

PART V

MISCELLANEOUS

Division 1

*Foreign Companies*

**Prohibition on carrying on business in Malaysia**

**561.** (1) A foreign company shall not carry on a business in Malaysia unless the foreign company is registered as a foreign company under this Act.

(2) A foreign company shall not be regarded as carrying on business in Malaysia for the reasons only that it carries on activities as specified in the Thirteenth Schedule within Malaysia.

(3) For the purposes of this section, “carrying on business” includes establishing or using a share transfer or share registration office or administering, managing or otherwise dealing with property situated in Malaysia as an agent, legal personal representative, or trustee, whether by servants or agents or otherwise.

(4) The foreign company and every officer who contravene this section commit an offence.

**Registration of foreign companies**

**562.** (1) For the purpose of registration under this Act, a foreign company shall provide to the Registrar the following information:

- (a) the name, identification, nationality and the ordinary place of residence of every shareholder in Malaysia and, if any of these persons is a body corporate, the corporate name, place of incorporation or place of origin, registration number and the registered office of the body corporate;

- (b) the name, identification, nationality and the ordinary place of residence of every person who is appointed as a director of the foreign company in Malaysia;
- (c) the list of its shareholders or members at its place of origin;
- (d) in the case of a foreign company with share capital, the details of class and number of shares at its place of origin;
- (e) in the case of a foreign company limited without share capital, the amount up to which the member undertakes to contribute to the assets of the foreign company at its place of origin in the event of its being wound up;
- (f) the name and address of a person who is a resident in Malaysia, who is appointed by the foreign company as its agent under a memorandum of appointment or power of attorney; and
- (g) such other information that the Registrar may require.

(2) The application made under subsection (1) shall be accompanied with a statement by the agent of the foreign company confirming his consent for the appointment.

(3) Upon being satisfied that the requirements of this Act have been complied with and on payment of the prescribed fee, the Registrar shall—

- (a) register the foreign company and allocate a registration number for the foreign company; and
- (b) issue a notification of registration in the form and manner as the Registrar may determine and the notification shall be conclusive evidence that the requirements as to registration have been complied with.

(4) For the purposes of paragraph (1)(c), “list of shareholders or members” means a list of all of the shareholders or members of the

foreign company, provided that if the number of its shareholders or members exceeds five hundred —

- (a) a list of its twenty largest shareholders or members; and
- (b) a certificate by the agent stating that the foreign company has more than five hundred shareholders or members and the full list of shareholders or members is kept at the registered office of the foreign company and also kept at the registered office of the foreign company in Malaysia.

### **Requirement for foreign companies to have agent**

**563.** (1) A foreign company shall at all times appoint an agent in Malaysia who, until he ceases to be an agent in accordance with subsection (5), shall—

- (a) continue to be the agent of the foreign company;
- (b) be answerable for all such acts, matters and things that are required to be done by the foreign company under this Act; and
- (c) be personally liable to all penalties imposed on the foreign company for any contravention of this Act unless the agent satisfies the court hearing the matter that the agent should not be liable.

(2) For the purposes of subsection (1), the foreign company shall notify the Registrar of any changes relating to the registered particulars of the agent within fourteen days from the change.

(3) A foreign company or its agent shall lodge with the Registrar a notice in writing stating that the agent has ceased or will cease to be the agent on a date specified in the notice.

(4) The agent in respect of whom the notice has been lodged shall cease to be an agent—