

**RULES AND PROCEDURES TO BE OBSERVED IN THE CONDUCT OF
FOREIGN EXCHANGE OPERATIONS**

NOTICE NO. 20 / GBM / 2017 OF 27 DECEMBER

INDEX

PREAMBLE10

1 CHAPTER I - GENERAL PROVISIONS11

 1.1 SECTION I - PURPOSE, SCOPE AND DEFINITIONS11

 Article 1 (Subject matter)11

 Article 2 (Scope)11

 Article 3 (Definitions) 11

 1.2 SECTION II - GENERAL PRINCIPLES AND DUTIES16

 1.2.1 Subsection I - General principles16

 Article 4 (Liberalization of current transactions)16

 Article 5 (Prior authorization)
 16

 Article 6 (Foreign exchange registration)17

 Article 7 (Statement of Foreign Exchange Assets)17

 Article 8 (Repatriation of Revenue)18

 1.2.2 Subsection II - General Duties19

 Article 9 (Verification duty)19

 Article 10 (Duty of information and preservation of documents)19

 Article 11 (Obligation to use the banking system exclusively)19

2 CHAPTER II - TRADE IN EXCHANGES20

 2.1 SECTION I - LICENSING AND REGISTRATION REQUIREMENTS AND PROCEDURES20

 2.1.1 Subsection I - Carrying out of foreign exchange transactions by banks and exchange offices
 20

Article 12 (Terms and conditions for the exercise of foreign exchange trade by banks and exchange offices)	20
2.1.2 Subsection II - Carrying out foreign exchange trading by other entities.....	20
Article 13 (Entities covered and conditions for the exercise of partial exchange trading)	20
Article 14 (Licensing of partial exchange trading).....	21
Article 15 (Registration and information of operations carried out).....	21
3 CHAPTER III - CURRENT TRANSACTIONS	22
SECTION I - GENERAL PROVISIONS	22
Article 16 (Documents and procedures)	22
Article 17 (Control Procedures)	22
SECTION II - PAYMENTS OF RESIDENTS	22
3.2.1 Subsection I - Payments for the importation of goods	22
Article 18 (General requirements)	22
Article 19 (Prohibited payments)	23
Article 20 (Mandatory documents)	23
Article 21 (Relevant elements of the commercial invoice)	24
Article 22 (Relevant elements of the transport document)	25
Article 23 (Documents for bank use)	25
Article 24 (Control Procedures)	25
Article 25 (Methods of payment)	26
Article 26 (Documentary credit)	26
Article 27 (Documentary consignment)	27
Article 28 (Direct payment in advance)	27
Article 29 (Imported consignments)	28
3.2.2 Subsection II - Term of Commitment	28
Article 30 (Operationalization of the importation of goods)	28
Article 31 (Processing of the Commitment)	28
Article 32 (Duty of information)	29
3.2.3 Subsection III - Payments for the import of services	29

Article 33 (Scope)	29
Article 34 (Documents and procedures)	30
Article 35 (Payment of insurance premium abroad)	30
Article 36 (Payments of services in general)	30
Article 37 (Transfer of salaries from non-residents)	31
3.2.4 Subsection IV - Other import payments	31
Article 38 (Payments due for the use of industrial and intellectual property rights)	31
Article 39 (Import payments for philatelic and numismatics purposes)	31
Article 40 (Payments for subscription of publications)	32
3.2.5 Subsection V - Other payments	32
Article 41 (Payment of expenses in courts abroad)	32
Article 42 (Payment of fines, taxation and damages)	32
3.3 SECTION III - RESIDENT RECEIPTS	32
3.3.1 Subsection I - Revenue from exports of goods	32
Article 43 (Methods of payment)	32
Article 44 (Mandatory documents)	33
Article 45 (Establishment of proceedings and file)	33
Article 46 (Documentary credit)	33
Article 47 (Documentary consignment)	34
Article 48 (Control procedures)	34
3.3.2 Subsection II - Term of Commitment	35
Article 49 (Operationalization of the export of goods)	35
Article 50 (Processing of the Commitment)	36
3.3.3 Subsection III - Export earnings from services	36
Article 51 (Scope)	36
Article 52 (Documents and procedures)	36
Article 53 (Revenue from hotels and tourism)	37
3.3.4 Subsection IV - Other export earnings	38
Article 54 (Revenue from rental or use of industrial and intellectual property rights)	38

Article 55 (Exports for philatelic purposes)	38
Article 56 (Export of Metical notes and coins for numismatic or exhibition purposes)	38
3.4 SECTION IV - TRANSFERS OF INCOME	38
Article 57 (General provisions)	38
Article 58 (Transfer of foreign direct investment income)	39
Article 59 (Transfer of investment income from portfolio)	39
Article 60 (Transfer of income resulting from credit or supply)	40
Article 61 (Transfer of income resulting from deposits constituted in the country by non-resident entities)	40
Article 62 (Transfer of income resulting from other forms of capital investment)	40
3.5 SECTION V - CURRENT TRANSFERS	41
Article 63 (Scope)	41
Article 64 (Requirements and procedures for current transfers)	41
4 CHAPTER IV - CAPITAL TRANSACTIONS	42
4.1 SECTION I - GENERAL PROVISIONS	42
Article 65 (Classification of operations)	42
Article 66 (Request for authorization)	42
Article 67 (Decision)	43
Article 68 (Significant changes to the authorized operation)	43
SECTION II - DIRECT INVESTMENT	43
4.2.1 Subsection I - Foreign direct investment	43
Article 69 (Applications for authorization of foreign investment by resident entities).....	43
Article 70 (Authorization)	45
Article 71 (Supply or credit granted by resident entity to related company abroad)	46
4.2.2 Subsection II Foreign direct investment in Mozambique	46
Article 72 (Scope)	46
Article 73 (Registration of direct investment)	46
Article 74 (Register of direct investment through capital increase)	47
Article 75 (Investment through supply or credit of related company)	48

Article 76 (Re-export of invested capital)	49
4.3 SECTION III - INVESTMENTS IN IMMOVABLE PROPERTY	49
Article 77 (Investment property)	49
4.4 SECTION IV - OPERATIONS ON CERTIFICATES OF PARTICIPATION IN COLLECTIVE INVESTMENT BODIES	49
Article 78 (Certificates of participation in collective investment schemes abroad)	49
4.5 SECTION V - OPENING AND ACCOUNTING MOVEMENT	50
Article 79 (Opening and movement of accounts with financial institutions abroad).....	50
4.6 SECTION VI - CREDIT RELATED TO GOODS OR SERVICES TRANSACTIONS	51
Article 80 (Scope)	51
Article 81 (Credit linked to the importation of goods)	51
Article 82 (Credit linked to the export of goods)	51
Article 83 (Credit related to the importation of services)	52
Article 84 (Credit linked to the export of services)	52
SECTION VII - FINANCIAL CREDIT.....	52
Article 85 (Scope)	52
Article 86 (Financial credit received from abroad)	53
Article 87 (Prior authorization)	53
Article 88 (Debt Service)	54
Article 89 (Financial credit granted abroad)	54
4.8 SECTION VIII - GUARANTEES	55
Article 90 (Guarantees provided by residents to non-residents)	55
Article 91 (Guarantees granted by non-residents to residents)	55
4.9 SECTION IX - TRANSFERS IN EXECUTION OF INSURANCE CONTRACTS	56
Article 92 (Scope)	56
Article 93 (Transfers in the execution of insurance contracts)	56
4.10 SECTION X - SECURITIES AND OTHER TRANSACTIONAL INSTRUMENTS IN THE MONETARY AND CAPITAL MARKETS	56

Article 94 (Securities and other instruments traded on the money and capital markets abroad)	56
Article 95 (Declaration and repatriation)	57
Article 96 (Securities and other instruments traded on the over-the-counter market in Mozambique)	57
4.11 SECTION XI - IMPORT AND EXPORT OF PHYSICAL SECURITIES	58
Article 97 (Import and export of foreign currency notes or coins)	58
Article 98 (Import and export of securities)	58
4.12 SECTION XII - PERSONAL CREDIT	58
Article 99 (Personal credit received from abroad)	58
Article 100 (Personal credit granted abroad)	59
5 CHAPTER V - OTHER FOREIGN EXCHANGE OPERATIONS	60
5.1 SECTION I - OTHER EXCHANGE TRANSACTIONS SUBJECT TO AUTHORIZATION	60
5.1.1 Subsection I Other capital movements	60
Article 101 (Transfers and receipts not qualified as current transactions)	60
5.1.2 Subsection II Operations on metals	61
Article 102 (Acquisition or sale of gold or silver coins)	61
Article 103 (Exports of precious metals)	61
5.1.3 Subsection III - Opening and Handling of Accounts	62
Article 104 (Opening and movement of accounts of non-residents in national currency related to capital transactions)	62
Article 105 (Opening and movement of foreign currency accounts by residents)	62
Article 106 (Power Supplies)	63
5.1.4 Subsection IV - Payment of contributions in complementary social security schemes abroad	64
Article 107 (Contributions to supplementary social security schemes abroad)	64
5.2 SECTION II - OTHER EXCHANGE TRANSACTIONS NOT SUBJECT TO AUTHORIZATION	64
Article 108 (Physical entry and exit of foreign notes and coins)	64
Article 109 (Physical entry and exit of national banknotes and coins)	64

6 CHAPTER VI - SPECIAL EXCHANGE RULES	66
6.1 SECTION I - PETROLEUM AND GAS OPERATIONS	66
Article 110 (Scope)	66
Article 111 (Use of the banking system)	66
Article 112 (Transfer of profits and dividends)	66
Article 113 (Sale of foreign currency to Banco de Mozambique)	66
Article 114 (Opening and movement of accounts with financial institutions in Mozambique).....	66
Article 115 (Opening and movement of accounts with financial institutions abroad)	67
Article 116 (Financing of operations)	67
Article 117 (Projection of tax revenue, exchange budget of income and expenses)	68
Article 118 (Registration of Foreign Investment)	68
Article 119 (Provision of information)	69
Article 120 (Visit to the premises)	69
6.2 SECTION II - MINING ACTIVITY	69
Article 121 (Sale of foreign currency to Banco de Mozambique)	69
6.3 SECTION III - POCKET TRANSACTIONS	70
Article 122 (Scope)	70
Article 123 (Transactions carried out by non-resident entities)	70
Article 124 (Transfer of invested funds and their income)	70
Article 125 (Transactions relating to foreign securities traded on the Mozambique Stock Exchange)	70
Article 126 (Transactions related to securities listed on the Stock Exchange of Mozambique traded abroad)	71
Article 127 (Verification duty)	71
Article 128 (Information duty)	71
6.4 SECTION IV - TRANSFER OF GAMES	
Article 129 (Scope)	71
Article 130 (Transferability)	72
Article 131 (General requirements for transferring game winnings)	72

Article 132 (Gains from games made in foreign currency)	72
Article 133 (Special register)	73
Article 134 (Authorization of physical transfer or exit)	73
Article 135 (Distribution of Gaming Certificate)	73
Article 136 (Conversion of premiums in foreign currency to national currency)	74
Article 137 (Transfer mechanisms)	74
Article 138 (Partial trade in the operation of games)	74
Article 139 (Provision of exchange information and inspection)	74
Article 140 (Subsidiary system)	75
6.5 SECTION V - EXCHANGE IN FRONTIER AREAS	75
Article 141 (Trade in special regime in border areas)	75
Article 142 (Minimum conditions for trade in special regime in border areas)	75
Article 143 (Request for authorization)	75
Article 144 (Obligation to send information)	76
6.6 SECTION VI - OTHER SPECIAL EXCHANGE RULES	76
Article 145 (Other special cases governed by specific regulations)	76
7 CHAPTER VII FINAL PROVISIONS	77
Article 146 (Penalties)	77
Article 147 (Clarification of doubts)	77
Article 148 (Entry into force)	77

PREAMBLE

The current stage of the national economy, characterized by the multiplication of the network of relations between foreign and domestic investors, has led to an increase in financial flows between the country and abroad, a reality that imposes on the authorities in general and on the Banco de Mozambique, in particular, the duty to monitoring operations.

