

Application for Investee Company Certification

FORM ATI-1

For Office Use

Reference No :

Section 1

Explanatory Notes

Angel Tax Incentives

To stimulate and encourage angel investments into start-up companies in Malaysia, the Government is prepare to give an incentive in terms of tax deduction to qualified individual investors and/or spouses based on the qualified investments into a qualified start-up.

1. Qualifying Period

The angel tax incentive will be open for qualifying investments made from 1 January 2013 to 31 December 2017. The investment(s) made must be approved by the Ministry of Finance.

2. Eligibility Criteria of Investee Companies

- a. Minimum 51% Malaysian owned by individuals;
- b. Must be a private limited (Sendirian Berhad) company, incorporated in Malaysia and resident of Malaysia;
- c. Company's core business must be in qualifying activities as approved by the Ministry of Finance (please refer to Section 2);
- d. Cumulative revenue less than RM5 million and in operation for three (3) years or less (based on the latest financial year result upon application); and
- e. The company must not be wound-up and/or liquidated.

3. Eligibility Criteria of the Investment

- a. Investment must be made by a qualified angel investors;
- b. Must not be from an immediate family members i.e. spouses, children, parents, grandparents and siblings;
- c. Shall be for the sole purpose of financing the activities as approved by the Ministry of Finance (please refer to Section 2);

- d. Is made by the angel investor for a period of two (2) years prior to the deduction;
- e. Is not disposed of within two (2) years from the date the investment is made;
- f. Shall not be more than thirty per cent (30%) of the share capital of the investee company in the form of ordinary shares;
- g. The tax incentive given will be on a minimum amount of RM5,000-00 and up to a maximum amount of RM500,000-00 per annum in total;
- h. The investment to be made are paid in full and in cash (not in kinds) where there is no obligation to pay back by an investee company to an angel investor;
- i. Shares issued must reflected in the Shareholders' Agreement; and
- j. The shares issues to the new investors must be in terms of ordinary shares only.

4. Validity Period

Investee company's qualification period for investment under the Angel Tax Incentive is for one (1) year only and is renewable. Cradle Fund Sdn Bhd has the right to review the qualifying criteria for investee company as and when required during the period.

5. Post-Investment

Company must have business activity in Malaysia for at least two (2) years after the investment is made.

Section 2

For the purpose of complying with the requirement of the qualifying activities approved by the Ministry of Finance on the involvement in technology-based business activities, the venture company should be involved in design, development and manufacture/production/application in any of the areas under sections I to X.

I. Advanced electronics and information technology

(a) Components

- (i) Input/output technologies
- (ii) Storage and batteries
- (iii) Smart cards
- (iv) Integrated circuits
- (v) Micro-processors

(b) Systems and architectures

- (i) Operating systems environments
- (ii) Software component architectures
- (iii) Computing platforms
- (iv) Micro-processor based products
- (v) Security
- (vi) Neural networks
- (vii) Fuzzy logic systems
- (viii) Display systems
- (ix) Pattern recognition system and image processing
- (x) Machine vision

(c) Software

- (i) Fuzzy logic systems
- (ii) Application development environments
- (iii) Database management systems
- (iv) Groupware, workflow, document and knowledge management
- (v) Systems and network management
- (vi) Animation, graphics, visualisation, image solutions, computer aided design (CAD), shrink-wrap software

(d) Applications

- (i) Electronic commerce
- (ii) Data warehousing
- (iii) Corporate applications

(e) Communications

- (i) Transmission media
- (ii) Networking systems and protocols
- (iii) Internet and intranet

(f) Supporting products and services

- (i) Uninterrupted power supply
- (ii) Network equipment/modem, server, etc.

II. Telecommunications

- (a) Telecommunication network
- (b) Cellular/fixed lines services
- (c) International gateway facilities
- (d) Value-added interactive voice and data services
- (e) Value-added network data services
- (f) Radio paging
- (g) Satellite-based communications
- (h) Maritime and broad band communication
- (i) Equipment, components and parts

III. Equipment/instrumentation, automation and flexible manufacturing systems

- (a) Scientific, laboratory and medical equipment
- (b) Medical implants, devices and prostheses
- (c) Computer process control systems/equipment
- (d) Wireless technology and wireless processes
- (e) Process instrumentation
- (f) Robotics
- (g) Computer numerical control (CNC) machine tools
- (h) High precision cutting/measurement/calibration machines
- (i) Precision moulding
- (j) Powder metallurgy
- (k) Advanced factory machine operations
- (l) Rapid tooling and prototyping

IV. Healthcare

- (a) Pharmaceuticals
- (b) Medical products
- (c) Diagnostic and imaging

- (d) Telemedicine
- (e) Healthcare management organisations

V. Electro-optics, non-linear optics and optoelectronics

- (a) Optical lenses
- (b) Laser application equipment and peripherals
- (c) Photonics, including fibre-optics communication equipment and peripherals
- (d) Optoelectronics systems components
- (e) Optical systems components
- (f) Semiconductor lasers

