

The Government of the Republic of the Union of Myanmar
Ministry of Investment and Foreign Economic Relations
Directorate of Investment and Company Administration

Notification No. 2 /2020
(9th) Waxing of Pyatho 1381 M.E.
(3rd January , 2020)

**Guidance on the Approval Requirements for Payment of Remuneration and Other
Benefits to Directors and Related Parties**

In exercise of the power conferred under section 462(a)(ii) and 419 of the Myanmar Companies Law 2017, the Directorate of Investment and Company Administration issues this Notification providing guidance on the approval requirements for payment of remuneration and other benefits to directors and related parties under sections 187 and 188 of the Myanmar Companies Law.

1. Pursuant to the Myanmar Companies Law, the board of a company may authorize the payment of remuneration or other benefits to a director, former director or a related party in one of the following circumstances:
 - (a) if the board is satisfied that it meets the criteria set out in sub-section 187(a)(vi) of the Myanmar Companies Law; or
 - (b) if it is approved by members of the company under section 188 of the Myanmar Companies Law.
2. Approval by the board of a company under section 187(a)(vi) of the Myanmar Companies Law must comply with the requirements set out in sections 187 (b), (d) and (g) of the Myanmar Companies Law.
3. Approval by members under section 188 of the Myanmar Companies Law must comply with the requirements set out in sub-sections 188(b)-(g) of the Myanmar Companies Law. Approval by members is only necessary where board approval is not given under section 187 of the Myanmar Companies Law.
4. Submission of forms on MyCO is not necessary where board approval is given in accordance with section 187 of the Myanmar Companies Law. Companies are only required to submit Form D-2A and Form D-2B on the Myanmar Companies Online (MyCO) registry if approval by members is sought under section 188 of the Myanmar Companies Law.

(Thant Sin Lwin)

Director General

Directorate of Investment and Company Administration