

RationalFX

Terms and Conditions

(Effective from and including 20th October 2023)

This agreement is made by Rational Foreign Exchange Limited, a company registered in England and Wales under 05385999 and whose registered and head office is at Level 32, One Canada Square, London, E14 5AB, United Kingdom (“RationalFX”, “we”, “us”, “our”) with you (the Client).

RationalFX have the following approval from Reserve Bank of India:

RationalFX is licensed by Reserve Bank of India (License number: FED.CO.APRD/1574/18.07.003/2017-18) in association with Yes Bank to facilitate outward remittance services under the Liberalised Remittance Scheme (“LRS”).

Acceptance of the below declaration is in addition to our Global Terms & Conditions: (<https://www.rationalfx.com/site/wp-content/uploads/2020/02/rfx-tcs.pdf>).

DECLARATION

I (the Client) hereby declare that:

- (a) I am a resident Indian;
- (b) the total amount of foreign exchange purchased from or remitted through, all sources in India during this financial year including this proposed remittance is within USD 250,000 (USD Two Hundred and Fifty Thousand Only) the limit prescribed by Reserve Bank of India for the said purpose under FEMA, 1999;
- (c) foreign exchange proposed to be remitted from RationalFX is for the purpose mentioned in this application;
- (d) the transaction, details of which are specifically mentioned in the application, does not cross the limit for the financial year or any other limit prescribed by RBI under FEMA, 1999 for the said purpose;
- (e) I am aware that the Finance Act, 2015 has amended section 195(6) of the Income tax Act, 1961 whereby the person responsible for making any payments to non-residents, whether or not chargeable to tax in India, is compulsorily required to furnish information in such form and manner as may be prescribed. I am aware of the penal provisions that would be applicable to me/us as a remitter in case of non-compliance. However, the rules prescribing the forms have not been notified by Central Board of Direct Taxes (CBDT)/Ministry;
- (f) I, hereby confirm that in case it has been identified at any time during the financial year that I have breached the permissible limit of remittances under the extant regulations then RationalFX will

not be responsible for any such breach by me and I agree to adhere to the penal provisions prescribed by RBI in this regard;

(g) in the event if there is any enquiry from any statutory/regulatory authorities in respect of this particular remittance, I undertake to provide all the necessary information/document(s) to RationalFX as may be required in this regard;

(h) further, I undertake to indemnify RationalFX for any tax/interest or penalty levied by the Income-tax/Income tax Appellate Authorities/Courts in India for non-deduction of tax or non-compliance with the relevant provisions of Income tax law with regard to this remittance;

(i) I, being a person resident in India, hereby declare that transaction proposed to be done under the Liberalized Remittance Scheme, issued and amended by the Reserve Bank of India from time to time, is not in the nature of remittance for margins or margin calls to overseas exchanges/overseas counter party or for purpose prohibited transactions under Foreign Exchange Management Act, 1999 like Remittances for purchase of FCCBs issued by Indian companies in the overseas secondary market, Remittance for forex trading abroad, etc;

(j) I hereby declare that the proposed remittance does not involve, and is not designed for any purpose for withdrawal of foreign exchange is prohibited viz travel to Nepal and/or Bhutan, a transaction with a person resident in Nepal or Bhutan and those under Rule 3 and Transactions which require prior approval of the Central Government under Rule 4 of the Foreign Exchange Management (Current Account Transactions) Rules, 2000 read with Schedule-I and Schedule-II thereof viz,

Prohibited transactions:

remittance out of lottery winnings;

a. remittance of income from racing/riding etc. or any other hobby;

b. remittance for purchase of lottery tickets, banned/proscribed magazines, football pools, sweepstakes, etc;

c. payment of commission on exports made towards equity investment in Joint Ventures / Wholly Owned Subsidiaries abroad of Indian companies;

d. remittance of dividend by any company to which the requirement of dividend balancing is applicable;

e. payment of commission on exports under Rupee State Credit Route, except commission up to 10% of invoice value of exports of tea and tobacco;

f. payment related to "Call Back Services" of telephones;

g. remittance of interest income on funds held in Non-Resident Special Rupee (Account) Scheme.

h. Transactions requiring prior approval of Central government:

i. cultural tours;

j. advertisement in foreign print media for the purposes other than promotion of tourism, foreign investments and international bidding (exceeding USO 10,000) by a State Government and its Public Sector Undertakings;

k. remittance of freight of vessel chartered by a PSU;

l. payment of import through ocean transport by a Govt. Department or a PSU on c.i.f. basis (i.e. other than f.o.b. and f.a.s. basis);

m. multi-modal transport operators making remittance to their agents abroad;

n. remittance of hiring charges of transponders by (i) TV Channels (ii) Internet Service providers;

o. remittance of container detention charges exceeding the rate prescribed by Director General of Shipping;

p. remittance of prize money/sponsorship of sports activity abroad by a person other than International / National / State Level sports bodies, if the amount involved exceeds USO 100,000.

(k) I hereby declare that the purpose of remittance and transaction details as mentioned above are true to the best of my knowledge and does not involve , and is not designed for the purpose of any contravention or evasion of the provisions of the FEMA , 1999 or any rule, regulation, notification, direction or order made there under. I agree that I shall be responsible and liable for any incorrect detail provided by me;

(l) I also hereby agree and undertake to give such information/documents as will reasonably satisfy RationalFX about this transaction in terms of the above declaration;

(m) I further agree that once the funds remitted by me have been transmitted by RationalFX to the correspondent and/or beneficiary banks, RationalFX shall not be responsible for any delays in the disbursement of such funds including the withholding of such funds by the correspondent and/or beneficiary banks;

(n) I agree that in the event the transaction gets rejected by the beneficiary bank because of any incorrect information submitted by me then any charges levied by the beneficiary bank and/or intermediary bank and exchange loss incurred in this connection can be recovered by RationalFX from the amount returned by the correspondent bank;

(o) I also understand that if I refuse to comply with any such requirement or make any unsatisfactory compliance therewith, RationalFX shall refuse to undertake the transaction and shall, if it has reason to believe that any contravention/evasion is contemplated by me, report that matter to the RBI;

(p) I agree that in the event the transaction is cancelled or revoked by me after submitting the request for processing to RationalFX, which the Bank may accept at its discretion and on a best

effort basis, any exchange loss incurred in this connection can be debited from the funds paid to RationalFX for executing the transaction.

20. NOTICES

All communications relating to these Terms & Conditions shall be in writing and delivered electronically to the party concerned. Any such communication shall take effect if sent by electronic mail, at the time of transmission (and receipt of confirmation). Where the Client is more than one person, any notice or other communication provided by RationalFX to one such person shall be deemed to have been provided to all such persons.