

Labuan Payment System Operator Company

Client to provide

Address to be provided

Date: Tuesday, March 31, 2020

Invoice No: 2020 – 03 – 031ml

Professional services for Labuan PSO company (without travel)	Notes	Year 1 US\$	Year 2 US\$
Labuan 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.	400	400
Payment System Operator License application fee		14,550	13,000
Our fee to secure 2 local employees and physical office space solutions	4.	5,750	0
Our fee to secure Payment System Operator License from FSA (with travel)	5.	8,950	0
International corporate bank account opening fees (without travel)	6.	7,950	0
Estimate of annual accounting and tax fees	7.	0	2,300
Total Healy Consultants fees payable this month	8.	43,500	0
Estimate of total Healy Consultants fees payable after 12 months	9.		18,370

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;

Labuan Payment System Operator Company

Notes to invoice above

1. Healy Consultants fees to efficiently and effectively complete Labuan company registration within [3 weeks](#) 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 the Labuan IBFC;

All [engagement fees](#) (click link) are agreed and paid up front and agree to the fees published on our country web pages. Consequently, there are no hidden fees, surprises or 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 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 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' 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. Most of our Clients wish to place [Healy Consultants' office address](#) on invoices, contracts, websites and business cards;

3. This fee is an estimate of Government costs payable during your Firm's engagement. 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 will refund our Client any excess of funds received over actual Government costs paid;

To apply the Payment System License, Labuan [Financial Services Authority](#) (FSA) requires our Client to settle **i)** a processing fee of US\$1,550 and **ii)** an annual license fee of US\$13,000. 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 fee will be a recurring license renewal fees and will be charged to our Client per annum in order to maintain the status of the license;

Labuan Payment System Operator Company

4. During its review of the payment systems operator licence application, the Labuan FSA will verify that **i)** the company has a Labuan operational office and **ii)** two 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)** minimise 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 Payment System License 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 three 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 the FSA will revert to require the business to implement **i)** an AML/CFT program and KYC procedures and other regulatory documentation listed in notes below **ii)** secure a legal opinion from a lawyer (our Client should budget for third party fees of approximately US\$9,000 for this advice) and **iii)** evidence of qualifications from all directors and senior managers of the entity. If so, Healy Consultants Group PLC will be pleased to assist our Client comply with the same, but additional engagement fees will apply;

The minimum paid up capital requirement for a Payment System License is RM500,000 or equivalent in any foreign currency. In 2019, Labuan introduced substance requirements requiring certain businesses to **i)** have a minimum paid up capital of RM 500,000 **ii)** have two local staff in Labuan **iii)** have a local operational office and **iv)** incur minimum spending of RM120,000 per year;

There is a 90% probability that Labuan FSA will require the director to travel for a face-to-face meeting in Labuan. If required, Healy Consultants Group PLC will action this [travel policy](#);

Prior to licensing, all fund management companies are required to prepare and submit to the Labuan FSA **i)** a risk assessment and Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT) Program **ii)** a terms and conditions sheet and **iii)** a professional indemnity license. If needed, Healy Consultants Group PLC will be pleased to assist our Client to prepare such documents, for a fee of US\$3,950. If necessary, Healy Consultants Group PLC will also require multiple lawyers to review the AML/CFT program and the T&Cs sheet. However, lawyers' fees and other third-party fees (if any) are excluded from Healy Consultants Group PLC's fees;

While reviewing Payment System Operator license application for your business, there is a 50% probability the Labuan FSA will request evidence of appointment of **i)** qualified directors; **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 three years and qualifications in the fund management business. The local authorities will require evidence of the same during its licensing review;

Labuan Payment System Operator Company

All going well, there is a 70% 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 maximises 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. To secure multi-currency corporate bank account approvals for our Client's company, Healy Consultants Group PLC strategy is as follows:
- ✓ Healy Consultants Group PLC will prepare a quality business plan for our Client's review then use the same to **i)** secure multiple banks' confirmation they welcome a formal application from our Client's business and **ii)** maximize the probability of successful multi-currency corporate bank account approvals;
 - ✓ At the time of company incorporation, we recommend to keep the [corporate structure simple \(click link\)](#) by appointing our Client's preferred individual shareholder(s) and director(s) and bank signatories - no corporate entity, nominee, trust, or tax haven holding company;
 - ✓ Our Client to appoint individuals who could timely travel to meet multiple local and international banks, if their Compliance Departments require the same before releasing multiple multi-currency corporate bank accounts numbers. If travel is required, our Firm will refund US\$950 and action [this travel policy](#);
 - ✓ Before, during and after bank meetings, the bank's In-house Legal and Compliance Department may revert multiple times for additional documentation and information from each **i)** bank signatory / director / UBOs of the companies as well as **ii)** our Client's business and transactions;
 - ✓ If some banks decline to board our Client's business, Healy Consultants Group PLC will immediately inform our Client and action backup banking solutions;
 - ✓ All going well in an average of three months following application submission, Healy Consultants Group PLC secures multiple multi-currency corporate bank account numbers for our Client's company;
 - ✓ Thereafter, Healy Consultants Group PLC or the banks will courier mails and e-banking tokens to the bank signatory, who is expected to activate the internet bank account, if needed with Healy Consultants Group PLC's assistance;
 - ✓ After corporate bank account numbers are secured and if required, Healy Consultants Group PLC to assist our Client to appoint more new shareholders and directors. However, the banks will usually only approve them as bank signatory after a face to face meeting and review and approval of a bank signatory application;

