

Rakuten Trade

PART I: Declaration And Undertaking On Domestic Ringgit Borrowing (*applicable to Resident only*)

I agree that Rakuten Trade Sdn Bhd may suspend my account from trading in securities/derivatives quoted in foreign currency(ies) without any notice given to me should the accumulated gross purchase value for a calendar year transacted in my trading account approaches, equals or exceeds the FEA Rules limit imposed by BNM and I shall not hold Rakuten Trade Sdn Bhd liable in any way for any losses incurred or suffered by me arising from the suspension of trading in foreign securities/derivatives.

I further declare that I am fully aware of the exchange control regulations imposed by BNM and agree that it is my responsibility to ensure that my 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 undertake to update Rakuten Trade Sdn Bhd of the changes immediately, failing which Rakuten Trade Sdn Bhd may proceed to take all necessary actions deemed fit without reference to me.

Please refer to the **Appendix** for further details of the FEA Rules and limits set out by BNM.

PART II: Declaration For Investment In Foreign Currency Assets Onshore And Investment Abroad For Own Account (*This section is applicable to a Resident with Domestic Ringgit Borrowing only*)

a) I hereby acknowledge and confirm that I shall comply with the FEA Rules when performing Investment Abroad and such rules and regulations as may be imposed by BNM from time to time.

b) I hereby confirm that the total sum of my investment abroad/ foreign currency asset onshore which I will transact with Rakuten Trade Sdn Bhd and any other licensed onshore bank, shall be within the prescribed FEA Rules and limits. I will inform Rakuten Trade Sdn Bhd immediately once my/our investment in investment abroad/foreign currency asset onshore has reached the maximum allowable amount.

c) I hereby undertake to provide a copy of the BNM's approval to Rakuten Trade Sdn Bhd as reference for any transaction, trade, settlement or operation requiring BNM's approval and/or for transactions that exceed the limit prescribed under the FEA Rules. I acknowledge and agree that Rakuten Trade Sdn Bhd reserves the right not to proceed or continue with my transaction, trade, settlement or operation if I fail to provide such approval to Rakuten Trade Sdn Bhd within the time period prescribed by Rakuten Trade Sdn Bhd.

Please refer to the **Appendix** for further details of the FEA Rules and limits set out by BNM.

Appendix

Declaration Pursuant to the Notices on Foreign Exchange Administration (“FEA”) Rules

I hereby declare and undertake to Rakuten Trade Sdn Bhd as follows:

1. For the purpose of FEA Rules, I AM fully aware and understand the FEA Rules applicable to me and I accept full responsibility for the compliance of the same.
2. Applicable for investment in foreign currency assets (“FCA”) onshore and investment abroad on own account (with domestic ringgit borrowing).

| 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 |
| 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 |

Please note the investment limit amount may change from time to time and any changes should be effective immediately, without any further notice from Rakuten Trade Sdn Bhd. The above information is for general reference only. **For further information, please refer to the FEA Rules published in BNM’s website and obtain independent advice (if required).**
Foreign Exchange Policy - Bank Negara Malaysia (bnm.gov.my).

Note:

1. For individuals 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.
2. 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.
3. 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 FEA Rules.

Definitions:

| No. | Terminology | Description |
|-----|----------------------------|--|
| 1. | Calendar Year | The FEA 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:- · 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. |
| 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. | 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. |
| 5. | Investment Abroad | (a) Making of any payment for: · 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; |

| | | |
|-----|--|---|
| | | <ul style="list-style-type: none"> · 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. |
| 6. | Investment in Foreign Currency Asset Onshore | <p>Making of any payment for:</p> <p>(a) Purchase of foreign currency-denominated security or Islamic security offered in Malaysia by a Resident as approved by BNM;</p> <p>(b) Purchase of foreign currency-denominated Financial Instrument or Financial Instrument offered in Malaysia by a Resident as approved by BNM; or</p> <p>(c) Placement into foreign currency account with a licensed onshore bank other than placement for investment abroad.</p> <p>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></p> |
| 7. | 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] |
| 8. | Non-Resident | <p>(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;</p> <p>(b) An overseas branch, a subsidiary regional office, sales office or representative office of Resident company;</p> <p>(c) Embassies, consulates, high commissions, superannuation or international organizations; or</p> <p>(d) Any person other than a Resident.</p> |
| 9. | Resident | <p>(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;</p> <p>(b) A non-citizen of Malaysia who has obtained PR status in Malaysia and is ordinarily residing in Malaysia for more than 182 days;</p> <p>(c) A body corporate incorporated or established, or registered with or approved by any authority in Malaysia;</p> <p>(d) An unincorporated body registered with or approved by any authority in Malaysia; or</p> <p>(e) The Government or any State Government in Malaysia.</p> |
| 10. | 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. |