This phenomenon, coupled with recent exchange rate pressure, has demonstrated the need to create, maintain and update flexible rules and exchange intervention instruments capable of ensuring the effective exercise by the Bank of Mozambique of its pursuant to article 28 of Law no 1/92, of January 3 - Organic Law of the Bank of Mozambique.

Thus, in the exercise of the powers conferred on it by Article 5 of Decree No. 49/2017, of September 11, which reviews the Regulations of the Foreign Exchange Law, the Bank of Mozambique determines:

1 CHAPTER I - GENERAL PROVISIONS

1.1 SECTION I - PURPOSE, SCOPE AND DEFINITIONS

Article 1 (Subject matter)

This Notice establishes the rules and procedures to be observed in carrying out foreign exchange transactions, as such defined in accordance with Law No. 11/2009, of March 11, Foreign Exchange Law.

Article 2 (Scope)

This Notice applies to all participants in foreign exchange transactions carried out under the Foreign Exchange Law, as well as to the entities responsible for ensuring compliance with the respective rules, namely:

- a) Natural or legal persons holding rights and obligations in the performance of said acts, business, transactions and operations;
- b) Entities authorized to carry out foreign exchange operations;
- c) Regulatory, oversight and judicial administration entities, within the scope of the powers conferred on them by Law.

Article 3 (Definitions)

For the purposes of this Notice, the following definitions shall apply:

- a) Exchange rate arbitrage: determination of the amount in national currency that must be paid or received in the acquisition or disposal of foreign currency;
- b) Exchange Authority: the Bank of Mozambique, under the terms established by Law No. 1/92 of January 3 - Organic Law of the Bank of Mozambique;

c) Bank: type of credit institution, as qualified by the law governing the establishment and operation of credit institutions and financial companies;

d) Goods: anything that, whether tangible or not, may be the subject of international trade;

e) Exchange Authorization Bulletin: document, in physical or electronic format, through which the Bank of Mozambique grants the applicant permission to carry out an exchange operation;

f) Exchange Registration Bulletin: document, in physical or electronic format, through which the Bank of Mozambique formalizes and certifies the registration of a certain foreign exchange transaction;

g) Certificates of participation in collective investment undertakings: shares and other equity securities, bonds and other securities and instruments normally traded on financial markets;

h) Partial foreign exchange trading: the realization, on a professional basis, of transactions in the purchase and sale of foreign currency, strictly related to a principal non-financial activity, under the terms authorized by the Banco de Mozambique;

i) Consignment: act of delivery of goods or merchandise by the consignee in favor of the consignee;

j) Consignor: natural or legal person, or its agent, supplier of the good or merchandise;

(k) Consignee: a natural or legal person, indicated in the transport document, who has the right to claim the goods or goods at the destination, presuming, for legal purposes, to be the owner of the cargo;

l) Personal credit: lending operations characterized by the fact that the lender does not perform credit functions on a professional basis, with or without profit;

m) Documentary credit: an irrevocable commitment made by a bank (Issuing Bank), upon request and on instructions from an importing client (Authorizing Officer), to make a payment to an Exporter (Beneficiary), through an Intermediary Bank, against presentation of the stipulated documents, provided that all the terms and conditions have been fulfilled;

n) Financial credit: loan operations involving financial institutions that intervene in them professionally and for profit;

o) Identification document: document accepted by the applicable legislation for the identification of natural and legal persons involved in operations through credit institutions and financial companies;

(p) Single document: a customs declaration form confirming the entry or exit of goods or merchandise into the national customs territory;

q) Specific Purpose Entity: any entity that has a specific purpose, directly or indirectly constituted by a concessionaire;

r) Export: exit of goods or merchandise and services from the national customs territory;

s) Commercial Invoice: document issued by the exporter, importer or supplier that formalizes a commercial transaction;

t) Proforma invoice: document issued by the exporter, at the request of the importer, at the request of the importer, to begin the importation, containing the elements of final invoice, but which does not generate the obligation of payment by the buyer;

u) Deductible part of the insurance policy as a direct cost of the insured, in case of loss, in addition to which the insurer assumes, within the agreed limits, the amount of the indemnity;

(v) Chartering: a contract in which one of the parties, owner or ship-owner of the ship, aircraft, rail and road transport - the charterer - undertakes to assign to another charterer or charterer - the use of the whole ship, aircraft, or part thereof for the purpose of sea, air, rail and road transport, by means of pecuniary remuneration called freight;

w) Identification (of subjects, interveners or parties): name or denomination, address, as well as other relevant elements included in the identification document

(x) consigned consignment: an operation in which a resident entity, designated consignee, receives from abroad, from another non-resident entity, designated consignor, goods or merchandise, for sale for its own account and in its own name, within a certain period or , not selling them, make them return without receiving any advantage;

(y) Physical import and export of securities: entry into or out of the national customs territory, foreign banknotes or coins in circulation, external means of payment, bills of exchange, invoices and extracts, shares, bonds, coupons, securities of public debt, whether domestic or foreign, by entities authorized to trade in foreign exchange;

z) Importation: entry of goods or merchandise and services into the national customs territory;

aa) Authorized intermediary: public or private natural or legal persons legally qualified to engage in financial intermediation activities on the professional markets;

bb) Portfolio Investment: investment in shares or any other form of equity participation, as well as bonds and other securities and financial instruments;

cc) Foreign Direct Investment (FDI): any form of contribution of foreign capital that can be assessed in cash, which is a capital or own resource or at the risk and expense of a foreign investor, coming from abroad and destined for incorporation in the investment for the realization of a project of economic activity, through a registered enterprise and operating from the country;

dd) Real Estate Investment: acquisition, sale or rental of real estate between residents and non-residents, in Brazil or abroad;

ee) Electronic Single Window (JUE): computerized system of customs management and interconnection between the actors of the customs clearance process;

ff) Settlement of the Transaction: payment or other form of extinction of an obligation; (gg) Goods: Commercial goods subject to commercial transactions

hh) Foreign Currency Script: monetary value devoid of physical support in banknote or metal;

ii) Foreign Physical Currency: Foreign currency notes and coins in circulation;

(jj) Foreign currency: notes and coins with legal tender in the issuing countries and any other means of payment on the foreigner expressed in currency or in units of account used in international compensation or payments;

kk) Foreign Exchange Transaction: any act, deal or transaction between resident and non-resident that results in or may result in payments or receipts abroad, or that is simply qualified by law as foreign exchange;

ll) Exchange operations: those carried out on or linked to a national or foreign stock exchange;

mm) Capital Transactions: the transactions enumerated in no. 5 of article 6 of the Foreign Exchange Law;

(nn) Merchandise Transactions: acts or business between residents and non-residents involving the transfer of the right of ownership of movable property intended for trade;

oo) Partial Currency Trading Operator: an entity authorized by the Bank of Mozambique to carry out, on a professional basis, foreign currency purchase and sale transactions, strictly related to a non-financial principal commercial activity;

pp) Prepayment: total or partial settlement, made by resident or non-resident, and vice versa, for import or export of goods or services, before actual delivery or full payment;

qq) Direct Payment: mode of payment in which the importer receives the documents related to the transaction directly from the exporter, promotes the clearance of the goods at the customs, and then arranges for the remittance of the respective amount to the exporter through his banker;

rr) Post-paid payment: total or partial settlement, made by resident or non-resident, and vice versa, for import or export of goods or services, after their actual delivery or full payment;

(ss) Revenue: positive return on a sale or investment made by a natural or legal person;

tt) Exchange Registry: collection, processing and maintenance of information relating to an exchange transaction, including the electronic and physical archiving of the documents on which it is based;

uu) Repatriation of Revenue: sending or sending to Mozambique, through the banking system, income generated abroad by resident entities;

vv) Documentary Shipping or Collection: means of payment in the operations of import and export of goods and merchandise consisting of the delivery of documents, namely, commercial invoice, bill of lading, withdrawal or other designated in accordance with the rules and practices of international trade, in collection to the importer's bank, for delivery by means of acceptance in the drawing, recognizing the debt (term collection) or immediate payment (cash collection);

ww) Remittances of Mozambican Emigrants: all operations to receive funds from abroad in the country, ordered by Mozambican emigrants;

xx) Reinsurance: a contract whereby an insurer or reinsurer insures, in turn, part of the risks it assumes;

yy) Services: the provision of an economic activity by a non-resident to a resident or vice versa, including the use of a property in similar circumstances without transfer of ownership of the tangible property;

zz) Spread: differential between the purchase rate and the rate of sale of foreign currency notes and coins;

aaa) Principal Subcontractor: any entity contracted, through a main contract, by a Concessionaire or a Specific Object entity, for the provision of engineering services, supply of construction goods and services;

bbb) Term of Commitment: document issued by the intermediary bank of an import or export operation to be presented to the customs authority, where the bank certifies that the importer or exporter is its customer and is intermediating the export operation concerned, or where the importer or exporter makes an irrevocable undertaking to return the relevant documents or export earnings to the same bank within the time limits set for that purpose;

ccc) Current Transactions: any payments or receipts in foreign currency, other than for the purpose of capital transfers, namely payments or receipts in connection with foreign trade, unilateral transfers without consideration or others not subject to the prior authorization of the Banco de Mozambique in accordance with the Law and this Notice;

ddd) Pipeline transport: transport through pipelines, gas pipelines or electric current transmission.

1.2 SECTION II - PRINCIPLES AND GENERAL OBLIGATIONS

1.2.1 SUBSECTION I - GENERAL PRINCIPLES

Article 4 (Liberalization of current transactions)

1. Current transactions are free from authorization of the Bank of Mozambique, without prejudice to the obligation to register, in accordance with the provisions of article 6 of this Notice.

2. The Banco de Mozambique establishes, for operational purposes, the classification table of foreign exchange operations, which contains the detailed classification of current transactions and indicates the respective computer codes and definitions of the classification categories and subcategories.

Article 5 (Prior authorization)

1. Capital transactions, as such qualified under the terms of paragraph 5 of article 6 of the Foreign Exchange Law, are subject to the prior authorization of the Bank of Mozambique.

2. The Banco de Mozambique also requires the prior authorization of foreign exchange operations, which are not classified as capital transactions, are included in Article 6 (3) of the Foreign Exchange Law.

Article 6 (Foreign Exchange Registration)

1. All foreign exchange transactions are subject to registration.

2. Unless expressly provided otherwise, credit institutions and financial companies shall record the transactions.

3. The exchange registration shall be effected electronically in real time and shall comprise cumulatively:
 - a) The collection of all information on the foreign exchange operation, namely identification of the subjects, the nature of the operation, the amount, the purpose and the legitimacy;

 - b) The processing of information;

 - c) The archiving of copies of support documents; and

 - d) The issuance of the respective exchange registration bulletin.

Article 7 (Statement of Foreign Exchange Assets)

1. All resident entities are required to report, together with the Banco de Mozambique, their values and rights generated, acquired, or held abroad.

