

EXPLANATORY NOTES
- Information Required For Each Item On Application Form

Form 11
(Offsetting Arrangement)

COVER PAGE

Item	Description
1. Submission by applicant seeking approval	❖ Please tick this item if the applicant submits his/her/its application himself/herself/itself
2. Submission on behalf of the applicant (third party)	❖ Please tick this item if a third party submits the application on behalf of the applicant e.g. consultant company, bank, etc.

Checklist For Submission of Application:

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| 3. Latest audited annual accounts and management accounts (If not submitted previously) | ❖ The latest audited annual account should be submitted together with this application whenever requested in the form. However, if the latest annual report has been submitted previously, e.g. when the company has applied for other exchange control approval previously, then re-submission is not necessary. Please tick this item if applicant is submitting the audited annual account. |
| 4. Latest Form 49 | ❖ A photocopy of the latest Form 49 – Particulars of Director lodged with the Companies Commission of Malaysia (CCM) should be submitted together with this application. However, if the latest Form 49 has been submitted previously, e.g. when the company has applied for other exchange control approval previously, then re-submission is not necessary. Nevertheless, if there are changes to the particulars of directors in the previous submitted Form 49, applicant is required to submit the new Form 49. Please tick this item if applicant is submitting Form 49 together with this application. |

5. Latest Form 24

 - ❖ A photocopy of the latest Form 24 – Particulars of Shareholdings lodged with the CCM should be submitted together with this application. However, if the latest Form 24 has been submitted previously, e.g. when the company has applied for other exchange control approval previously, then re-submission is not necessary. Nevertheless, if there are changes to the particulars of shareholdings in the previous submitted Form 24, applicant is required to submit the new Form 24. Please tick this item if applicant is submitting Form 24 together with this application.

6. Supporting documents

 - ❖ Supporting documents should be submitted together with this application whenever requested in the form. Applicant is also encouraged to submit supporting documents to further support its application although it is not requested in the application form. Please tick this item if applicant is submitting supporting documents together with this application.

7. Query ID

 - ❖ Please state the Query ID number assigned by Bank Negara, if this application is submitted to Bank Negara Malaysia (BNM) arising from a query.

PARTICULARS OF APPLICANT

Item	Description
8. Name of applicant	❖ Name of applicant as registered with Companies Commission of Malaysia (CCM), National Registration Department (NRD) and Registrar of Societies (ROS). For non-resident, the name as registered with any official registration centre overseas.
9. Basic Group	❖ The category of applicant e.g. individual, company, association etc.
10. Resident status	❖ Residency status of applicant in Malaysia according to exchange control rules
a) Resident	❖ A citizen of Malaysia or a person who has obtained a permanent resident status in Malaysia and residing in Malaysia, or body corporate or incorporate which is registered or approved by any authority in Malaysia. Please refer to the definition of resident in ECM1 for details.
i) Resident Controlled Company (RCC)	❖ A resident company which is controlled directly or indirectly by residents. Please refer to the definition of RCC in ECM 8 for details.
ii) Non-resident Controlled Company (NRCC)	❖ A resident company which is controlled directly or indirectly by non-resident. Please refer to the definition of RCC in ECM 8 for details.
b) Non-resident	❖ A person who is not a resident, including Embassies, Consulates, High Commissions, supranational or international organisation. Please refer to the definition of non-resident in ECM1 for details.
11. Business Registration /NRIC no.	❖ Identification number as given by the CCM, NRD and ROS. For partnership, professional bodies, government agencies, associations, statutory bodies, co-operatives, societies, international organisation, foundation and businesses in Sabah and Sarawak, please use the number assigned by Bank Negara Malaysia (BNM) earlier, if any. Otherwise, please use the identification number assigned by the relevant approving authority.

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| 12. Passport no. | ❖ The number as shown in your passport for individuals or the number assigned by overseas registration centre for other than individuals. |
| 13. Nationality | ❖ The nationality as shown in your passport or the country where the non-resident applicant is located. |
| 14. Registered Address | ❖ The address as shown in the Memorandum of Association of the company |
| 15. Correspondence address | ❖ Address where the applicant can be contacted by post |
| 16. Contact person | ❖ The name of person for BNM officer to contact for any enquiry |
| 17. Designation | ❖ Designation of the above contact person |
| 18. Telephone no. | ❖ Telephone number (fixed line or mobile phone) where the contact person can be reached |
| 19. Fax no. | ❖ Current facsimile number to facilitate contact |
| 20. E-mail address | ❖ Valid and active e-mail address for any enquiries or notification |
| 21. Principal business activity | ❖ State main business activity of the applicant. A list of business activities is provided for applicant to choose. If the applicant is an individual, system will automatically chosen the principal business activity as “household” and applicant is required to complete his/her occupation |
| 22. Occupation/Business activity details | ❖ For individual applicant, please state your occupation. For other than individual applicant, this space could be completed to further describe its principal business activity. |
| Details of third party | ❖ Particulars of party, who is submitting application on behalf of applicant |
| 23. Name of company/
Individual | ❖ Name of the third party which applies on behalf of applicant. For resident, the name should be the same as that registered with CCM, NRD or ROS |
| 24. Correspondence address | ❖ Address where the third party can be contacted by post |

