

FOREIGN EXCHANGE POLICY DECLARATION FORM

Name / Company Name	
NRIC/Passport No./Other ID No./Company No.	
Account Number	

Declaration And Undertaking On Domestic Ringgit Borrowing (applicable to Resident only)

Pursuant to the Notice on Foreign Exchange Policy (“FEP”) of Bank Negara Malaysia (“BNM”), I/We hereby declare and confirm that:

I/We do not have domestic ringgit borrowing with any financial/non-financial institution in Malaysia and I/we shall undertake to inform Kenanga Group immediately in the event I/we have domestic ringgit borrowing.

I/We currently have domestic ringgit borrowing with one (1) or more financial/non-financial institutions in Malaysia and I/we shall comply with the conversion limit of Ringgit Malaysia (RM) into foreign currency for investment purposes as follows: -

Type of Resident	Limits	Declaration on Investment in foreign currency asset onshore and offshore (inclusive of those performed with other licensed onshore banks)
Individuals (including sole proprietors and general partnership)	RM1 million equivalent in aggregate per calendar year	<input type="checkbox"/> ≤ RM1 million equivalent <input type="checkbox"/> > RM1 million equivalent
Companies (including group of companies which has a Ringgit borrowing)	Up to RM50 million equivalent in aggregate per calendar year on corporate group basis	<input type="checkbox"/> ≤ RM50 million equivalent <input type="checkbox"/> > RM50 million equivalent

Per calendar year is aggregated from 1st Jan – 31st Dec of the same year

I/We hereby acknowledge and confirm that I/we shall comply with the FEP rules and regulations as may be imposed by BNM and agree that it is my/our responsibility to ensure that my/our investment(s) at all times shall be maintained within the limit imposed by BNM from time to time.

In the event there are changes to the circumstance and/or details contained in this declaration and undertaking, I/we undertake to update Kenanga Group of the changes immediately, failing which Kenanga Group may proceed to take all necessary actions deemed fit without reference to me/us.

I/We also understand that BNM’s approval must be obtained first if the amount exceeds the prescribed threshold limits.

I/We have read and agreed to be bound by the declaration made herein:

Signature of Applicant/Authorized Signatory	Authorized Signatory	Company Seal / Company Stamp
Name:	Name:	
NRIC/Passport/Other ID:	NRIC/Passport/Other ID.:	
Date:	Date:	

Declaration pursuant to the Notices on Foreign Exchange Policy ("FEP")

I/we hereby declare and undertake to Kenanga Group as follows:

- For the purpose of FEP, I/we are fully aware and understand the FEP applicable to us and I/we accept full responsibility for the compliance of the same.
- Applicable for investment in foreign currency assets ("FCA") onshore and investment abroad on own account (**with domestic ringgit borrowing**).

A. Applicable for Resident Entity

Investment Limit Amount # (in RM or equivalent in aggregate per calendar year)	Nature of transaction(s)
Up to RM50 million	<ul style="list-style-type: none"> • Conversion of Ringgit • Swapping of financial assets • Foreign currency funds sourced from Trade Foreign Currency Account • Foreign currency borrowing obtained from a licensed onshore bank for purposes other than direct investment abroad
Up to the approved amount	<ul style="list-style-type: none"> • Foreign currency borrowing obtained from a Non-Resident as set out in Part A of Notice 2 of the FEP
Up to the amount of the initial public offering ("IPO") proceeds sourced	<ul style="list-style-type: none"> • Listing of shares through an IPO on the Main Market of Bursa Malaysia
Any amount	<ul style="list-style-type: none"> • Foreign currency funds from abroad, other than proceeds from the export of goods • Sourced from Investment FCA • From a Non-Resident, other than foreign currency borrowing • Foreign currency borrowing obtained from a license onshore bank for direct investment abroad

B. Applicable for Individual, Sole Proprietor or General Partnership

Investment Limit Amount # (in RM or equivalent in aggregate per calendar year)	Nature of transaction(s)
Up to RM1 million	<ul style="list-style-type: none"> • Conversion of Ringgit • Swapping of financial assets • Foreign currency funds sourced from Trade Foreign Currency Account
Up to RM10 million	<ul style="list-style-type: none"> • Foreign currency borrowing obtained from a licensed onshore bank or Non-Resident
Any amount	<ul style="list-style-type: none"> • Foreign currency funds from abroad, other than proceeds from the export of goods (Note 2) • Sourced from Investment FCA • From a Non-Resident, other than foreign currency borrowing • Foreign currency borrowing obtained from a license onshore bank for direct investment abroad

Please note the investment limit amount may change from time to time and any changes should be effective immediately, without any further notice from Kenanga Group. The above information is for general reference only. For further information, please refer to the FEP published in BNM's website and obtain independent advice (if required).

