

IMPORTANT NOTICE

FOREIGN EXCHANGE ADMINISTRATION POLICY OF BANK NEGARA MALAYSIA

We would like to advise our valued clients that investing in multi-currency securities and /or derivatives products listed on Bursa Malaysia or any Recognized Stock Exchanges, is deemed as investment in foreign currency assets¹. Such investment shall fall within the purview of Foreign Exchange Administration (FEA) Policy by Bank Negara Malaysia (BNM). Hence all rules, regulations and directives pertaining to investment in foreign currency assets are applicable.

In relation to dealing in multi-currency securities and/or derivatives via your securities and/or derivatives trading account(s) maintained with Inter-Pacific Securities Sdn Bhd (the Company), as our valued client, you shall:

1. Ensure full compliance with all rules, regulations and directives in relation to FEA Policy by BNM as well as any subsequent variation(s), amendment(s) and/or addendum(s) thereof from time to time.
2. Be fully responsible to monitor your own foreign currency conversion and investment in multi-currency securities and/or derivatives products transacted in your trading account(s).
3. Ensure that your investment in multi-currency securities and/or derivatives shall be maintained within the FEA investment limits and requirements as imposed by BNM at all material times. In the event that you have domestic ringgit borrowing², you are thus allowed to convert up to RM1.0m in aggregate for an individual client or up to RM50m in aggregate for a corporate client on a corporate group basis per calendar year for investment in foreign currency assets.

¹ Foreign currency assets include equity/portfolio investment abroad; loan to non-residents; foreign currency deposit onshore and offshore; and investment in approved foreign currency products marketed by licensed onshore banks, licensed international Islamic banks and any residents permitted by the Controller of Foreign Exchange.

² Domestic ringgit borrowing refers to any ringgit advances, loans, trade financing facilities, hire purchase, factoring with recourse, financial leasing facilities, guarantee for payment of goods, redeemable preference shares or similar facilities in whatever name or form, EXCEPT:

- (a) Trade credit terms extended by suppliers for all types of goods and services;
- (b) Forward foreign exchange contracts entered into with licensed onshore banks;
- (c) Performance guarantees and financial guarantees.
- (d) One personal housing loan and one vehicle loan obtained from residents;
- (e) Credit card and charge card facilities;
- (f) Operational leasing facilities;
- (g) Factoring facilities without recourse; and
- (h) Inter-company borrowing within a corporate group in Malaysia.