2. The declaration referred to in the previous number shall be provided through a form established by the Bank of Mozambique, by one of the following means:
 - a) Electronic format, through the address to be provided by the Banco de Mozambique;

 - b) Physical delivery to the banks' agencies or to the Banco de Mozambique;

c) Postal mail, with acknowledgment of receipt, addressed to Banco de Mozambique;

d) Other routes to be indicated by the Bank of Mozambique, in cases in which the alternatives referred to in the previous paragraphs are not practicable.

2. The information provided must be updated annually or within ninety days from the date of the occurrence of any significant change.

Article 8 (Repatriation of Revenues)

1. All resident entities are obliged to repatriate the export earnings of goods and services and foreign investment income.

2. The repatriation referred to in the previous number must be made within ninety days from:

a) Shipment, in case of export of goods;

b) The receipt of the price or fees by residents arising from services rendered by them under contractual terms; or

c) The receipt of income, in case of investment abroad.

3. Repatriation of export proceeds of goods and services and foreign investment income shall be effected by bank transfer to a specific revenue account and the funds may be retained in full in foreign currency in such accounts held by the exporters or investors.

4. Exporters and investors holding such accounts shall first use such funds when they intend to settle any foreign operation.

5. Transfers to accounts of the same nature may only be made from the specific revenue account referred to in paragraph 3.

6. The revenue and earnings referred to in paragraph 3 shall be converted into national currency as payments are made to resident entities.

7. The Bank of Mozambique may, on a case-by-case basis, exempt residents from complying with the obligation set forth in paragraph 1, authorizing the retention abroad of part of the revenues referred to therein, in the following situations:

a) Amortization of debts and fulfillment of other obligations abroad, including tax, by proof of the amounts payable;

b) Urgent payments to international transport companies and related activities, such as agency, up to the limit to be established periodically by the Bank of Mozambique;

c) Payments related to the maintenance of accounts and fulfillment of immediate obligations abroad by entities that provide hotel and tourism services;

d) Other duly substantiated cases.

1.2.2 SUBSECTION II - GENERAL DUTIES

Article 9 (Verification duty)

1. Entities authorized to carry out foreign exchange transactions must verify the identity and legitimacy of the subjects, the legality, the nature, and the economic basis of the transaction, before requesting the necessary documentary evidence.

2. Without prejudice to the provisions of the preceding paragraph, entities authorized to carry out foreign exchange transactions shall be subject to the duties of identification and diligence provided for in legislation on the prevention and combating of money laundering and terrorist financing.

3. The entities referred to in the previous numbers shall refrain from carrying out the operation whenever the necessary information is not provided or the documentation of the operation requested by the client is not present.

4. For the purposes of paragraph 1, the entities referred to therein shall carefully organize the documents submitted and establish the sequential numbering of the operation, together with an indication of the date to which it relates.

5. The information referred to in the preceding paragraph must be permanently updated and available.

Article 10 (Duty of information and preservation of documents)

1. Entities authorized to carry out foreign exchange transactions must register the foreign exchange transactions and send the Bank of Mozambique the information about them.

2. The same entities must keep the necessary elements to verify the nature and reality of their operations under the terms established in the commercial law, tax law and other applicable legislation.

Article 11 (Obligation to use the banking system exclusively)

Foreign exchange transactions involving payments or receipts abroad must be carried out exclusively through banks authorized to operate in the country.

2 CHAPTER II - TRADE IN EXCHANGES

2.1 SECTION I - LICENSING AND REGISTRATION REQUIREMENTS AND PROCEDURES

2.1.1 SUBSECTION I - REALIZATION OF EXCHANGE TRADE BY BANKS AND EXCHANGE HOUSES

Article 12 (Terms and conditions for the exercise of foreign exchange trading by banks and exchange offices)

1. Without prejudice to the provisions of specific legislation on the formation and operation of credit institutions and financial corporations, the exercise of foreign exchange trading by banks and exchange offices shall comply with the terms and conditions set out in this Notice.

2. The exercise of foreign exchange trading by exchange offices is restricted to the purchase and sale of foreign currency to natural persons.

3. The sale of foreign currency referred to in the preceding paragraph is exclusively for foreign travel and shall not exceed USD 5000.00 (five thousand United States dollars) or its equivalent per traveler.

4. Foreign exchange operations that are not included in the previous number can only be carried out by banks.

2.1.2 SUBSECTION II - IMPLEMENTATION OF TRADE IN EXCHANGES BY OTHER ENTITIES

Article 13 (Entities covered and conditions for the exercise of partial exchange trading)

1. They may exercise partial foreign exchange trading, subject to prior authorization by the Bank of Mozambique:

(a) Travel agencies or similar;

b) The entities providing hotels and tourism services or similar;

c) Entities or cases that enjoy special treatment, as established in Article 28 of the Foreign Exchange Law;

d) Other entities or institutions that may be defined by law.

2. Entities authorized under the terms of the preceding paragraph may only engage in partial exchange trading when related to the services they provide and under the terms set forth in their respective authorization.

3. The amounts received by authorized entities shall be deposited in a bank within forty-eight hours.

Article 14 (Licensing of partial exchange trading)

For the purposes of licensing the entities referred to in paragraph 1 of the previous article, the interested parties must instruct the Bank of Mozambique for license applications, accompanied by a certified copy of the license of the principal commercial activity they carry out or equivalent document.

Article 15 (Registration and information of operations carried out)

The entities that carry out the partial exchange trade must register the foreign exchange transactions they carry out and send the information in aggregate form to the Bank of Mozambique, observing the models established for this purpose.

3 CHAPTER III - CURRENT TRANSACTIONS

SECTION I - GENERAL PROVISIONS

Article 16 (Documents and procedures)

1. For the purpose of verifying the legality and registration of current transactions, the interveners must present the documents proving their identification, legitimacy and characterization of the operation carried out, in the terms imposed by this Notice.
2. The settlement of current transactions is subject to the presentation by the interveners of supporting documents that the corresponding services have actually been provided or the goods have been supplied.
3. In the event of an obligation to pay in advance, the documents proving the provision of such services or supplies of goods must be presented within ninety days from the date of payment, except in the cases provided for in paragraph 3. Article 28 (2)

Article 17 (Control Procedures)

1. Entities authorized to carry out foreign exchange transactions must, at the time of the transaction, verify the existence of all the necessary information or evidence for the identification of the intervening parties, the complete legal-economic characterization of the operation and the determination of the value of the operation and the form of fulfillment of the obligation.
2. Without prejudice to the fulfillment of the duty of verification established in accordance with the exchange legislation and the legislation on the prevention and combating of money laundering, at the moment of carrying out current transactions, account shall be taken of the factors of suspicion that acts of money laundering, in particular the confirmation of the legitimacy of the possession of the funds presented and the final beneficiaries of the transactions.

SECTION II - PAYMENTS OF RESIDENTS

3.2.1 SUBSECTION I - PAYMENTS FOR IMPORTS OF GOODS Article 18 (General requirements)

1. Any foreign payments relating to the importation of goods shall be made through the banks.

2. The realization of any payment abroad for the purpose of importation of goods depends on presentation by the importer of the supporting documents of:

a) Entry of the goods into national customs territory; or

b) Shipment of merchandise to the national customs territory, in cases where the payment modality is Documentary Credit.

3. exceptionally, payments may be made abroad related to the importation of goods without the presentation of the documents of entry or shipment of goods in the following cases:

a) Advanced payments under the Documentary Credit, where the beginning of the importation is conditional on the advance of a percentage of the price;

b) Advance direct payments, where at least the following conditions are met:

- i. Written commitment of the importer to deliver the documents proving the entry of goods into the national customs territory;
- ii. Contract valid between the supplier and the beneficiary of goods or services;
- iii. Proforma invoice;
- iv. The importer does not have any situation of non-compliance with deadlines to be regularized.

4. Banks are responsible for ensuring compliance with the deadline for delivery of evidence.

5. Banks should submit relevant information on the degree of compliance with deadlines for the delivery of documentation supporting the advance payments to Banco de Mozambique, which centralizes and shares with banks.

Article 19 (Prohibited payments)

1. Payment shall be prohibited for the purpose of liquidating imports resulting from disbursements in the form of goods from export development credit lines, the repayment of which shall be made in the context of the repayment of the same.

2. It is also prohibited to liquidate goods from donations, emergency aid or other, whose documentation expressly disposes of exchange settlement.

Article 20 (Mandatory documents)

1. Regardless of the modality adopted, for any importation of merchandise, the banks must require the following documents:
 - a) Commercial invoice, in accordance with the requirements of the International Chamber of Commerce;
 - b) Transport documents, in accordance with the prescriptions of the International Chamber of Commerce;
 - c) Single document issued by the competent customs authority
 - d) For transport, the following documents shall be required:
 - a. Bill of lading, if the transportation is maritime;
 - b. Air Charter, if the transport is by air;
 - c. Shipment note, or other equivalent document, if the transport is rail;
 - d. Consignment note and cargo manifest, if the transport is by road.

Article 21 (Relevant elements of the commercial invoice)

For the purposes of paragraph a) of paragraph 1 of the previous article, the following are relevant elements of the commercial invoice, when applicable:

- a. Supplier / exporter: name, full address, country, telephone number and e-mail address;
- b. Consignee / importer: name, full address, country, telephone number and e-mail address, where applicable, Single Tax Identification Number (NUIT) and importer number;
- c. Date of issue of the commercial invoice and its number;
- d. the exact description of the goods,
- e. quantities, brands, models, serial numbers, units, gross and net weight, volume or footage and other specifications according to the type of goods or merchandise;
- f. Unit prices, value of the transaction and currency in which the values are expressed; and
- g. Terms of delivery and payment.

Article 22 (Relevant elements of the transport document)

Relevant elements of the transport document are:

- a. the name of the haulier or authorized agent;
- b. Signature and stamp of receipt or other similar indications of receipt of the goods for shipment;
- c. Indication of the place of embarkation and disembarkation of the goods;
- d. Number of originals issued, in the case of bills of lading;
- e. Certification of the existence or not of agreement between the quantity and the description of the merchandise included in the invoice;
- f. the identification of the means of transport;
- g. Other requirements required in the mode of payment adopted.

Article 23 (Documents for bank use)

1. For the purposes of paragraph c) of no. 1 of article 20, documents to be submitted to the bank for payment of imports must be accompanied by the respective Single Document (DU) or Term of Commitment.
2. In cases of partial payment of invoices, the bank must record the amount already paid and the remaining amount in the DU or Commitment Term, and the remaining payments must be made in the same bank.
3. Exceptions to the previous paragraph are those situations where the payment methods used are the Documentary Credit or the Documentary Remittance.

Article 24 (Control Procedures)

1. The documents referred to in this Subsection shall be strictly provided by the banks, taking into account the mode of payment used.
2. After the conference and settlement, the documents are endorsed and delivered to the importer.
3. For each import operation, the bank must constitute an individual file in which the following documents are compulsorily included:
 - a) Original route of the DU for banking use, if applicable;
 - b) Letter of documentary credit and respective changes of the terms, if applicable;
 - c) Commercial invoice;
 - d) Transport document;
 - e) Letter of delivery, if applicable;
 - f) Bordereau for settlement and / or payment;
 - g) Other correspondence related to the operation.

4. Banks shall record and organize the foreign exchange transactions they carry out in a judicious manner, and for each mode of payment there shall be a sequential numbering and an indication of the year to which they relate.

5. The information referred to in the previous paragraph must always be up to date and available.

Article 25 (Methods of payment)

1. In the settlement of transactions relating to the importation of goods, the following payment methods are accepted in order of preference:

- a. Documentary Credit;
- b. Documentary remittance;
- c. Direct, early or early payment.