Note:

- For individuals (ie. Sole Proprietor or General Partnership) without domestic ringgit borrowing, he/she is allowed to undertake investment in FCA and investment abroad of any amount, **unless** the funding is from foreign currency borrowing obtained from licensed onshore bank or Non-Resident which is subjected to a limit of up to RM10 million or equivalent in aggregate.
- These proceeds shall be credited into a Trade FCA and can be utilised to invest in FCA onshore and investment abroad in accordance with BNM's limit.
- BNM's prior approval must be obtained by the customer for transaction, trade, settlement or operations that exceed the investment limit amount prescribed under the FEP.

Definitions

No	Terminology	Description
1.	Calendar Year	The FEP investments limit cover all foreign currency transaction amounts within the year from 1 January to 31 December in the same year. The investment limits are then refreshed from 1 January the following year
2.	Borrowing	Any credit facility, financing facility, trade guarantee or guarantee for payment of goods, redeemable preference share (including Islamic), private debt security (including Islamic) or similar facility in whatever name of form, except : (a) Trade credit terms extended by a supplier for all types of goods or services; (b) Forward contract with a licensed onshore bank excluding a contract that involves: - <ul style="list-style-type: none"> • the exchanging or swapping of ringgit or foreign currency debt obligation with another foreign currency debt obligation; or • the exchanging or swapping of foreign currency debt obligation with a ringgit debt obligation; (c) Performance guarantee or financial guarantee; (d) Operational leasing facility; (e) Factoring facility without recourse; (f) A credit facility or financing facility obtained by a Resident individual from a Resident to purchase one (1) residential property and one (1) vehicle; or (g) Credit card and charge card facility obtained by a Resident individual from a Resident.

No	Terminology	Description
3.	Derivatives	Any agreement, including an option, a swap, futures or forward contract, whose market price, value, delivery or payment obligations is derived from, referenced to or based on, but not limited to, securities, commodities, assets, rates (including interest rates or exchange rates) or indices.
4.	Direct Investment Abroad	(a) Investment abroad resulting in at least 10% equity ownership or control of a Non-Resident Entity; (b) Inter-company lending to a Non-Resident Entity within its Group of Entities; or (c) Capital expenditure in unincorporated entities or projects by agreement with no establishment created, where a Resident investor: <ul style="list-style-type: none"> • contributes capital at least 10% of the project cost; • is entitled to at least 10% profits from the unincorporated entity/project; or • has management control of the unincorporated entity/project.
5.	Direct shareholder	A shareholder with at least 10% shareholding in a Resident Entity.
6.	Domestic Ringgit Borrowing	Borrowing in ringgit obtained by a Resident from another Resident, including Licensed Onshore Banks, but shall exclude items (a) – (g) in No.2 above. For a Resident Entity the borrowing shall exclude borrowing from another Resident Entity within its Group of Entities with Parent-Subsidiary Relationship.
7.	Entity	Any corporation, statutory body, local authority, society, co-operative, limited liability partnership and any other body, organisation, association or group of persons, whether corporate or unincorporated, in or outside Malaysia and also includes the Federal Government, State Government or any other governments.
8.	Export of goods	Movement or transfer of goods by land, sea or air from Malaysia to any territory outside of Malaysia.
9.	General Partnership	Partnership” as defined in subsection 3(1) of the Partnership Act 1961 [Act 135]
10.	Group of Entities	Means a Resident Entity’s: <ul style="list-style-type: none"> (a) ultimate holding entity; (b) parent or head office; (c) branch; (d) subsidiary where the Resident Entity owns more than 50% of shares in the subsidiary; (e) associate company where the Resident Entity owns between 10% and 50% of shares in the associate company; or (f) sister company where the Resident Entity and its sister company have common shareholders
11.	Investment Abroad	a) Making of any payment for: <ul style="list-style-type: none"> • Purchase of foreign currency-denominated asset in Malaysia offered by a Non-Resident, including Labuan entity; • Purchase of foreign currency-denominated asset offered outside Malaysia; • Lending in foreign currency to a Non-Resident; • Administrative expenses, working capital arising from the set-up of any business arrangement, including a joint venture project where no entity is created or established, outside Malaysia; • Purchase of foreign currency-denominated Financial Instrument or Islamic Financial Instrument without firm commitment, other than exchange rate derivatives, offered on an overseas Specified Exchange under the Capital Markets and Services Act 2007 undertaken by a Resident through a Resident futures broker; • Placement into Investment Foreign Currency Account in Malaysia as specified in Notice 3; • Placement into foreign currency account overseas other than for education or employment abroad; or (b) Swapping of a financial asset in Malaysia for a financial asset outside Malaysia. Note: <i>Example of investment abroad, amongst others, include equity investment, payment for the purchase of real estate including payment for renovation of the property, payment for education abroad, placement of deposit with Non-Resident financial institution, etc.</i> <i>Where it involves remittance/placement of foreign currency fund (e.g. telegraphic transfer) for settlement of education abroad or employment abroad, it is not subjected to the RM1 million or in equivalent aggregate investment limit per calendar year. However, customers must present the relevant supporting documents (such as letter of admission from the foreign educational institution, letter of employment from the company, work permit, etc.) to support the remittance.</i>
12.	Investment in Foreign Currency Asset Onshore	Making of any payment for: <ul style="list-style-type: none"> (a) Purchase of foreign currency-denominated security or Islamic security offered in Malaysia by a Resident as approved by BNM; (b) Purchase of foreign currency-denominated Financial Instrument or Financial Instrument offered in Malaysia by a Resident as approved by BNM; or (c) Placement into foreign currency account with a licensed onshore bank other than placement for investment abroad. Note: <i>Example of FCA onshore includes funds being converted to foreign currency in Malaysia and is not remitted outward to another country (e.g. Dual Currency Investment (“DCI”), Foreign Currency Account (“FCA”), Foreign Currency (“FC”) Fixed Deposit, FC denominated structured investments, FC denominated bonds/sukuk and any FC denominated deposits or investments.</i>