For each bank, our Firm will prepare a quality tailored business plan; to optimize the probability of corporate bank account approval. Each corporate bank account opening fee is [US\\$4,950 \(click link\)](#). It is a time-consuming task; Healy Consultants Group PLC will shelter our Client from the administrative challenges. As

Labuan Payment System Operator Company

you can appreciate, it is a difficult task to obtain bank account approval through newly formed companies when shareholders, directors and bank signatories reside overseas;

Depending on the nationality of the UBO, shareholders, bank signatories, and directors and the nature and value of the business assets and transactions, it is wise to expect that **i)** corporate bank account approvals will take an average of three months from the date of company registration and receipt of all KYC documentation and **ii)** multiple banks will request the directors AND bank signatories to travel for a one hour interview with the bank officer, before bank account opening. Refer to the notes below for more detailed important information about each corporate bank account opening procedures and requirements;

While Healy Consultants Group PLC will be glad to assist our Client to open multiple corporate bank accounts, it is challenging and time consuming to open corporate bank accounts for businesses when their shareholders, directors and bank signatories do not live in the country where the bank account is being applied for. Consequently, it will take us an average of twelve weeks to open each corporate bank account, counting from receipt of all required KYC documentation. Healy Consultants Group PLC will prepare a business plan for the bank to optimize the probability of corporate bank account approval;

During the corporate bank account opening process, it is common for each bank's in-house Legal and Compliance Department to request additional due diligence documents from potential customers including but not limited to **i)** regulatory licenses **ii)** proof of business globally and in home country including evidence of contracts, invoices and agreements with local Clients and **iii)** additional KYC information on our Client's business and place of residency, including nature and volume of transactions. We assume our Client provides most of this information within one week;

Because global interest rates are low, international banks make little profits from current accounts. Consequently, international banks appetite for new multi-currency corporate bank account opening applications is low. Consequently, global banks are more likely to reject new multi-currency corporate bank account opening applications. Because of the above, customer demand for new corporate bank accounts is very high. Consequently, international banks choose vanilla customers that tick all the boxes of a low risk Client. For example, most banks will only welcome multi-currency corporate bank account opening applications from a company registered in the same country, with local staff and office premises;

When dealing with international banks, the front office bank officer (Relationship Manager) is willing to help Healy Consultants Group PLC and our multi-national Clients. The realistic role of this bank officer is to collect information and ensure an accurate and complete multi-currency corporate bank account opening application is submitted to the bank in-house Legal and Compliance Department;

Unfortunately, the bank in-house Legal and Compliance Department has ultimate power of approval over new multi-currency corporate bank account applications. This Department is extremely risk adverse and often lacks commercial reality. Furthermore, the in-house Legal and Compliance Department does not speak to customers nor to Healy Consultants Group PLC. All communications must go through the front office bank officer. Consequently, quality Clients do not get a chance to communicate directly with the bank decision makers – a chance to properly explain their business and the risks the bank perceives;

Global banks enjoy ultimate power of approval of corporate bank account 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 bank application that maximizes the likelihood of approval.

Labuan Payment System Operator Company

Global banks [continue to tighten](#) corporate bank account opening procedures, their internal compliance departments completing more thorough due diligence of Clients. Consequently, our Client should expect the bank account approval period at least 2 months and on average 3 months.