2. The characteristics and scope of each of the above modalities shall be defined in accordance with Article 3.

Article 26 (Documentary credit)

1. When using documentary credit, the initiative to open the credit belongs to the importer, and must include the following information:

- a. Full name of the beneficiary and his address;
- b. Amount and currency of the credit;
- c. Type of credit;
- d. Conditions of reimbursement;
- e. Brief description of the merchandise, including quantities and unit price, as indicated on the pro forma invoice;
- f. Brief description of the documents required;
- g. the place of loading and destination of the goods;
- h. Partial shipments permitted or not;
- i. Transits allowed or not;
- j. Validity for shipment (if applicable);
- k. Validity of the credit;
- l. Form of notification to the beneficiary.

2. In the use of the modality referred to in this article, account shall be taken of banking practices and best practices, in particular the uniform rules and practices issued by the International Chamber of Commerce.

Article 27 (Documentary consignment)

The provisions of the previous article apply, with the necessary adaptations, to the cases of advance payments of import in the form of Documentary Remittance.

Article 28 (Direct payment in advance)

1. The anticipation of direct payment, total or partial, is allowed, provided that the provisions of paragraphs 3 (b) and 4 of Article 18 are respected.
2. In cases of importation of goods whose production has not yet been completed on the date of the advance payment, the period of ninety days for the fulfillment of the obligation to deliver documents proving the entry of goods into the national customs territory counts from the contractual date for the completion of production of those goods.
3. For all prepayments of more than US \$ 250,000.00 (two hundred and fifty thousand United States dollars), a performance guarantee of the same value, to be provided by a foreign bank recognized by the importer's bank.
4. The provisions of the preceding paragraph shall also apply to partial advance payments of an individual value less than the equivalent of USD 250,000.00 (two hundred and fifty thousand United States dollars), but which are related to the same pro forma invoice, or to the same import procedure, the cumulative value of which is greater than that limit.
5. In any of the above cases, unless there are substantial reasons, non-compliance with the deadline for the delivery of the documents proving the entry of goods into the customs territory within the regulatory deadline, as long as that fact prevails, it determines the banks' refusal to carry out similar operations in the future.

Article 29 (Imported consignments)

1. In the case of consigned importation, the payment to the consignor is dependent on the presentation by the importer consignee, to the bank, at the end of the period of sale of the goods agreed with the consignor, of:

- a. Mandatory documents referred to in Article 20 (1);
- b. a commercial invoice relating to sales made, specifying the quantities and other measures or, where appropriate, a declaration or proof of loss or deterioration;

2. If the sale has not been made and the merchandise has been returned, the consignee importer must present proof of the shipment of the remaining goods to be returned to the consignor.

3.2.2 SUBSECTION II - TERM OF COMMITMENT

Article 30 (Operationalization of the importation of goods)

1. Whenever an importation of goods is commenced, the respective Commitment Term for banking intermediation shall be issued.
2. Where the modality used is direct advance payment, the paying bank shall monitor the completion of the period of entry of the goods into the national territory and require the importer to deliver copies of the mandatory import documents provided for in Article 20 within ninety days.
3. The issuance of the commitment term shall always be preceded by compliance with the duty of verification to which entities authorized to carry out foreign exchange trading are subject, under the terms established in the current exchange legislation.

Article 31 (Processing of the Term of Commitment)

1. The Term of Commitment is processed electronically through the Single Electronic Window (JUE).
2. The importer is responsible for processing the term when it intends to start an import and it is for the intermediary bank to validate it in the EU Customs Union.
3. The importer must, in the processing of the Term of Commitment, indicate in the appropriate field, for each consignment, the Single Consignment Number previously obtained for this purpose with the EUW.
4. The validation of the Term of Commitment made by a particular intermediary bank makes it co-responsible for the transaction.
5. The intermediary bank shall validate the Term of Commitment within seventy-two hours, counted from the moment of receipt of the request.

Article 32 (Duty of information)

For the purposes of article 10, banks must keep up to date the information on each Statement of Commitment issued, in order to determine the state of compliance with the respective obligations.

3.2.3 SUBSECTION III - PAYMENTS FOR THE IMPORTATION OF SERVICES

Article 33 (Scope)

1. This subsection sets out the rules to be observed in foreign exchange transactions for the payment of services rendered by non-resident entities in favor of residents.
2. The services referred to in the previous number include, in particular:
 - a. Chartering of ships and aircraft;
 - b. Chartering of rail and road transport;
 - c. Transportation by pipeline, through pipelines and pipelines;
 - d. Transmission through transmission of electricity;
 - e. Ship management;
 - f. Port and airport services;
 - g. rail and road services;
 - h. Others that do not fall into any of the above categories.

2. In the case of direct advance payments in the import of services, the provisions of this Notice shall apply mutatis mutandis to direct payments on imports of goods.

Article 34 (Documents and procedures)

For the purposes of foreign exchange registration, banks involved in the settlement of exchange foreign exchange transactions of the price due to services rendered by non-residents must obtain from their clients information necessary for the correct classification of operations, including a description of the nature of the operation and request the presentation of the following elements:

- a) Document proving the identification of the parties;
- b) Commercial invoice or debit note;
- c) an acceptable transport document in accordance with international trade rules, in the case of a transport service or related thereto;
- d) Service contract or other equivalent document containing the terms and conditions for the provision of the service, if the characteristics or nature of the service in question so justifies;
- e) Document proving compliance with tax obligations.

Article 35 (Payments of insurance premium abroad)

Foreign exchange operations carried out with a view to the payment of insurance contracted abroad by the insured or the policyholder themselves require proof of the evidence that the necessary national consent has been obtained from the competent national entity for the placement of insurance abroad in accordance with applicable legislation.

Article 36 (Payments of services in general)

1. The payment by resident entity of services provided by a non-resident entity shall be made upon presentation to the banks of the following elements:

- a. Identification of the parties;
- b. Service contract, in the form legally required;
- c. Commercial invoice or debit note;
- d. Proof of service rendering, except in the case of advance payments or anticipated direct payments;
- e. Proof of compliance with tax obligations related to the transaction.

2. The bank shall carry out the exchange registration and assign a numerical sequence which serves as a single reference in the subsequent payment transactions relating thereto.

Article 37 (Transfer of salaries of non-residents)

The transfer of salaries of non-resident entities shall be made upon presentation to the banks of the following elements:

- a. Identification documents of the employee and the employer;
- b. Work contract, duly approved by the Ministry of Labor, in cases where it is legally necessary, or proof of exemption from approval of the contract by the Ministry of Labor, in cases in which labor legislation permits;
- c. Letter from the employer discriminating the values to which the worker is entitled;
- d. Proof of compliance with tax obligations related to the transaction.

3.2.4 SUBSECTION IV - OTHER IMPORT PAYMENTS

Article 38 (Payments due for the use of industrial and intellectual property rights)

1. The payment due for the right to use patents, copyrights, franchises, trademarks and other industrial and intellectual property rights shall be made upon presentation to the banks of the following elements:

- a. Identification of the parties;
- b. Agreement granting the use of the rights, in the form legally required;
- c. Proof of the legally required authorization under the industrial property and intellectual property laws;

d. Proof of compliance with tax obligations related to the transaction.

2. The bank shall carry out the exchange registration and assign a numbering which serves as a single reference for subsequent payment transactions relating to the same payment.

Article 39 (Import payments for philatelic and numismatic purposes)

1. Payments for the importation of stamps for philatelic purposes shall apply, with the necessary adaptations, the general rules on importation of goods provided for in this Notice.
2. The provisions of the preceding paragraph shall also apply to cases involving the importation of banknotes and coins for numismatic purposes.

Article 40 (Payments for subscription of publications)

Payment by resident entity of the price related to the subscription of publications abroad is made upon presentation to the banks of the following elements:

- a. Identification of the parties;
- b. Commercial invoice or debit note.

3.2.5 SUBSECTION V - OTHER PAYMENTS

Article 41 (Payment of costs in courts abroad)

The payment by resident entity of costs in courts abroad is made upon presentation to banks of the following elements:

- a) Identification of stakeholders;
- b) Proofs issued by the court of the cause.

Article 42 (Payment of fines, taxation and damages)

The payment by resident entity of fines, tax charges and damages shall be made upon presentation to the banks of the following elements:

- a) Identification of stakeholders;
- b) Proof of the payment obligation issued by the competent authority.

3.3 SECTION III - RESIDENT RECEIPTS

3.3.1 SUBSECTION I - EXPORT REVENUE FROM GOODS Article 43 (Methods of payment)

For the purposes of article 9.2 of the Foreign Exchange Law, any export of goods must be carried out through banks, according to the following modalities:

- a) Documentary Credit;
- b) Documentary remittance;
- c) Direct, early or early payment.

Article 44 (Mandatory documents)

1. For any export of goods the following documents are required:

- a) Original copy of the DU intended for banking use;
- b) Commercial invoice;
- c) Transport document, except in case of advance payment;
- d) Copy of the Term of Commitment of banking intermediation for the export of goods.

2. The provisions of the previous paragraph shall not apply to export cases where the payment method is the Documentary Remittance or the prepayment.

Article 45 (Constitution of the process and file)

For each export transaction, banks must establish an individual file in which the following documents are compulsorily included:

- a) Way of the DU and Term of Commitment;
- b) Letter of documentary credit and respective changes of the terms, if applicable;
- c) Letter of remittance to the importer's bank, if applicable;
- d) Commercial invoice;
- e) Transport document;
- f) Bordereau of liquidation;
- g) Other correspondence related to the operation;
- h) Confirmation of payment;
- i) Pre-shipment inspection certificate, when applicable.

Article 46 (Documentary credit)

1. It is the responsibility of banks to adequately assist exporters in strict compliance with the terms and conditions of the Documentary Credit for the immediate settlement of the export.
2. Before notifying the Documentary Credit to the exporting beneficiary, banks must ensure that the credit terms and conditions are in accordance with the country's exchange rate laws and that they are likely to be met within the established time limit.
3. In the event of any clause that cannot be fulfilled, the bank shall recommend to its client that it request changes from the importer, and that the same shall be communicated by the importer's bank to the exporter's bank prior to the shipment of the goods.
4. When the conditions are met by the exporting beneficiary, the bank claims the reimbursement under the terms provided in the Documentary Credit.
5. If the conditions have not been met, the bank has one of the following alternatives:
 - a) To request the exporter to make changes to the documents in accordance with the requirements of the Documentary Credit;
 - b) Request the issuing or confirming bank the authorization to pay or negotiate with the listed discrepancies;
 - c) Send the documents to the issuing or confirming bank for their decision on the payment.

Article 47 (Documentary consignment)

1. Where the mode of payment of the export is the Documentary Remittance, the documents shall be examined by the Bank taking into account good banking practices relating to international trade operations, including uniform rules and customs issued by the International Chamber of Commerce.
2. If the documents are in order, they are sent to the bank indicated by the exporter (submitting bank) under cover of a letter of consignment where the conditions of reimbursement are also included.
3. The banks must prove the entry of the export revenue in the country within ninety days after the shipment of the goods.

Article 48 (Control procedures)

1. Banks shall keep a record for each type of operation containing the following data:
 - a) Sequential number of the operation including the indication of the year of its execution;
 - b) Name of the computer;
 - c) Amount of the operation;
 - d) Name of the beneficiary;
 - e) Negotiating bank, if applicable;

- f) Confirming bank, if applicable;
- g) Credit status (canceled, paid or extended), if applicable;
- h) Reference and date of the DU route;
- i) Reference and date of the Term of Commitment.

