



Does the New Myanmar Amended Companies Act Affect You? Are You Compliant?



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The First Month of MyCO

August 1st, marked the launch of the Directorate of Investment and Company Administration's ("DICA") online registry system, Myanmar Companies Online ("MyCO"). Through this release, Myanmar has made a notable stride forward in its efforts to attract greater levels of foreign participation and investment. The corporate compliance process is now significantly more streamlined and efficient under the Myanmar Companies Law of 2017 ("MCL").

Notifications following the implementation of the MCL are outlined in the table below:

No.	Notification No.	Description	Issuance	Ministry
1.	56/2018	Prescribed Forms under MCL	10 th July 2018	Ministry of Planning & Finance
2.	57/2018	Prescribed Fees and Late Lodgment Fees under MCL	9 th July 2018	Ministry of Planning & Finance
3.	58/2018	Requirement for Business Association	9 th July 2018	Ministry of Planning & Finance
4.	59/2018	Requirement for Public Companies	9 th July 2018	Ministry of Planning & Finance
5.	60/2018	Prescribed Model Constitution under MCL	10 th July 2018	Ministry of Planning & Finance
6.	63/2018	Prescribed extra fees for registry transactions carried out using non-electric means	30 th July 2018	Ministry of Planning & Finance
7.	64/2018	Prescribed Fees for Restoration of an Existing Company	30 th July 2018	Ministry of Planning & Finance
8.	66/2018	Myanmar Companies Regulations	23 rd July 2018	Ministry of Planning & Finance

By virtue of the new MCL and subsequent notifications, the following are no longer required:

- **No more filing of paper work to DICA!**
- **No more applications to extend the term of the Certificate of Incorporation!**
- **No more par value requirement!**

The distinct features of the new MCL are:

- All corporate filings are now readily accessible online;
- Single shareholder and single director companies are now permitted;
- 35% foreign shareholding now permitted in local companies without changing the company's status as a local company;
- Re-registration of all existing entities within a six month registration window (from 1 August 2018 to 31 January 2019) is mandatory; and
- If an entity fails to re-register by the deadline, DICA may strike its name off the register. Restoration to the register is possible, upon showing sufficient cause for the default, although this may be subject to a fine of MMK 100,000 for business associations and MMK 250,000 for other entities.

The MCL renders DICA as the first and easiest gate to pass through, though only for the purposes of company incorporation. It will no longer be responsible for approving business activities and storing company resolution documents as it has previously, under the repealed 1914 act.

Post re-registration filings such as the annual filing and other corporate compliance filings under the MCL will be much easier- simply by filing/submitting a "notice" to DICA via MyCO, using the prescribed forms.

DICA filings appear more streamlined than ever due to MyCO. Nonetheless, corporate secretarial requirements such as the preparation of resolution documents, confirmation and approvals for appointments to positions, and recording such documents are expected to keep company corporate secretaries busier than before. Advice from professionals will be needed for certain processes such as share capital management and the distribution of dividends. Please have a look at DFDL's corporate secretarial services schedule. We remain available to assist you through the transition.

DFDL Services

With the entry into force of the Amended Myanmar Companies Act on 1 August 2018, companies are now subject to various new rules and requirements in order to lawfully conduct their business in the country. DFDL stands ready to assist in ensuring that you stay in full compliance with the new law, that transitioning to the new legislative requirements will be seamless as possible, and with minimal impact to your activities in Myanmar.

The services that we offer include day-to-day corporate secretarial duties, ensuring corporate compliance with the new law, and assistance with statutory filing obligations.

Services overview

Registration	<ul style="list-style-type: none"> Registration of company/entity Re-registration of existing company/entity
Corporate secretarial services	<ul style="list-style-type: none"> Alteration of constitution Change of company name Change of company type Change to share capital or the register of members (Change in members, share capital, share allotment, share transfer) Notice of/Reduction in share capital Notice of/Resolution concerning share buy-back Notice of/Variation or cancellation of rights Notice of/Remuneration or other benefits Notice of location of company registers and indexes Change of registered office or principal place of business Appointment and Cessation of directors and secretary Preparation of annual general meeting documents Minutes of extraordinary meeting/Special resolution Annual return Issuance of share certificates Arrangement of bank account opening Provision of registered address service Maintenance of corporate registers and records
Registration of securities	<ul style="list-style-type: none"> Registration of mortgage or charge Registration of mortgage or charge over property acquired by company Modification of particulars of mortgage or charge
Requesting certified copies	<ul style="list-style-type: none"> Request for certified copies of certificates Request for copies of forms and documents filed with the Registrar Request for company extract
Winding up	<ul style="list-style-type: none"> Winding up company/entity

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