Kindly let me know in which currency your Firm prefers to settle our fees and I will send an updated invoice, thank you.
27. As stipulated on our [business website](#) and in section 3 of our engagement letter, Healy Consultants Group PLC will only commence the engagement following **i)** settlement of our fees and **ii)** completion and signing of our legal engagement letter.
28. Healy Consultants Group PLC will only incorporate your company after 75% of [due diligence documentation](#) is received by email. Healy Consultants Group PLC will only open a corporate bank account after 100% of the Client's original due diligence documentation is received by courier.

Thank you for your business and we look forward to working closely with you over the coming weeks as we engineer your Labuan corporate structure.

Best regards,

Aidan Healy

Aidan Healy

[Chairman](#)

Healy Consultants Group PLC Group

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