2. Registration and organization of foreign exchange transactions in the context of exports must be carried out in a careful manner, following a sequential numbering, by modality and indicating the year to which they relate.

3. The information resulting from the records referred to in this article shall be updated and made available to the Bank of Mozambique whenever it so requests.

3.3.2 SUBSECTION II - TERM OF COMMITMENT

Article 49 (Operationalization of the export of goods)

1. Without prejudice to the procedures set forth in this Notice for the export of goods, whenever an export transaction is initiated, a Commitment Term shall be issued for banking intermediation in the export of goods, where the Bank certifies that the exporter is and that the exporter assumes the irrevocable commitment to remit the export earnings to the same bank within the time limits set for that purpose.
2. The issuance of the Commitment Instrument shall always be preceded by compliance with the verification duty to which entities authorized to carry out foreign exchange transactions are subject.
3. When exporting goods in which the modality used is the direct advance payment, the receiving bank shall issue the relevant term of commitment as soon as it is certified that it is a revenue from the export of goods.
4. The intermediary bank of the operation shall, immediately after the customs clearance of the goods, require the exporter to deliver copies of the mandatory export documents provided for in Article 44, as well as to monitor compliance with the delivery deadline.
5. Failure to comply with the repatriation deadline for the export of goods results in a refusal by banks to carry out subsequent operations, as long as that fact prevails.

Article 50 (Processing of the Term of Commitment)

The rules set out in Article 31 shall apply, *mutatis mutandis*, to the Term of Commitment of export, with the necessary adaptations.

3.3.3 SUBSECTION III - EXPORT REVENUE FROM SERVICES

Article 51 (Scope)

1. This subsection sets out the rules to be observed in operations for the receipt of export earnings from services rendered by resident entities in favor of non-residents.
2. The services referred to in the previous number include, in particular:
 - a) Chartering of ships and aircraft;
 - b) Chartering of rail and road transport;
 - c) Transportation by pipeline, through pipelines and pipelines;
 - d) Transport by conduct, through transmission of electricity;
 - e) Ship management;
 - f) Port and airport services;
 - g) rail and road services;
 - h) Hotel and tourism services;
 - i) technical assistance;
 - j) Others that do not fit into any of the above categories.

Article 52 (Documents and procedures)

1. For the purpose of foreign exchange registration, banks involved in the settlement of transactions for the receipt of export earnings of services shall obtain from their exporting clients the information necessary for the correct classification of operations, including a description of the nature of the operation carried out.
2. In addition to the descriptive information of the operation, the banks referred to in the previous number shall request their clients to present the following elements:
 - a) Identification of the parties;
 - b) Copy of the commercial invoice issued by the exporter;
 - c) Service agreement or other equivalent document containing the terms and conditions of the service provision.

Article 53 (Revenue from hotels and tourism)

All receipts resulting from the provision of hotel and tourism services by residents, even though through their representatives abroad, must occur through accounts domiciled in banks operating in the Republic of Mozambique.

3.3.4 SUBSECTION IV - OTHER EXPORT REVENUE

Article 54 (Revenue from rental or use of industrial and intellectual property rights)

For purposes of exchange registration, as well as repatriation of revenues, in cases where the respective payments have occurred abroad, resident entities that give rental or non-resident use of patents, copyrights, franchises, trademarks and other industrial and intellectual property rights they hold in the country, they must present to the respective banks the following elements:

- a) Identification of the parties;
- b) Commercial invoice;
- c) Contract containing the terms and conditions under which the rental or use is made.

Article 55 (Exports for philatelic purposes)

The settlement of the export operation of stamps for philatelic purposes obeys, with the necessary adaptations, the general rules on exports of goods provided for in this Notice.

Article 56 (Export of Metical notes and coins for numismatic or exhibition purposes)

1. The export of notes and coins of the Metical for numismatic purposes and public exhibition, made by a resident or non-resident entity, is subject to the prior authorization of the Bank of Mozambique and complies with the requirements and procedures for the export of goods under the terms of this Notice.
2. For the purpose of authorization, the exporter must submit the respective application, by completing the own model form, established by the Bank of Mozambique, duly instructed with the following elements:
 - a) Identification of stakeholders;
 - b) Documents proving the forecast of the exhibition event or the existence of conditions for the exhibition.

3.4 SECTION IV - TRANSFERS OF INCOME

Article 57 (General provisions)

1. The provisions of this Section shall apply to foreign transfer operations of income generated from capital operations previously authorized by the Bank of Mozambique, namely:
 - a) Foreign direct investment, in the form of distributed profits or dividends;

- b) Portfolio investment, in the form of interest, dividends or capital gains;
- c) Credits, including supplies, in the form of interest;
- d) Other forms of capital investment.

- 2. The realization of the transfer of income referred to in the previous number does not require authorization from the Banco de Mozambique.
- 3. For purposes of exchange registration, interested parties shall submit to intermediary banks the documents that characterize and legitimize the transaction, as specified in this section.
- 4. The documents referred to in the previous number shall be appraised by the intermediary bank, and the latter shall forward the information collected to the Banco de Mozambique.

Article 58 (Transfer of income from foreign direct investment)

The foreign exchange registration of the transfer of foreign direct investment income, in the form of distributed profits or dividends, shall be effective upon presentation by the interested party to the intermediary bank of the following elements:

- a) Identification of stakeholders;
- b) Proof of the registration of the investment in the Banco de Mozambique;
- c) Statement issued by the independent auditor confirming that the profits are derived from the year or years in question and result from operations related to the company's activity, explaining whether the profits were determined before or after any transfers required by law;
- d) Proof of the consent of the competent corporate body, or in the case of transfer of dividends, minutes of the general meeting that deliberated the distribution of profits;
- e) Proof of compliance with tax obligations related to the transaction.

Article 59 (Transfer of portfolio investment income)

The exchange registration of the transfer of portfolio investment income, in the form of interest, dividends or capital gains, shall be effective upon presentation by the interested party to the intermediary bank of the following elements:

- a) Identification of stakeholders;
- b) Proof of entry of funds in the country;
- c) Certificate of the amount to be transferred, namely coupon, extract or other;
- d) Proof of compliance with tax obligations related to the transaction.

Article 60 (Transfer of income resulting from credit or supply)

The exchange registration of the transfer of income resulting from credit or supply granted by a non-resident entity in the form of interest shall be effective upon presentation by the interested party to the intermediary bank of the following elements:

- a) Identification of stakeholders;
- b) Proof of the foreign exchange authorization of the credit or supply;
- c) Proof of disbursement record;
- d) Depreciation plan or debit note;
- e) Proof of compliance with tax obligations related to the transaction.

Article 61 (Transfer of income resulting from deposits constituted in the country by non-resident entities)

The exchange registration of the transfer of income resulting from deposits constituted in the country by non-resident entities, in the form of interest, shall be effective upon presentation by the interested party to the intermediary bank of the following elements:

- a) Identification of stakeholders;
- b) Proof that the tax that is due on the transaction is shown to have been paid or secured.

Article 62 (Transfer of income resulting from other forms of capital investment)

The exchange registration of the transfer of income resulting from other forms of capital investment by a non-resident entity shall be effective upon presentation by the interested party to the intermediary bank of the following elements:

- a) Identification of stakeholders;
- b) Proof of the exchange authorization of the capital transaction;
- c) Proof that the tax due on the transaction is shown to have been paid or secured.

3.5 SECTION V - CURRENT TRANSFERS

Article 63 (Scope)

This section applies to current transfers, i.e. those carried out unilaterally, in particular:

- a) Transfers of donations in cash;
- b) Transfers of maintenance pensions;
- c) Remittance of amounts for family expenses;
- d) Transfers of values related to inheritances and bequests;

- e) Transfers of values referring to inheritance and legacy taxes;
- f) Other current liabilities.

Article 64 (Requirements and procedures for current transfers)

1. The current transfers are free from authorization by the Bank of Mozambique, but the verification and exchange registration duties must be observed.

2. In order to carry out any current transfer, the interested party must submit to the intermediary bank the following elements:
 - a) Documents of identification of the originator of the transfer;
 - b) Indication of the relationship between the payer of the transfer and the receiving recipient;
 - c) Documents proving the facts or characterization of the transaction that form the basis for the request and which give legitimacy to the requestor of the transfer;
 - d) Proof of the source of income of the payer, if circumstances so require;
 - e) Proof that payment of the tax due on the payer's income is shown or paid.

3. In the case of amounts or means of payment denominated in foreign currency, the originator must prove the legitimate ownership by entities authorized to trade in foreign exchange.

4 CHAPTER IV - CAPITAL TRANSACTIONS

4.1 SECTION I - GENERAL PROVISIONS

Article 65 (Classification of operations)

1. Capital operations must always be carried out through the banking system.

2. As established in Article 6 (5) of the Foreign Exchange Law, capital transactions are classified as:
 - a) Foreign direct investment;
 - b) Real estate investment;
 - c) Operations on certificates of participation in collective investment undertakings;
 - d) Opening and movement of accounts with financial institutions abroad;
 - e) Credits related to transactions in goods or services;
 - f) Financial credits;
 - g) Guarantees;
 - h) Transfers in execution of insurance contracts.
 - i) portfolio investment transactions relating to securities and other money market and equity instruments;

- j) Physical import and export of securities;
- k) Credits of a personal nature;
- l) Other operations qualified as capital that may be defined by law.

Article 66 (Applications for authorization)

1. The application for the importation or exportation of private capital, as qualified in Article 6 (5) of the Foreign Exchange Law, shall be submitted by the interested party to his bank, who shall send it to the Bank of Mozambique within the term of five days.
2. The request referred to in the previous number may be submitted directly by the interested party to the Bank of Mozambique when it is not possible to do so through his bank.
3. The application for authorization must be accompanied by all the information or evidence necessary for the complete identification of the intervening parties, legal-economic characterization of the operation, determination of the value of the operation and the form of compliance with the obligation.
4. Whenever it is deemed necessary, the Banco de Mozambique may require additional information from the parties involved in the operation.

Article 67 (Decision)

1. The Bank of Mozambique shall decide on the request for authorization within a period of 15 working days from the date of its receipt.
2. The period referred to in the preceding paragraph shall be suspended and the suspension shall be suspended for the duration of the proceedings, whenever there is a deficiency in the investigation of the process that requires its regularization, or the Banco de Mozambique requests information referred to in paragraph 3 of the previous article.
3. Authorization shall be granted upon issuance of an authorization form, in its own form, established by the Banco de Mozambique, in two copies, with the original being sent to the applicant and the duplicate to the intermediary bank.
4. In decision-making, the Banco de Mozambique takes into account, among other criteria, the availability of foreign currency, the country's macroeconomic situation and exchange market conditions.

Article 68 (Significant changes to the authorized operation)

1. Any significant changes to the initial terms and conditions of an already authorized operation must be reported to the Bank of Mozambique for review and authorization purposes.
2. A significant change in terms and conditions shall mean any modification or increase of contractual elements that provide for more burdensome conditions for the resident contractor, namely the variation of the interest rate above two percentage points in relation to the rate originally planned, the modification the repayment term for a shorter period than originally planned and the addition of additional charges.

4.2 SECTION II - DIRECT INVESTMENT

4.2.1 SUBSECTION I - DIRECT INVESTMENT IN FOREIGN AFFAIRS

Article 69 (Applications for authorization of foreign investment by resident entities)

The request for authorization for the realization by resident entities of direct investment in the foreigner is completed by completing the own model form, established by the Bank of Mozambique, duly instructed, depending on the specificities, with the following elements:

- a) In the case of incorporation of an enterprise, the investor being a natural person:
 - i. Identification documents of the applicant investor;
 - ii. Document proving the funds and their legal origin;
 - iii. Economic and financial feasibility study of the project;
 - iv. Authorization of the regulator of the country of destination of the investment;
 - v. Proof of regularization of the tax situation.