No	Terminology	Description
13	Labuan entity	An entity which is created, incorporated, licensed or registered, as the case may be, under any of the following Acts: (a) Labuan Companies Act 1990 [Act 441]; (b) Labuan Trust Act 1996 [Act 554]; (c) Labuan Foundations Act 2010 [Act 706]; (d) Labuan Limited Partnerships and Limited Liability Partnerships Act 2010 [Act 707]; (e) Labuan Financial Services and Securities Act 2010 [Act 704]; or (f) Labuan Islamic Financial Services and Securities Act 2010 [Act 705].
14.	Licensed onshore Bank	A licensed bank and licensed investment bank under Financial Services Act 2013 [Act 758] and licensed Islamic bank under the Islamic Financial Services Act 2013 [Act 759]
15.	Non-Resident	(a) Malaysian citizen who has obtained permanent resident ("PR") status of a country or territory outside Malaysia and is residing outside Malaysia for more than 182 days; (b) An overseas branch, a subsidiary regional office, sales office or representative office of Resident company; (c) Embassies, consulates, high commissions, superannuation or international organizations; or (d) Any person other than a Resident.
16.	Parent-Subsidiary relationship	Means direct or indirect relationship where a Resident Entity is (a) A holding Entity or ultimate holding Entity of another Resident Entity; (b) A subsidiary of another Resident Entity; or (c) A Subsidiary of a Non-Resident Entity, where the ultimate holding Entity is a Resident Entity
17.	Resident	(a) A citizen of Malaysia, excluding a citizen who has obtained PR status in a country or a territory outside Malaysia and is residing outside Malaysia for more than 182 days; (b) A non-citizen of Malaysia who has obtained PR status in Malaysia and is ordinarily residing in Malaysia for more than 182 days; (c) A body corporate incorporated or established, or registered with or approved by any authority in Malaysia; (d) An unincorporated body registered with or approved by any authority in Malaysia; or (e) The Government or ant State Government in Malaysia.
18.	Securities	Shares, stocks, bonds, notes (other than promissory notes), debentures, debentures stocks, units under a unit trust scheme, a secondary security and coupons, whether in scripless form or in bearer certificates, including certificates of title to securities or any letter of allotment which may be renounced, any letter of rights, any warrants conferring an option to acquire a security, any deposit certificate in respect of securities and such other documents conferring, or containing evidence of rights to securities as may be specified by BNM.

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