

# Foreign Exchange declaration and indemnity

To be used for Single Discretionary Allowance and/or Foreign Investment Allowances

I, the undersigned, \_\_\_\_\_, identity number \_\_\_\_\_  
request to be provided with foreign exchange as follows:

<b>Amount</b>	<b>Currency amount (if known)</b>	
	<b>or to the equivalent of ZAR</b>	<b>R</b>

For the following purpose, please select:

<b>Single Discretionary Allowance (SDA)</b>		
<b>Purpose</b>	<b>Documents required in addition to Balance of Payment (BoP) form plus declaration and indemnity</b>	<b>Please select</b>
Donations to missionaries	Letter from official or recognised religious body	
Maintenance	Strictly to father, mother, brother or sister in necessitous circumstances. Letter from magistrate/civic official	
Monetary gifts and loans	None	
Travel allowance	Eticket and passport	
Study allowance	<b>Tuition fees:</b> Letter/prospectus from institution plus confirmation of enrolment, invoice. <b>Subsistence allowance,</b> maintenance and other expenses require a breakdown of expenses in writing	
Alimony and child support	Copy of Court Order	
Wedding expenses and expenses in respect of other special occasions	None	

**OR**

<b>Foreign Investment Allowance (SDA or FIA)</b>	
Funds may only be remitted in foreign currency and applicants must be over 18 years of age and have a valid tax number	
FIA under R1 million SDA (no tax clearance certificate required)	
FIA over R1 million (up to R4 million) with original tax clearance certificate for foreign investments	

## 1 Declaration and indemnity

- 1.1 I agree that I will not be able to make any claim against Investec on any basis whatsoever for any loss or expense of any kind that I may suffer as a result of Investec according me with foreign exchange as requested and I irrevocably waive any such claim.
- 1.2 I agree to indemnify Investec for any losses or expenses (including, without limitation, legal costs on an attorney and own client scale) it may suffer as a result of the implementation of my request to be provided with foreign exchange in the event that I have not provided complete and accurate information.
- 1.3 I also acknowledge and understand that Investec will not be responsible for any failure by the SARB's Financial Surveillance Department to deal with or approve my application or for any delays in the process and I indemnify Investec accordingly.
- 1.4 I declare that I have familiarised myself with the below information.

Signed: \_\_\_\_\_

Date : \_\_\_\_\_



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## 2 SDA and/or FIA

- 2.1 A South African resident over the age of 18 years qualifies for a SDA of R1 000 000 and a FIA of R4 000 000, per individual, per calendar year.
- 2.2 The SDA may be used for the purpose(s) stated above, provided the cumulative amount does not exceed the permissible limit.
- 2.3 The SDA may not be used to disguise transfers that would otherwise be declined by the Financial Surveillance Department of the SARB and it may only be used for the purpose(s) stated above.
- 2.4 In terms of the Exchange Control Regulations, you are responsible for managing your FIA and SDA limits (as amended from time to time by the SARB) and must ensure that you do not exceed them, whether by dealing through Investec and/or through any other authorised dealer.
- 2.5 As the SDA is provided to accommodate for foreign spend which includes, but is not limited to, your annual (as determined by a calendar year) foreign travel expenses, gifts, maintenance and offshore credit and/or debit cards spends, you must take these into consideration when managing the usage of your SDA.

## 3 Travel allowances

- 3.1 You may only use the foreign exchange bought for the purposes for which it has been made available.
- 3.2 You may not apply for a similar facility with another authorised dealer.
- 3.3 You may use your SDA for travel.
- 3.4 Individuals younger than 18 years are allowed an amount of R200 000 per calendar year for holiday travel.
- 3.5 **You are not allowed a travel allowance if you are studying abroad.**
- 3.6 You acknowledge that the travel must start within 60 days of the date of the request for foreign exchange from Investec.
- 3.7 In the event of your travel arrangements being cancelled, all foreign exchange provided by Investec must be refunded to Investec or any other authorised dealer within 30 days of such cancellation.
- 3.8 Any unused/unspent foreign exchange purchased for travel related purposes must be repatriated to South Africa and sold to any authorised dealer within 30 days of your return to South Africa.

## 4 Restrictions on purchase

- 4.1 Foreign exchange may only be bought by and for South African residents.
- 4.2 Emigrants from South Africa who conduct blocked accounts are not allowed to use this service, due to the Exchange Control restrictions and need to approach a bank in the country they are emigrating to.

## 5 Gifts and loans

The gift and loan portion of a SDA may only be sent to a non-resident or a South African who is temporarily abroad (but not travelling for business or holiday).

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## 6 FIA

- 6.1 You will not enter into any transaction(s) abroad, whereby capital or any right to capital will be directly or indirectly exported from the Republic of South Africa in excess of your FIA.
- 6.2 Your FIA includes entering into a foreign commitment, including providing a guarantee to an offshore party, where the offshore party would have recourse to funds within the Republic of South Africa.
- 6.3 You may not, through another person or entity, re-invest/re-introduce any permissible funds held abroad by virtue of your FIA and/or SDA or otherwise, directly or indirectly back into the CMA for any purposes whatsoever.
- 6.4 You may, however, re-invest/re-introduce funds to your **own account** in the Republic of South Africa.
- 6.5 A South African living abroad is not permitted a travel allowance the year after leaving South Africa.
- 6.6 Residents of Lesotho, Swaziland or Namibia (designated CMR) are not permitted SDA or FIA in South Africa and must refer to their bankers in CMA.

## Definitions

In these terms and conditions:

- Authorised dealer means a dealer in foreign exchange as authorised by the SARB
- Blocked account means an account to which regulatory restrictions have been applied
- Calendar year means 1 January to 31 December of each year
- CMA means Common Monetary Area (Namibia, Lesotho, Swaziland and South Africa)
- FIA means Foreign Investment Allowance, applicable per private individual who is a taxpayer of good standing, bears a valid tax number and over the age of 18 years, for investment purposes abroad
- Foreign exchange means the exchange of one currency for another, or the conversion of one currency into another currency, but excludes the currencies of Namibia, Lesotho and Swaziland
- The SARB means the South African Reserve Bank
- SDA means Single Discretionary Allowance
- STA means a South African living abroad, not on holiday

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