VI. Advanced materials

- (a) Polymers, biopolymers and other biomaterials
- (b) Superconductors
- (c) Fine ceramics and advanced ceramics
- (d) High strength composites
- (e) Specialty materials, rare earth elements, smart materials and new alloys
- (f) Magnetic and permanent magnetic materials

VII. Transportation

- (a) Split engines
- (b) High performing engines
- (c) Micro engines
- (d) Transport navigation and tracking systems

VIII. Value-add services

- (a) Education and training relating to application of smart technologies
- (b) System developers, system integrators, content or solution providers

IX. Emerging technologies

- (a) Emerging technologies as may be added from time-to-time or considered on a case-by-case basis

Section 3 (All fields in Section 3 are compulsory to be completed)

A. Details of Company (Applicable only to companies classified under Section 2)

1. Name of company :

2. Company registration number :

3. Business Address :

4. Classification of technology-based business activities: (Please refer to Section 2) :

5. Overview of Business

5.1 Technology (Describe platform and architecture in not more than 150 words) :

5.2 Target Market (State target market/customers) :

6. Reasons for Investment:

(Working Capital/ Market Development/ Commercialisation/ Capital Expansion/ Prototype Enhancement/ Others)

Section 3 (All fields in Section 3 are compulsory to be completed)

B. Shareholding Structures (Please list down only the top 5 shareholders)

No	Shareholders	Amount of Shares (RM)	% of Shares	Types of Shares
1				
2				
3				
4				
5	Others			
Total				

C. Contact Details

i.	Name of Contact Person 1	:	
ii.	Designation	:	
iii.	Office Number	:	
iv.	Mobile Number	:	
v.	E-mail	:	
vi.	Fax Number	:	
i.	Name of Contact Person 2	:	
ii.	Designation	:	
iii.	Office Number	:	
iv.	Mobile Number	:	
v.	E-mail	:	
vi.	Fax Number	:	

Section 4

Declaration *(To be signed by the Authorised Signatory)*

I/We,

[Name of the Investee Company], a company incorporated in Malaysia under the Companies Act 1965 and having its principal place of business at

[Full registered address of the Investee Company] do solemnly affirm and declare that:

- (i) I/We are not an undischarged bankrupt nor have any petition, either within or outside of Malaysia, under any bankruptcy or insolvency laws, whereby any petition has been filed (and not struck out) or is pending or threatened against us;
- (ii) I/We have not been convicted in any criminal proceedings nor have been named a subject of a pending criminal proceeding, either within or outside of Malaysia;
- (iii) I/We have not been convicted of fraud or any offence nor have any action (whether civil or otherwise) of a material nature or amount, been taken against us, either within or outside of Malaysia, and there have not been nor are there enquiries or investigations made or pending within or outside of Malaysia;
- (iv) All the particulars, information, financial and other statements, reports, documents and data furnished by the Company in connection with this application do not contain any untrue statements and were honestly provided and/or made upon due and careful inquiry by the Company and the Company has not omitted to state any fact(s) the omission of which makes any statements provided by the Company as misleading; and
- (v) All documents provided by the Company in connection with this application if original are authentic and if copies are complete and conform to the originals and up-to-date.



I/We make this declaration with knowledge and awareness of your reliance on this declaration and we make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declaration Act 1960.

Subscribe to and solemnly declared)
by the abovementioned names)
on this day of _____)

[Name of the Investee Company]

.....

Name:

Designation:

Company Stamp:

Before me,
Commissioner of Oaths

Section 5

(Please tick where applicable. Only submission of certified true copy of the supporting documents and signed by the Company Secretary are accepted)

Documents Submission Checklists

1.	Executive Summary which includes: a) Background and History b) Business Overview c) Key Management d) Products and/or Services e) Business Model	<input type="checkbox"/>
2.	Memorandum & Articles of Association	<input type="checkbox"/>
3.	Form 9	<input type="checkbox"/>
4.	Form 24 (All forms) and the latest Annual Return Form	<input type="checkbox"/>
5.	Form 49	<input type="checkbox"/>
6.	Form 13 (If necessary)	<input type="checkbox"/>
7.	Form 32A (If necessary)	<input type="checkbox"/>
8.	The latest AGM minutes or other Minutes of Internal Meeting	<input type="checkbox"/>
9.	Relevant agreements with regards to businesses	<input type="checkbox"/>
10.	Financial Statements (all audited and draft)	<input type="checkbox"/>
11.	Processing Fees of a) RM400-00 for new application; or b) RM200-00 for reapplication <i>(Please make cheque payable to "Cradle Fund Sdn Bhd")</i>	<input type="checkbox"/> <input type="checkbox"/>

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