



Guidelines On Managed Trust Companies

I. What is managed trust?

A managed trust is a company that is registered under the Labuan Trust Companies Act 1990 and carrying on the business of a trust company but managed by a fully operational trust company in Labuan.

II. Who qualifies?

Applicant should meet the following minimum criteria:-

- (a) A company incorporated under the Companies Act 1965;
- (b) A registered trust company in other jurisdiction or those in related line of business;
- (c) Have sound track record for at least 2 years preceding the application; and
- (d) No adverse report from any reliable sources.

III. How to apply?

Applicant should submit Form 1 “Application For Registration As A Trust Company” as in the First Schedule of the Labuan Trust Companies Regulations 1990. The application should be forwarded to:

Director General
Labuan Offshore Financial Services Authority (LOFSA)
Level 17, Main Office Tower
Financial Park Complex
Jalan Merdeka
87000 Federal Territory Labuan
Malaysia

Telephone : 6087 – 408187/8
Facsimile : 6087 – 413328/ 453442
E-mail : communication@lofsa.gov.my

IV. What is required?

- (a) A proposed detailed management agreement between applicant and the appointed manager in the Labuan IOFC;
- (b) A certified copy of the certificate of incorporation under the Companies Act 1965;
- (c) A letter of undertaking from the parent company of the applicant to state the liability of the managed trust to meet its obligations apart from its liability to its shareholders;
- (d) Letter of good standing or its equivalent from the Authority of the applicant's home country;
- (e) A security deposit of RM100,000 maintain with the Accountant General of Malaysia;
- (f) A minimum authorised and paid-up capital of RM500,000 and RM150,000, respectively;
- (g) Professional indemnity insurance of a sufficient amount or provide evidence that such insurance covered by the parent company has been extended to cover the managed trust company with a minimum cover of RM1,000,000;
- (h) Full disclosure of shareholdings of the company including the ultimate beneficiaries. If the proposed company is a subsidiary or associate of another corporation, the corporate profile of that corporation should also be furnished; and
- (i) Annual fee of RM8,000 or any other amount as approved by the Authority.

V. Operational Requirement

- (a) To appoint at least two approved trust officers in Labuan. These officers can be the employees of the manager i.e. the Labuan Trust Company;
- (b) To maintain separate telephone and facsimile lines for the company;
- (c) To have its own letterhead and stationeries; and
- (d) All books and records of the Managed Trust Company and its clients must be kept in the Labuan IOFC.