

REGISTRATION GUIDELINES OF TRUST COMPANIES UNDER TRUST COMPANIES ACT 1949

Provisions of the Act

1. Section 3 of the Trust Companies Act 1949 stipulates that any public company incorporated in Malaysia may apply to the Registrar of Companies to be registered as a trust company subject to the terms and conditions stated in the provisions of section 3 of the said Act.

The terms and conditions in the provisions of section 3 are as follows:

- (a) the objects of the company are restricted to some or all of the objects set out in section 8;
- (b) the authorised capital of the company is not less than five hundred thousand ringgit (RM500,000) divided into shares of not less than ten ringgit (RM10.00) each;
- (c) at least one-half of the amount of every share issued by the company remains unpaid and is not liable to be called up, except in the event and for the purpose of the winding-up or dissolution of the company;
- (d) the board of directors has been duly appointed in accordance with the Articles of Association;
- (e) at least one hundred and fifty thousand ringgit (RM150,000) of the authorised capital has been bona fide paid up;
- (f) the company has deposited with Accountant General securities to be approved by the Minister of Finance to the value of one hundred thousand ringgit (RM100,000); and
- (g) the company is able to meet its obligations, apart from its liabilities to its shareholders, without taking into account the securities so deposited with the Accountant General.

Application Guidelines for Approval in Principle to Incorporate a Trust Company for the Purpose of Registration under the Trust Companies Act 1949

2. Under circumstances whereby a public company has yet to be incorporated, please refer to the SSM website for the procedure to establish a public company.
3. Use of the word "trustee" or "trust" in the name of the proposed public company requires the approval of the Minister as it is a restricted name.
4. The applicant is also required to obtain approval in principle for the use of the said name from the Registrar.
5. Documents which need to be submitted for consideration of approval in principle for the use of the said name/incorporation a trust company are as follows:
 - (a) Organisation chart of the company;
 - (b) Proposal on the main activity;
 - (c) The biodata of the Chief Executive Officer (CEO) / Directors consist the following information:
 - (i) Name and detail biodata of the nominated CEO, directors and board of directors;
 - (ii) Confirmation of the CEO to be in full-time employment;
 - (d) Name of the shareholders and their shareholdings:
 - (i) Please ensure that the shareholder structure complies with regulations under section 32 of the Trust Companies Act 1949:

'No member of a trust company shall at any time hold, or have any interest in shares in the capital of the capital to an amount exceeding one fifth of the issued capital of the company'.

6. SSM will issue the approval / rejection letter for the use of the said name in the proposed trust company after consideration of all information submitted.
7. If an approval in policy letter has been obtained, the subsequent action is to submit the relevant documents to the Name Search Unit and Incorporation (Registration) Unit for incorporation of a public company under the Companies Act 1965.

Guidelines to Register a Trust Company under the Trust Companies Act 1949 After Incorporation of a Public Company

9. Documents which need to be submitted to this division for consideration to register a trust company are as follows:
 - (i) Form 8 (Certificate of Incorporation for a Public Company);
 - (ii) Form 23 (Certificate of Commencement of Business);
 - (iii) Memorandum and Articles of Association where its object is as provided under section 8 of the Trust Companies Act 1949;
 - (iv) A detailed corporate project including a study on the local and foreign trust industry (if applicable) as well as the plan and marketing strategy of the company. Other information which must be submitted is as follows:
 - Information on the size of support staff as well as officers / directors who will lead the company in the management of the trust company;
 - Name and complete biodata of the Chief Executive Officer (CEO) / Directors / Officers / Employees;
 - Confirmation that the CEO will be in full-time employment;
 - (v) Details of shareholders including their names and shareholdings. Please ensure that the shareholder structure complies with regulations under section 32 of the Trust Companies Act 1949 as follows:

'No member of a trust company shall at any time hold, or have any interest in shares in the capital of the capital to an amount exceeding one fifth of the issued capital of the company';

- (vi) Certified copies of Form 24 and Form 49;
- (vii) Form 48A for the director(s) to be appointed; and
- (viii) Personal credit information, of the director(s) / Chief Executive Officer to be appointed, from the Central Credit Reference Information System (CCRIS) of Bank Negara Malaysia (Central Bank of Malaysia).

(Note: Please refer to the advisory and services information web page of Bank Negara Malaysia (Bank Negara Malaysia LINK) for more information on the CCRIS.)

10. After consideration of the relevant documents, a rejection letter will be issued if the Registrar is not satisfied and is of the opinion that the applicant does not qualify for registration.
11. If the Registrar is satisfied, the nominated CEO is required to attend an interview. In addition, the applicant is required to submit the following documents:
 - (i) Statutory Declaration which states that the company is able to meet its obligations apart from its liabilities to its shareholders [section 3(g) of the Trust Companies Act 1949];
 - (ii) Security Deposit of RM100,000 deposited with the Accountant General [section 3(f) of the Trust Companies Act 1949];
 - (iii) Original receipt for payment of RM5.00 for the application and the receipt for the certificate of registration according to the amount of authorised capital; and
 - (iv) submission of the registers of members, directors and the minutes of meetings as well as copies of bank-in slips or any documents to support compliance with sections 3 and

32 of the Trust Companies Act 1949 to this division for inspection.

