**CHECKLIST ON** **COMPLIANCE OF CONDITIONS FOR R&D STATUS COMPANIES**

|  | **COMPLIANCE OF CONDITIONS FOR R&D STATUS COMPANIES** | **FORMS TO BE FILLED BY COMPANIES** |
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| i. | ***R&D Definition***R&D activities carried out is in accordance with the definition of R&D under Section 2, Promotion of Investment Act, 1986 (Aktiviti R&D yang dijalankan hendaklah memenuhi takrifan R&D seperti di bawah Seksyen 2, Akta Penggalakan Pelaburan, 1986.  | Condition on R&D Definition  |
| ii. | ***Company Revenue***At least 70% of the income of the company should be derived from R&D services activities. (Sekurang-kurangnya 70% daripada pendapatan syarikat diperolehi daripada aktiviti perkhidmatan penyelidikan dan pembangunan) | Condition on Company’s Revenue |
| iii. | ***R&D Staff***For manufacturing-based R&D, the company must have adequate number of full-time employees working in Malaysia with degree or diploma in technical fields with minimum 5 years experience in relevant fields. Those employees must perform research and technical functions and comprise of at least 50% of the company’s total workforce. [Sekurang-kurangnya 50% daripada kakitangan syarikat terdiri daripada kakitangan yang mempunyai Ijazah atau Diploma dalam bidang teknikal dengan pengalaman kerja sekurang-kurangnya 5 tahun dalam bidang berkaitan].For agricultural-based research and development, the company must have adequate number of full-time employees working in Malaysia with degree or diploma in technical fields with minimum 5 years experience in relevant fields. Those employees must perform research and technical; functions and comprise of at least 5% of the company’s total workforce.[Sekurang-kurangnya 5% daripada kakitangan syarikat terdiri daripada kakitangan yang memiliki ijazah di bidang sains & teknikal atau diploma dengan pengalaman sekurang-kurangnya 5 tahun dalam bidang berkaitan yang menjalankan fungsi-fungsi penyelidikan dan teknikal;] | Condition on R&D Staff |
| iv. | **Employment of Local Workforce**At least 80% of company’s Full Time Employees must be Malaysians. Employment of expatriates (including through outsourcing is subject to current policies;[Jumlah gunatenaga sepenuh masa syarikat hendaklah terdiri daripada sekurang-kurangnya 80% rakyat Malaysia. Penggajian rakyat asing (termasuk pekerja yang diperolehi melalui penyumberan luar) adalah tertakluk kepada dasar semasa] | Condition on Employment of Local Staff |