- 25. Contact person ❖ The name of person for BNM officer to contact for any enquiry
- 26. Designation ❖ Designation of the above contact person of third party
- 27. Telephone no. ❖ Telephone number (fixed line or mobile phone) where the contact person of third party can be reached
- 28. Fax no. ❖ Current facsimile number of the third party to facilitate contact
- 29. E-mail address ❖ Valid and active e-mail address of the third party for any enquiries or notification

DETAILS OF OFFSETTING ARRANGEMENT (OVERSEAS COUNTER-PARTY)

Item	Description
1. Name	❖ Name of the overseas party with whom the proposed offsetting arrangement is to be maintained with
2. Country & town	❖ The country and town where the overseas counter-party is located
3. Relationship with applicant	❖ It refers to the relationship between the resident company and the overseas counter-party. Whether as an associate company, parent company, sister company, etc.

DETAILS OF SALES REVENUE AND PRODUCTION

4. A. Gross revenue (Past 12 months)	
(i) Sales in Malaysia	❖ The sales amount from domestic market by applicant
(ii) Sales outside Malaysia	
a) For goods produced by applicant	❖ The amount of exports for goods produced by the applicant
b) For goods produced by related companies (to be completed by an IPC only)	❖ This item is applicable for applicant which is an International Procurement Centre (IPC). It refers to the amount of exports made by the IPC company for goods produced by its related companies in Malaysia
c) For goods produced by others (To be completed by an IPC only)	❖ This item is applicable for applicant which is an International Procurement Centre (IPC). It refers to the amount of exports made by the IPC company for goods produced by other resident companies (not including its related companies)

5. B. Gross import
(Past 12 months)
 - (i) raw materials/
intermediate goods ❖ The total amount of import of raw materials or
intermediate goods by applicant
 - (ii) others ❖ The total amount of other imports by applicant

6. C. Cost of raw materials
and intermediate
goods:
 - (i) used for production
of exported goods
in A(ii) above
 - (a) sourced from
Malaysia ❖ Total cost of raw materials and intermediate goods,
which were sourced from domestic sources, used to
produce the exported goods in the past 12 months as
stated in A(ii) above
 - (b) sourced from
outside
Malaysia ❖ Total cost of raw materials and intermediate goods,
which were sourced from overseas, used to produce
the exported goods in the past 12 months as stated
in A(ii) above
 - (ii) used for production
for local sales ❖ Total cost of raw materials and intermediate goods,
which were sourced from domestic or overseas, used
to produce the goods in the past 12 months as stated
in A(i) above for sales in domestic market

7. The currency for
recording the offsetting
arrangement ❖ The currency used for billing between each party

Cost of imported material inputs used by related companies for goods exported through IPC

(This section is to be completed by an applicant which is an International Procurement Centre and established as a separate entity only)

8. Name of related company of the IPC group ❖ Names of all related companies to the IPC (Parent, subsidiary or associate companies in Malaysia). Related companies may include:-
(a) An onshore parent company of the IPC company; or
(b) An onshore company in which the parent (irrespective located onshore or offshore) or the IPC company has at least 20% effective shareholding. For example, Company A is a non-resident parent company to the IPC (Company B). Company A hold 60% interest in a resident Company C and Company C hold 40% interest in another resident Company D. Therefore, Company D is related to the IPC because the effective shareholding of the parent company (Company A) in Company D is 24% (40% X 60%).
9. Cost of imported materials ❖ Total amount of imported materials by the respective related companies which are used for production of goods that are exported through the IPC
10. Reason(s) for the offsetting arrangement ❖ On economic ground, please provide reason(s) for the proposed offsetting arrangement.
11. Additional information to support the application ❖ Please provide information on the proposed mechanism to offset with each other or any other information relating to the offsetting arrangement in order to further support your application such as annual export amount to and import amount from the overseas party