Terms and Conditions for the Registration Licence of a Trust Company

12. The approval of registration for a trust company is subject to the following terms and conditions:

- (i) Any appointment or change in the Board of Directors or Executive Director(s) / Chief Executive Officer requires the prior approval of the Registrar of Companies; and
- (ii) All companies which obtain approval are required to become a member of a relevant and recognised industry association.

Guidelines for the Appointment of a Chief Executive Officer / New Director

13. Documents which need to be submitted to support such an application are as follows:

- (i) The biodata of the director / Chief Executive Officer shall consist the following information:
 - (a) Name;
 - (b) Date of Birth;
 - (c) Home Address;
 - (d) Phone Number;
 - (e) Current Position;
 - (f) Office Address;
 - (g) Academic Qualifications;
 - (h) Name of Professional Bodies and Associations/Societies Joined;
 - (i) Work Experience – Date/Duration, Employer, Position and Function or Role/Duties;
 - (j) Courses attended;
 - (k) Other Related Details; and
- (ii) Personal credit information, of the director(s) / Chief Executive Officer to be appointed, from the Central Credit Reference Information System (CCRIS) of Bank Negara Malaysia (Central Bank of Malaysia).

(Note: Please refer to the advisory and services information web page of Bank Negara Malaysia (Bank Negara Malaysia LINK) for more information on the CCRIS.)

- (iii) iii. Official search from Malaysia Insolvency Department pertaining the latest bankruptcy status of the CEO/director

14. If the Registrar is satisfied, the nominated CEO is required to attend an interview.

Guidelines to Lodge Annual Returns of a Trust Company under Section 21 of the Trust Companies Act 1949

15. Under the provisions of section 21 of the Trust Companies Act 1949, every trust company is required to keep a list of members and a summary as required by section 165 of the Companies Act 1965 together with a statement of liabilities for the investments and properties of the company.

16. The said statement must be certified to be true with an affidavit signed by the chairman or deputy chairman and attested by a manager or company secretary of the company. Additionally, the documents which need to be lodged are as follows:

- (i) Annual Returns; and
- (ii) Statement of Liabilities together with an Affidavit.

17. Fees for the lodgement of Annual Returns by a trust company is RM10.00. Annual Returns have to be lodged with this division. They are different from the standard annual returns lodged under the provisions of section 165 of the Companies Act 1965.

18. The documents which need to be lodged are the Annual Returns and the statement of liabilities together with an affidavit.

19. **MODEL OF AFFIDAVIT**

Company No:

AFFIDAVIT UNDER SECTION 21 OF THE TRUST COMPANIES ACT 1949

We, **Director/ Chairman** (NRIC No:) of **home address** the **Director / Chairman** of **name of the company**, and **name** (NRIC No:) of **home address**, the Company Secretary of that company, do solemnly and sincerely declare that the particulars contained in the statement of the liabilities in **the annexure marked with the letter "A"** of **name of the company** to the public in its trustee capacity, and of the investments and holdings of the company on trust account are true to the best knowledge, information and belief.

And we make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act, 1960.

Declare at **name of place** in the State of **name of state**, this **date**.

(Sign by:)
(Position)

(Sign by:)
Company Secretary
(Licence No)

Before me,

(Sign by Commissioner of Oaths)

20. **MODEL OF THE STATEMENT OF THE LIABILITIES**

Annexure A

ABC TRUSTEE BERHAD (Company. No)

Trust Services Status Update
As at

No.	Type of Trust / Business	Date of Commencement	No of Clients	Annual Trustee Fee	Total Value
1.	ABC family Trust	03 May 2000	1	RM 1,000	RM 96,000

BIANNUAL ACTIVITY REPORT OF TRUST COMPANY

21. The company is required to forward the above report within one month from the date ended 30 June and 31 December annually . The purpose of the report is to collect data for research on Trust Industry in Malaysia.

BIANNUAL ACTIVITY REPORT OF TRUST COMPANY

COMPANY
NAME :

COMPANY NO :

DATE OF
INC. :

DATE OF REGISTRATION
UNDER TRUST COMPANIES
ACT 1949 :

YEAR :

PERIOD OF REPORT :

*** FIRST HALF YEAR /
SECOND HALF YEAR**

ADDRESS :

TELEPHONE NO :

FAX NO :

NO. OF EMPLOYEES

NAME

MANAGERS :

CHIEF EXECUTIVE
OFFICER :

PROFESSIONALS :

SUPPORTING STAFF:

TYPES OF ACTIVITY	NUMBER OF CLIENTS	VALUE
EXAMPLE PRIVATE TRUST		
CORPORATE TRUST		
CLUBS / TIMESHARE		
SHARE IN TRUST / MONEY MARKET		
CUSTODIAN TRUSTS & RETIREMENT FUNDS		
OTHERS # (PLEASE SPECIFIED)		
OTHERS # (PLEASE SPECIFIED)		
OTHERS # (PLEASE SPECIFIED)		

*** STRIKE OUT WHICHEVER IS INAPPLICABLE**

Schedule
(Section 37 Trust Companies Act 1949)

Fees to be paid to the Registrar of Companies

NO.		FEES (RM)
1.	On application for registration	5
2.	Certificate of registration:	
	(a) where authorised capital does not exceed RM500,000	100
	(b) where the authorised capital exceeds RM500,000 but does not exceed RM1,000,000	150
	(c) where the authorised capital exceeds RM1,000,000	200
3.	On filing annual statement under section 21	10