- b) In the case of incorporation of an enterprise, the investor being a legal person:
 - i. Investor identification documents, including, in particular, statutes and supporting documents of the shareholder structure, specifying the shareholdings in the capital;
 - ii. Economic and financial feasibility study of the project;
 - iii. Deliberation of the general meeting or other competent corporate body authorizing participation in the share capital of the company to be formed;
 - iv. Proof of regularization of the tax situation.

- c) In the case of investment in existing companies:
 - i. Investor identification documents;
 - ii. Proof of legal existence of the company;

- iii. Deliberation of the general meeting or of another competent social organ authorizing the participation in the capital of the company in question, being a legal person;
- iv. Proof of the legal origin of the funds or assets to be applied;
- v. Proof of regularization of the tax situation.

d) In the case of reinvestment of profits:

- i. Proof of the dividends generated;
- ii. Deliberation of the general meeting authorizing the reinvestment of profits, being a legal person.
- iii. In the case of debt conversion:
- iv. Proof of the granting of credits to the company, previously authorized by the Bank of Mozambique;
- v. Credit conversion agreement in capital.

Article 70 (Authorization)

1. Foreign investment by residents is permitted up to an annual amount equivalent to USD 250,000.00 (two hundred and fifty thousand United States dollars), provided that it is carried out through a bank authorized to operate in the country , by completing an own template form established by the Bank of Mozambique.
2. The authorization referred to in the preceding paragraph shall cover the capital operations referred to in Article 65 (2) (a), (b), (c) and (i).
3. The realization of investment abroad by residents, provided for in paragraph 1, depends on compliance with the following conditions:
 - a) Proof of compliance with tax obligations on the funds to be invested; and
 - b) Proof that the investment is supported by own funds.
4. The investment register must be registered by the intermediary bank, which must send monthly copies to the Banco de Mozambique of the forms related to the transactions carried out by its clients and the proof of the investment made.
5. The investor shall return the evidence of the investment made to the intermediary bank within ninety days, counted from the date of realization of the investment.

6. Failure to comply with the deadline for submitting proof of investment realization referred to in the preceding paragraph shall, as long as this fact prevails, deny the banks' refusal to carry out future operations of the same nature.
7. Banks shall, prior to the completion of the operation, verify that the person concerned has not exceeded the annual investment limit authorized in accordance with paragraph 1 of this Article.

Article 71 (Supply or credit granted by resident entity to related company abroad)

The application for authorization to carry out the supply or granting of credit by a resident entity to the related company abroad is carried out by completing the own model form established by the Banco de Mozambique, duly instructed with the following elements:

- a) Identification documents of the interveners;
- b) Audited financial statements or proof of funds and their legal origin;
- c) Deliberation of the general meeting or other competent body authorizing the granting of the credit
- d) Proof of the inter-company relationship, indicating in particular the social participation or membership of the same group of companies;
- e) Proposal of the financing agreement;
- f) Proof of compliance with tax obligations related to the transaction.

4.2.2 SUBSECTION II FOREIGN DIRECT INVESTMENT IN MOZAMBIQUE Article 72 (Scope)

1. This subsection establishes rules to be observed in the process of authorization and exchange registration of foreign direct investment in Mozambique.
2. In the case of investment related to a credit institution or financial company, in addition to the provisions of this Notice, the specific rules regulating entities of that nature shall be observed.

Article 73 (Register of direct investment)

1. The foreign direct investment is authorized, only being subject to registration with the intermediary bank, to be made within ninety days, counted from the date of the effective entry of the value of the investment.
2. The registration of the investment for exchange control purposes is carried out by completing the respective form, established by the Bank of Mozambique, with the following elements:
 - a) Identification documents;
 - b) Copy of the bank bordereau issued by a bank operating in Mozambique, proving receipt of the foreign currency in favor of the enterprise, when the investment is made through the entry of the foreign currency;

3. The registration is done at the Bank of Mozambique, when:

- a) The investment is made through the importation of equipment, machinery or other material goods provided for in the respective investment terms, the value of the assets being with reference to CIF prices, in accordance with the applicable investment legislation, upon presentation of proof of entry of goods;
- b) The investment is made through the right to use patented technologies and registered trademarks, and their value is determined in accordance with the respective legislation

4. Without prejudice to the foreseeable consequences of failing to carry out the foreign exchange registration in general terms, the non-registration of foreign direct investment after 3 years on the effective date of entry of the investment value determines the non-recognition of the right to export profits or dividends, as well as the re-export of invested capital.

Article 74 (Registration of direct investment through capital increase)

1. The registration of foreign direct investment through a capital increase by reinvestment of profits is made by the interested party to the Bank of Mozambique, by completing the form duly instructed with the following elements:

- a) Documents identifying the parties;
- b) Proof of registration of the initial investment;
- c) Audited financial statements for the year or years to which the profits relate;
- d) Deliberation of the general meeting approving the application of the profits in the reinvestment in the form of an increase of share capital;

2. When the investment through capital increase is reviewed in the form of debt conversion, for the purposes of registration, the form referred to in the previous number shall be accompanied by the following elements:

- a) Documents identifying the parties;
- b) Deliberation of the general meeting authorizing the capital increase by way of conversion of debts;
- c) Agreement for the conversion of debt into equity capital, indicating whether in full or in part and, in the latter case, the proportion to be converted;
- d) Copy of the agreement for the constitution of the debt to be converted, indicating the respective exchange authorization.

Article 75 (Investment through supply or credit of related company)

1. The application for authorization to receive a supply or credit from a non-resident related company of a beneficiary resident company shall be made by completing an own model form, established by the Bank of Mozambique, duly instructed with the following elements:

- a) Documents identifying the parties;
- b) Financial statements;
- c) Proof of the inter-company relationship, indicating in particular the social participation or membership of the same group of companies;
- d) Deliberation of the general meeting or of another competent social organ authorizing the contraction of the debt;
- e) Proposal of the financing agreement.

2. In considering the application, account shall be taken, inter alia, of:

- (a) The interest rate, which shall not be equal to or higher than the market interest rate;
- b) The ability of the requesting entity to generate foreign exchange through the application of the borrowed funds.

3. The receipt of supply or credit from a nonresident related enterprise of a beneficiary resident enterprise is authorized, provided that:

- a) Contracted the interest rate of 0%, with a maturity of 3 years or more and free of commissions and other charges;
- b) Contracted at an interest rate of more than 0%, but lower than the base lending rate of the currency of credit denomination, with a maturity of more than 3 years, free of commissions and other charges, up to the amount equivalent to USD 5,000,000.00 (five million United States dollars).

Article 76 (Re-export of invested capital)

The application for authorization to re-export the invested capital, in the event of liquidation of the company or of divestment, is carried out by completing the own model form, established by the Bank of Mozambique, duly instructed with the following elements:

- a) Documents identifying the parties;
- b) Proof of the realization of foreign direct investment;
- c) Deliberation of the general meeting authorizing the divestment or liquidation;
- d) Financial statements related to the liquidation of the company;
- e) Proof of compliance with tax obligations in relation to the general situation of the requesting entity;
- f) Certificate of registration of legal entities proving the settlement

4.3 SECTION III - INVESTMENTS IN IMMOVABLE PROPERTY

Article 77 (Real Estate Investment)

Applications for authorization to carry out real estate investment by residents abroad, more than that provided for in Article 70 (1), or by non-residents in the country, shall be carried out by completing the own model form established by the Bank of Mozambique, duly instructed with the following elements:

- a) Identification documents of the interveners;
- b) Document of registration of the property, duly authenticated;
- c) Promise agreement containing the terms and conditions in which the business is to be carried out;
- d) Document proving the income or means of payment of the acquirer;
- e) Proof of compliance with tax obligations related to the transaction, if applicable.

4.4 SECTION IV - OPERATIONS ON CERTIFICATES OF PARTICIPATION IN COLLECTIVE INVESTMENT ORGANIZATIONS

Article 78 (Certificates of participation in collective investment undertakings abroad)

1. Without prejudice to Article 70 (1), an application for authorization to acquire certificates of participation in collective investment undertakings abroad shall be carried out by means of the completion of an own model form, established by the Bank of Mozambique, duly instructed with the following elements:

- a) Identification documents of the interveners;
- b) Proposal of an investment agreement;
- c) Document proving the existence of the destination body of the investment;
- d) Proof of income or financial statements, whether it is a natural or legal person;
- e) Proof of compliance with tax obligations.

2. For purposes of exchange registration, the entity concerned must also submit the final investment agreement and a copy of the participation certificate.

SECTION V - OPENING AND ACCOUNTING MOVEMENT

Article 79 (Opening and movement of accounts with financial institutions abroad)

1. The opening and movement of accounts by resident entities with financial institutions abroad is subject to the authorization of the Banco de Mozambique.

2. The application for authorization shall be made by completing an own model form, established by the Bank of Mozambique, duly instructed with the following elements:

- a) Identification documents;
- b) Proof of the reasons for opening the account abroad, as well as the sources of power.

3. The holder's account by an entity resident abroad must preferably be opened in a corresponding financial institution of a bank authorized to operate in Mozambique.

4. The account holder must inform the Banco de Mozambique about the number and address of the account opened within thirty days from the date of opening, and remit quarterly the account statement reflecting the movement of the account.

4.6 SECTION VI - CREDIT RELATED TO GOODS OR SERVICES TRANSACTIONS

Article 80 (Scope)

This section lays down rules for the granting of credit between residents and non-residents as a result of the fact that the supplier of goods or services has delivered goods or services without having received the beneficiary, as the case may be, a period of more than 2 years for payment, with or without interest.

Article 81 (Credit linked to the importation of goods)

1. The credit contraction related to importation of goods, with or without interest, with a settlement period of more than 2 years, is subject to the authorization of the Banco de Mozambique, prior to the importation.

2. The request for authorization to withdraw credit referred to in the previous number is made through the completion of an own model form, established by the Bank of Mozambique, instructed with the following elements:

- a) Documents identifying the parties;
- b) Pro forma invoice or other contractual document with the indication of the credit conditions, issued by the supplier;
- c) Repayment of the loan to be contracted.

Article 82 (Credit linked to merchandise exports)

1. The granting of credit related to the exportation of goods, with or without interest, is subject to the authorization of the Bank of Mozambique, prior to the export, when the repayment period exceeds 2 years.

2. The application for authorization of credit granting referred to in the previous number is made through the completion of the own model form, established by the Bank of Mozambique, with the following elements:

- a) Documents identifying the parties;
- b) Pro forma invoice or other contractual document with the indication of the credit conditions, issued by the supplier;
- c) Plan for the amortization of the credit to be granted.

Article 83 (Credit linked to the importation of services)

1. The credit contraction related to the importation of technical assistance services or services of other nature, with or without interest, is subject to the authorization of the Bank of Mozambique, prior to the provision of services, when the settlement period exceeds 2 years.

2. The request for authorization to withdraw credit referred to in the previous number is made through the completion of an own model form, established by the Bank of Mozambique, instructed with the following elements:

- a) Identification documents of the interveners;
- b) Draft service contract;
- c) Pro forma invoice or other contractual document with the indication of the credit conditions, issued by the service provider.

3. In the case of credit resulting from the conversion of fees due for services already rendered, with payment in default, the authorization of the respective request is conditioned to the prior settlement of all tax charges due prior to conversion.