During the engagement, banks will revert to Healy Consultants Group PLC and our Client to request additional KYC information, including **i)** details of existing business setup; **ii)** reason for opening bank accounts in the specific jurisdiction; **iii)** list of suppliers and Clients in the jurisdiction; **iv)** lease agreement; and **v)** proof of net worth from the shareholders and evidence the same are complying with their local taxation reporting obligations. As always, Healy Consultants Group PLC will liaise with the bank to secure exemption from these requirements;

While Healy Consultants Group PLC will try its best to negotiate with the bank for a travel exemption unfortunately all Singapore and Hong Kong and most Asian banks will likely request both the foreign directors and bank signatories to travel, for a one-hour interview before the bank account numbers are issued. No exceptions; If the banks also request Healy Consultants Group PLC nominees to travel, there will be an additional fee of US\$5,950 per trip payable to cover the flight and hotel and other trip disbursements.

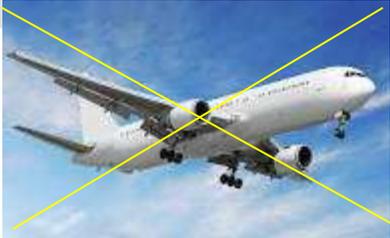
All banking charges, certification and translation and other third-party fees incurred during the corporate bank account opening process are to be borne by our Client, never by the nominees. These additional fees are to be payable in advance of any disbursement;

Healy Consultants Group PLC will supply the banks with the proof of addresses and other due diligence supplied by our Client. Hopefully they will accept the same and do not revert requesting additional documents; From our side we will relentlessly negotiate for banks waivers. Healy Consultants Group PLC expects the bank's risk department to request additional [due diligence](#) from our Client's business and from the bank signatory, directors, shareholders and UBOs. We assume our Client will timely supply this information and supporting documents or there will be engagement delays;

7. For an active trading company, these [accounting and tax](#) fees are an estimate of Healy Consultants 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 will more accurately advise accounting and tax fees. For a dormant company, Healy Consultants fees are only US\$950;
8. 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 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;
9. Assuming our Clients re-engage Healy Consultants in year 2, this fee is an estimate of the fees payable next year, 12 months after the date of company registration;
10. 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 realizes that the project is more complex than anticipated, requiring a large additional investment of time, my Firm will revert to request

Labuan Payment System Operator Company

additional fees. If Healy Consultants completes the engagement faster and more easily than expected, Healy Consultants is happy to refund some fees to our Client;

11. In accordance with [Article 85 \(1\) of the Malaysia Offshore Companies Act 1990](#), the minimum issued share capital is US\$1. However, Labuan companies planning to hire foreigners are required to have a minimum paid-up capital of at least US\$60,000 (MYR250,000) before submitting an application for a work permit;
12. If our Client and Healy Consultants properly plan this engagement, our Clients will **not** have to travel during this engagement. Healy Consultants 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 office; 
13. During the engagement, shareholders and directors' documents may need to be translated into the local language, 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 can complete this administrative task;
14. As always, Healy Consultants 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;
15. 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;
16. If our Client requires nominee shareholder and director [services \(click link\)](#), Healy Consultants 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 to reputation, litigation and financial risk;
17. In accordance to Labuan taxation laws, corporate tax in Labuan can be calculated either as **i)** a flat 3% of net profits per annum or **ii)** a fixed amount of US\$6,000. Labuan companies are required to maintain accounting records at all times at their Labuan registered address, but are not required to submit financial statements to the Labuan IBFC, unless they elect to pay CIT at a 3%, in which case they are also subject to an audit requirement. Non-trading companies (ie holding companies) are not subject to corporate tax in Labuan;
18. Depending on our Client business and nationality, the Malaysia Government may require a special regulatory licence to carry on your business in the country. Healy Consultants will assist our Client secure license

Labuan Payment System Operator Company

approval. However, the Government enjoys ultimate power of approval of company registrations and business licenses;

19. Some of our Clients engage Healy Consultants to [recruit](#) local employees;
20. If required, Healy Consultants will be pleased to assist your firm secure employee 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 includes 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' 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;
21. Labuan companies can open offices in Labuan, Kuala Lumpur and Johor Bahru. Consequently, some of our Clients request Healy Consultants to provide temporary [shared office space](#) for 6 months; until our Client finds their preferred business address. Our one-time fee for this service amounts to US\$950. The monthly rent thereafter will be paid independently and directly to the landlord by our Client. An estimate of such a rental for a space of 10 sq. m. for one employee is US\$550 per month;
22. Some of our Clients' require an [immediate country solution](#). With this strategy, within a day Healy Consultants 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;
23. 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 help to clarify your local and international annual tax reporting obligations;
24. Engage Healy Consultants 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;
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 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 will only commence the engagement following **i)** settlement of our fees and **ii)** completion and signing of our legal engagement letter;



Labuan Payment System Operator Company

28. Healy Consultants will only incorporate your company after 75% of [due diligence documentation](#) is received by email. Healy Consultants 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

[Business owner](#)

Healy Consultants Group

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