**CONFIRMATION OF RESIDENCY STATUS**

Based on Supplementary Notice on Foreign Exchange Administration issued on 2nd December 2016 by the Central Bank of Malaysia i.e. Bank Negara Malaysia (BNM), all settlements of domestic trades in goods or services between resident entities are to be made only in Malaysian Ringgit (MYR).

To ensure compliance to the abovementioned ruling, the Company[[1]](#footnote-1) is required to confirm its residency status based on the definition of resident and non-resident in the BNM International Transactions Information System (ITIS) as per Attachment 1.

The confirmation of residency status is important to determine the payment and/or receipt currency as shown below:

|  |  |
| --- | --- |
| **Transaction Parties** | **Settlement Currency** |
| Between resident companies | Payment and receipt must be made in MYR |
| Between resident company and non-resident company | Payment and receipt can be made in Foreign currency |
| Between non-resident companies | Payment and receipt can be made in Foreign currency |

The Company is required to complete and submit the **BNM Residency Confirmation Form** as per Attachment 2 by emailing the signed copy of the Form back to us.

**Attachment 1**

**Definition of Resident and Non-Resident in BNM International Transactions Information System (ITIS)**

|  |  |
| --- | --- |
| **Resident** | **Non-resident** |
| “Resident” means –   1. A citizen of Malaysia, excluding a citizen who has obtained permanent resident status in a country or a territory outside Malaysia and is residing outside Malaysia; 2. A non-citizen of Malaysia who has obtained permanent residency status in Malaysia and is ordinarily residing in Malaysia; 3. A body corporate incorporated or established, or registered with or approved by any authority\*, in Malaysia;   \*Examples of authority in Malaysia that a body corporate incorporated or established, or registered, or registered with, or approved would be:   1. Business (except in Sabah/Sarawak)-Suruhanjaya Syarikat Malaysia (SSM) 2. Limited Liability Partnership (LLP) – SSM 3. Society/Association – Jabatan Pendaftaran Pertubuhan Malaysia (JPPM) 4. An unincorporated body registered with or approved by any authority in Malaysia; or 5. The Government or any State Government. | “Non-resident” means –   1. Any person other than resident; 2. An overseas branch, a subsidiary, regional office, sales office or representative office of a resident company; 3. Embassies, Consulates, High Commissions, supranational or international organisations; or 4. A Malaysian citizen who has obtained permanent resident status of a country or territory outside Malaysia and is residing outside Malaysia. 5. All Labuan entities which are deemed as non-residents under the FEA pursuant to sections 214 and 215 of the Financial Services Act 2013 and sections 225 and 226 of the Islamic Financial Services Act 2013. |
| Note:  All Labuan entities registered with SSM are considered residents as per definition of Resident, item 3. | |

**Attachment 2**

**BNM Residency Confirmation Form**

|  |  |  |
| --- | --- | --- |
| **No.** | **Details Required** | **Answer** |
| 1 | Company / Organisation / Individual Name |  |
| 2 | Business Registration Number / Identification Number (if applicable) |  |
| 3 | Country of Incorporation / Origin |  |
| 4 | Residency Status  *(please refer to definition of resident and non-resident per BNM International Transactions Information System (ITIS) in Attachment 1)*  Tick where applicable | * Resident * Non-resident |
| 5 | Has the Company / Organisation / Individual registered with any of the following statutory bodies in Malaysia? | * Yes * No   *If yes, please tick applicable option below*   * Companies Commission of Malaysia   i.e. Suruhanjaya Syarikat Malaysia  (SSM)   * Registry of Societies Malaysia i.e. Jabatan Pendaftaran Pertubuhan Malaysia (JPPM) * Others (Please specify: ) |

We hereby declare that the information provided above are true and correct and we undertake to inform you of any changes thereof within fourteen (14) business days.

We further acknowledge that we shall be responsible for all or any liability including but not limited to payment issues in the event any of the above information is found to be false, untrue, misleading or misrepresenting.

Yours faithfully,

[insert name of company / individual / organisation]

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name of authorised signatory

Designation of authorised signatory

Date: DD-MM-YYYY

1. Company refers to but is not limited to individuals, business entities and government entities. [↑](#footnote-ref-1)