Article 84 (Credit linked to the export of services)

1. The granting of credit related to the export of services, regardless of the nature, with or without interest, is subject to the authorization of the Bank of Mozambique, prior to the execution of the services, when the repayment term is more than 2 years.

2. The application for authorization of credit granting referred to in the previous number is made through the completion of the own model form, established by the Bank of Mozambique, with the following elements:

- a) Identification documents of the interveners;
- b) Proposed service agreement;
- c) Pro forma invoice or other contractual document with the indication of the credit conditions, issued by the service provider.

SECTION VII - FINANCIAL CREDIT

Article 85 (Scope)

1. This section applies to financial credit transactions, as defined in this Notice, not covering personal credit.
2. The provisions of this section shall apply, mutatis mutandis, to supplies.

Article 86 (Financial credit received from abroad)

1. The application for the contracting of a foreign credit is made to the intermediary bank, by filling out the own model form established by the Bank of Mozambique, which shall submit the file to the Bank of Mozambique within five days for the purpose of decision.

2. The application for authorization for the credit crunch referred to in the previous number shall be accompanied by the following elements:

- a) Documents identifying the parties;
- b) Copy of the credit proposal;
- c) Economic or social grounds justifying indebtedness;
- d) Financial statements or proof of the source of funds for repayment of the credit.

3. For the purposes of consolidating the foreign exchange registry and initiating disbursements, the borrower shall send a certified copy of the credit agreement to the intermediary bank and the Banco de Mozambique within thirty days of the date of its signature.

4. The registration of the disbursements referred to in the previous number is done by completing the own model form, established by the Bank of Mozambique, with the following elements:

- a) Bordereau bank issued by the bank of the borrower, proving the inflow of funds;

- b) Proof of the entry of goods, when the disbursement is made through the importation of equipment, machinery or other material goods provided for in the respective terms of contract, the respective value being determined with reference to CIF prices.

5. Registration by the intermediary bank shall consist, in addition to the collection of the elements contained in the form, in the generation of a sequential reference.

6. Except as otherwise provided by law, credits whose disbursement is subject to the issuance of guarantees by the State or the Bank of Mozambique shall not be authorized.

Article 87 (Prior authorization)

1. The contracting of financial credit up to the amount of USD 5,000,000.00 (five million United States dollars) is authorized provided that:
 - a) the interest rate is not higher than the base lending rate of the currency of credit denomination, plus four basis points;
 - b) the sum of the reference rate and the margin does not exceed the interest rate of credit practiced in the national banking system;
 - c) Has a maturity of 3 years or more.

2. The provisions of paragraphs 2 to 6 of the previous article shall apply, mutatis mutandis, to the credit crunch in accordance with the preceding paragraph.

3. The processing, decision, registration and disbursement shall be made to the intermediary bank, and such registration shall be carried out by filling out an own model form established by the Banco de Mozambique.

Article 88 (Debt service)

1. The control and monitoring of the debt service shall be the sole responsibility of the borrower.
2. Payment of interest and other charges arising from the credit is in the nature of a current transaction, not requiring the authorization of the Bank of Mozambique.
3. Without prejudice to the provisions of the preceding paragraph, payments related to the (principal) capital amortization shall be subject to registration upon completion of a separate model form established by the Bank of Mozambique, which shall be accompanied by the notice or the debit note.
4. Transfers inherent in the payments referred to in paragraph 2 shall be carried out in accordance with the procedures laid down in Article 60.

Article 89 (Financial credit granted to foreigners)

1. The application for authorization to grant financial credit from resident to non-resident abroad is made by completing an own model form, established by the Bank of Mozambique, with the following elements:

- a) Documents identifying the parties;
- b) Copy of the proposed credit agreement;
- c) Financial statements.

2. For the purpose of consolidating the foreign exchange registry, the lending entity shall, within thirty days from the date of its signature, send the certified copy of the credit agreement to the Bank of Mozambique containing, among other information, the amortization.

3. The receipts resulting from the repayment by the borrower shall, with the necessary adaptations, be subject to the arrangements provided for in Article 8.

4.8 SECTION VIII - GUARANTEES

Article 90 (Guarantees provided by residents to non-residents)

1. Except as provided in paragraph 2 of this article, the provision of any kind of guarantees by resident entities, including those provided by banks, involving payment to:

- a) Non-resident, in meticals or in foreign currency;
- b) Resident, for and on behalf of a non-resident.

2. Guarantees related to current transactions are authorized.

3. The provision of guarantees is permitted where at least one of the following circumstances exists:

- a) Is rendered for a period equal to or less than three hundred and sixty days;
- b) It is provided in favor of a non-resident entity or on behalf of a resident entity under a transaction that has been previously authorized by the Banco de Mozambique;
- c) Is provided on behalf of a non-resident for any purpose, provided that against guaranteed by deposit of equal amount, payable on first request;

- d) In the case of resident or non-resident, it is provided to customs in the course of business with respect to the lack of documents, authenticity of signatures and redemption of merchandise upon receipt.

4. Banks may make payments under such guarantees provided that the circumstances referred to in points (a) to (d) of paragraph 3 of this Article are verified.

Article 91 (Guarantees granted by non-residents to residents)

1. The obtaining and use per resident of any bank guarantee issued by a non-resident entity is subject to the authorization of the Bank of Mozambique, and the respective request is made by completing the own model form, instituted by the Bank of Mozambique, instructed with the following elements :

- a) Identification documents of the interested party and the issuer of the guarantee;
- b) Document of reasons, indicating the reasons for the request;
- c) Document containing the terms and conditions of the issue of the guarantee.

2. It is authorized to obtain and use collateral related to current transactions.

SECTION IX - TRANSFERS IN EXECUTION OF INSURANCE CONTRACTS

Article 92 (Scope)

- 1. Transfers between residents and non-residents in the execution of insurance contracts of a duration of more than one year or relating to a capital transaction shall be the subject of capital transactions.
- 2. Transfers related to insurance that do not have the characteristics described in the previous number are current transactions and are therefore free of authorization from the Bank of Mozambique, without prejudice to the procedures inherent in the duty of verification and registration in the general terms of this Notice .

Article 93 (Transfers in execution of insurance contracts)

1. Transfers between residents and non-residents for the execution of insurance contracts of a duration of more than one year or related to capital transactions are subject to the authorization of the Bank of Mozambique.

2. The request for transfer authorization referred to in the previous number is made through the completion of the own model form, established by the Bank of Mozambique, with the following elements:

- a) documents identifying the interveners, including the beneficiary;
- b) Proposed insurance policy;
- c) Favorable opinion of the Institute of Insurance Supervision of Mozambique;
- d) Proof of the source of resources for payment of the prizes.

3. The provisions of the previous paragraph apply whether it is insurance constituted by a resident in favor of a non-resident, or in the opposite case.

4. The transfer of insurance premiums, irrespective of the duration of the contract,

4.10 SECTION X - OPERATIONS ON SECURITIES AND OTHER TRANSACTIONAL INSTRUMENTS IN THE MONETARY AND CAPITAL MARKET

Article 94 (Securities and other instruments traded on the money and capital markets abroad)

1. Without prejudice to Article 70 (1), an application for authorization to carry out transactions in securities and other foreign capital is effected by completing the own model form, established by the Bank of Mozambique, instructed with the following elements:
 - a) Identification documents of the interveners;
 - b) Document containing the terms and conditions of the business, including correspondence exchanged with the intermediary entities on the investment;
 - c) Documents related to the identity of the intermediary of the business, namely portfolio manager, broker, custodian;
 - d) Proof of income or financial statements, whether natural or legal person;
 - e) Proof of compliance with tax obligations and other charges with the State.

2. For the purpose of consolidating the foreign exchange registry, the entity interested must also provide proof of the application of funds abroad.

Article 95 (Declaration and repatriation)

Transactions carried out pursuant to Articles 78 and 96 shall be subject to the duty to declare, and the funds shall be repatriated in case of discontinuation of the investment.

Article 96 (Securities and other instruments traded on the off-exchange market in Mozambique)

1. The performance in the country of operations relating to money market or capital securities by non-resident entities shall be effected through financial intermediaries authorized to operate in Mozambique, upon authorization of the Bank of Mozambique.

2. For the purposes of the preceding paragraph, it is the responsibility of the financial intermediaries to submit applications to Banco de Mozambique as well as to conduct all the process inherent to the registration and, if applicable, re-export of invested capital and earnings.

3. The application referred to in paragraph 1 of this article shall be carried out by completing an own model form, established by the Bank of Mozambique, with the following documents:

- a) Investor identification documents;
- b) Proof of the legitimacy of the ownership of the funds to be invested.

4. The export of capital and earnings shall be subject to the presentation of proof of compliance with tax obligations.

5. In relation to money market operations, their authorization will still be dependent on market conditions, depending on the assessment by the Bank of Mozambique.

4.11 SECTION XI - IMPORT AND EXPORT OF PHYSICAL SECURITIES

Article 97 (Import and export of foreign currency notes or coins)

1. The importation or exportation of foreign currency notes and coins is subject to authorization by the Bank of Mozambique.
2. For the purposes of authorization, the Bank of Mozambique issues a permit for the import or export of foreign notes and coins, valid for the time period indicated in the respective application, with a maximum validity of one year.
3. Once issued the bulletin in accordance with the previous number, the bank is obliged to register daily, in accordance with procedures to be determined by the Bank of Mozambique, statistical information on actual imports or exports.

Article 98 (Import and export of securities)

1. The provisions of the preceding article shall apply, *mutatis mutandis*, to the import or wholesale exportation for commercial purposes of bills, promissory notes, invoice extracts, shares, bonds, domestic and foreign, coupons as well as public debt securities, carried out by authorized institutions.

2. The regime established in the previous article does not apply to cases in which the importation or exportation of securities is in the scope of stock market transactions, which obey a special regime.

4.12 SECTION XII - PERSONAL CREDIT

Article 99 (Personal credit received from abroad)

1. The request for authorization for the contracting of a personal credit is made by completing the own model form, established by the Bank of Mozambique, with the following elements:

- a) Identification documents of the creditor and borrower;
- b) Copy of the credit proposal;
- c) Economic or social grounds justifying indebtedness;
- d) Demonstration of the source of funds for repayment of the credit;
- e) Proof of the legal origin of the borrowed funds.

2. The provisions of Article 86 (3) and (6) shall apply to the contracting of personal credit.

Article 100 (Personal credit granted abroad)

1. The application for authorization to grant credit of a personal nature by resident or non-resident abroad is carried out by completing an own model form, established by the Bank of Mozambique, instructed with the following elements:

- a) Identification documents of the creditor and borrower;
- b) Copy of the credit proposal;
- c) Economic or social grounds justifying indebtedness;
- d) Demonstration of the source of funds for repayment of the credit;
- e) Proof of the legal origin of the borrowed funds.

2. For the purpose of consolidating the foreign exchange registry and initiating disbursements, the creditor must send a certified copy of the credit agreement to the Bank of Mozambique, within thirty days from the date of its signature.

5 CHAPTER V - OTHER EXCHANGE TRANSACTIONS

5.1 SECTION I - OTHER EXCHANGE TRANSACTIONS SUBJECT TO AUTHORIZATION

5.1.1 SUBSECTION I OTHER CAPITAL MOVEMENTS

Article 101 (Transfers and receipts not qualified as current transactions)

1. The transfer abroad and the receipt of the foreign currency not qualified as current transactions is subject to the prior authorization of the Bank of Mozambique, pursuant to the provisions of paragraph i) of paragraph 3 of article 6 of the Foreign Exchange Law.

2. The provisions of the previous number shall include, among other operations, the transfer or receipt of:
 - a) Amounts related to miscellaneous indemnities not related to insurance, provided that it is a capital asset;
 - b) Assets constituted in the country by non-residents or by residents abroad, in case of immigration or emigration;
 - c) Refunds made in case of cancellation of undue contracts or payments with capital character.
 - d) Payments due to the purchase or sale of copyrights, trademarks, licenses, patents, franchising, royalties or other industrial and intellectual property rights.

3. For the purpose of authorization, the entity concerned must, by itself or through a bank authorized to operate in Mozambique, submit the respective application, by completing the own model form established by the Banco de Mozambique, instructed with the following elements :
 - a) Identification documents of the interveners;
 - b) Documents proving the facts or characterization of the transaction that form the basis for the request and which give legitimacy to the applicant;
 - c) Proof of the satisfaction of the inherent fiscal obligations, under the terms of the applicable legislation.

5.1.2 SUBSECTION II OPERATIONS ON METALS

Article 102 (Acquisition or sale of gold or silver coins)

1. The acquisition or disposal of gold or silver coins shall be authorized by the Bank of Mozambique, pursuant to paragraph a) of paragraph 3 of article 6 of the Foreign Exchange Law.
2. For the purposes of authorization, the interested entity submits the respective application, either by itself or through a bank authorized to operate in Mozambique, by completing its own model form, established by the Bank of Mozambique, instructed with the following elements:
 - a) Identification documents of the interveners;
 - b) Document containing the terms and conditions of the acquisition or disposal;
 - c) In case of disposal, proof of legitimate possession.
3. The provisions of paragraphs 1 and 2 of this Article shall not apply to cases of acquisition and disposal for commercial purposes.

Article 103 (Exports of precious metals)

1. The export of gold, silver, platinum or other precious metals in bars, ingots or other unprocessed forms requires the authorization of the Bank of Mozambique, pursuant to Article 6 (3) (b) of Foreign Exchange Law.
2. For the purposes of authorization, the interested entity submits the respective application, either by itself or through a bank authorized to operate in Mozambique, by completing its own model form, established by the Bank of Mozambique, instructed with the following elements:
 - a) Identification documents of the interveners;
 - b) Document containing the terms and conditions of the export;
 - c) Marketing license;
 - d) Exporter's license in the case of first export.
3. In the case of a second or subsequent export, the authorization of the Bank of Mozambique depends on the presentation of proof of repatriation of the previous export revenue.
4. Whenever gold, silver, platinum or any other precious metal is exported for sale or payment in compliance, Banco de Mozambique shall enjoy preemptive rights in the purchase of said metals, in the precise terms stated in the proposed sale or payment in compliance.

5.1.3 SUBSECTION III - OPENNESS AND ACCOUNT MOVEMENT

Article 104 (Opening and movement of accounts of non-residents in national currency related to capital transactions)

1. The opening and movement of accounts in national currency by non-resident entities, when related to capital transactions, are subject to authorization by the Bank of Mozambique, pursuant to paragraph c) of paragraph 3 of article 6 of the Law Foreign exchange.
2. The application for authorization to open the account shall be submitted to the Bank of Mozambique by the entity concerned or through a bank authorized to operate in Mozambique, simultaneously with the request for authorization of the respective capital operation, or separately, in cases where the need to open the account will be verified at a later time.
3. In any of the cases referred to in the preceding paragraph, the application for authorization must be accompanied by at least the following elements:
 - a) Identification documents;
 - b) Characterization of the capital operation to which the account relates;
 - c) Conditions of movement, namely regarding the obligations requirements and purposes;
4. In opening a bank account, the other requirements related to the opening of bank accounts in general must be observed.

Article 105 (Opening and movement of accounts in foreign currency by residents)

1. The opening and movement of accounts in foreign currency or in units of account used in international compensation or payments by residents is subject to authorization from the Bank of Mozambique.
2. Requests for the opening of accounts of residents in foreign currency are submitted by the interested parties to the banks, upon completion of the own model form established by the Banco de Mozambique.
3. The opening of accounts in foreign currency is authorized to residents who have a proven relationship with foreign or non-resident, namely:
 - a) Exporters;
 - b) Companies or organizations;

- c) workers or employees of international undertakings or organizations;
 - d) Other entities that generate or receive foreign exchange.
-
- 4. In opening accounts under the terms of the previous number, banks must observe the duty of verification.

 - 5. The withdrawal of funds from residents' accounts in foreign currency may only be carried out for the purposes of travel abroad, and is limited to the maximum value equivalent to USD 5,000.00 (five thousand United States dollars) per traveler.

 - 6. The provisions of the preceding paragraph shall apply to foreign currency accounts held by non-residents, whose opening and movement, when not related to capital transactions, is free of authorization from the exchange authority and complies with the requirements of bank accounts in general.

 - 7. The payment of debts to residents of foreign currency, when it is intended for payments abroad, is subject to compliance with the requirements inherent to the foreign exchange transaction to which they relate, under the terms set forth in this Notice.

Article 106 (Power supplies)

Foreign currency accounts held by resident entities must have as sources of food:

- a) In relation to natural persons:
 - i. Deposits of banknotes or traveler's checks;
 - ii. Transfers of bank accounts;
 - iii. Credits contracted abroad;
 - iv. Export earnings;
 - v. Foreign investment income;
 - vi. Deposit of other means of payment accepted in the banking system.

- b) In relation to legal persons:
 - i. Deposit of notes;
 - ii. Funds arising from credits or intended for their amortization;
 - iii. Export receipts;

- iv. Investment income abroad; v. Domestic and foreign transfers;
- vi. Other means of payment accepted by the banking system.

5.1.4 SUBSECTION IV - PAYMENT OF CONTRIBUTIONS IN COMPREHENSIVE SOCIAL SECURITY SCHEMES ABROAD

Article 107 (Contributions to supplementary social security schemes abroad)

1. Transfers related to payment of contributions in supplementary social security schemes abroad are subject to authorization from the Bank of Mozambique, subject to the favorable opinion of the Insurance Supervision Institute of Mozambique.
2. The decision of the Banco de Mozambique takes into account, among other criteria, the availability of foreign currency, the country's macroeconomic situation and exchange market conditions.

5.2 SECTION II - OTHER EXCHANGE TRANSACTIONS NOT SUBJECT TO AUTHORIZATION

Article 108 (Physical entry and exit of foreign notes and coins)

1. The physical entry and exit of foreign notes and coins in national territory is limited to the amount equivalent to USD 5,000.00 (five thousand United States dollars), and does not require any declaration.
2. Exceptions from the limit imposed by the previous number are the withdrawal of cash from games of chance, in accordance with the terms of Article 131 (3).

Article 109 (Physical entry and exit of national banknotes and coins)

1. For the purposes of exchange registration, physical entry and exit of national banknotes and coins of more than 10,000 MT (ten thousand meticaís) shall be declared.
2. The declaration shall be issued by means of the duplicate application of the model form established by the customs authorities and the traveler shall retain the duplicate copy of the model.
3. The customs authority sends to the Banco de Mozambique, on a quarterly basis, the information compiled on the entry and exit of national currency.

6 CHAPTER VI - SPECIAL EXCHANGE RULES

6.1 SECTION I - PETROLEUM AND GAS OPERATIONS

Article 110 (Scope)

The provisions of this Section shall apply to foreign exchange transactions carried out by the Concessionaires, Specific Purpose Entities and each Principal Subcontractor, as well as to the Financing Facility, Non-resident Subcontractors and Expatriate Personnel, as operators in the oil and gas sector to be operated in Mozambique.

Article 111 (Use of the banking system)

In the production phase, all payments of goods and services made by the entities referred to in the previous article to resident or non-resident entities must be carried out through banks authorized to operate in the Republic of Mozambique.

Article 112 (Transfer of profits and dividends)

1. Once the fiscal obligations and other charges with the State have been fulfilled, the entities referred to in article 110 may transfer the profits and dividends of non-resident entities abroad.
2. The provisions of Article 56 shall apply to the transfer referred to in the preceding paragraph.

Article 113 (Sale of foreign currency to Banco de Mozambique)

1. In order to comply with tax obligations and other charges with the State, the entities referred to in article 110 sell foreign currency to the Bank of Mozambique, under the terms defined by it.
2. The sale of currency referred to in the preceding paragraph shall be made at the reference exchange rate in force, as disclosed by the Bank of Mozambique, on the day of the transaction.

Article 114 (Opening and movement of accounts with financial institutions in Mozambique)

The Concessionaires are authorized to:

- a) To open and maintain one or more national currency accounts in any bank operating in the Republic of Mozambique and may, without prejudice to compliance with the

general rules applicable to the handling of bank accounts, dispose of the amounts deposited therein for payment to resident entities.

- b) Opening and maintaining one or more accounts in foreign currency at any bank operating in the Republic of Mozambique in order to receive from abroad and dispose of the amounts therein for the settlement of imports of goods and services related to petroleum operations, among other matters.

Article 115 (Opening and movement of accounts with financial institutions abroad)

1. The Concessionaires are authorized to:

a) Opening and maintaining bank accounts abroad to receive export revenues, disbursements of foreign credits and investment;

b) The Concessionaires may dispose of the funds of these accounts for the following purposes:

- i. Payments for debt service to cover the installments due and maintenance of other provisions for debt service as required in the financing agreements approved by the Bank of Mozambique;
- ii. Payments for repayment of advances and loans from affiliated undertakings, including interest and other charges;
- iii. Payments of operating costs and capital expenditures, including goods and services to Principal Subcontractors, non-resident subcontractors, remuneration of personnel and other obligations that must be fulfilled outside the country during the Research, Development and Expansion phases;
- iv. Compliance with tax obligations and other charges with the State;
- v. Payments to the State resulting from the sale of oil under the Concession Contract for Research and Production; saw. Payments due to the National Hydrocarbons Company, pursuant to the law.

2. After the payments referred to in the preceding paragraph, the surplus of export earnings and income generated abroad shall be remitted to a bank operating in the Republic of Mozambique within ninety days from the date of payment of the installment and respectively.

Article 116 (Financing of operations)

- i. The Bank of Mozambique may authorize the contracting of credit to finance concessionaire operations by submitting annual financing plans, which shall contain the projections and terms and conditions of financing.

3. The credits contracted under the terms of the previous number shall be registered with the Bank of Mozambique.
4. Significant changes to the terms and conditions which have led to the authorization of the credits referred to in this Article shall be subject to authorization.
5. Significant changes in terms and conditions, increase in the interest rate above the margin of two percentage points, increase in guarantees, or the introduction of unanticipated charges under the terms and conditions assessed by the Bank of Mozambique are considered.
6. The financing of the operations of the Concessionaires is their sole responsibility.
7. The Concessionaires finance their share of the investment necessary to carry out the operations, in full, in foreign currency.
8. Without prejudice to the fulfillment of fiscal obligations and other charges with the State, to meet direct payments to suppliers of goods and services contracted from abroad, credit and investment disbursements may, in the phases of Research, Development and Expansion, be made directly in the accounts abroad.
9. Repayment of credit, including supplies, interest payments and other related charges, is made through the foreign accounts established for this purpose and provisioned with export earnings withheld up to the limit of installments due, in accordance with the financing documents.

Article 117 (Projection of fiscal revenues, exchange-rate budget of revenues and expenses)

1. The Concessionaires shall submit to the Bank of Mozambique, by November 30 of each year, the projection of export revenues, expenditures and tax revenues for the following year, in order to monitor the execution of the foreign exchange operations of the projects.
2. Concessionaires must also send to the Bank of Mozambique by the aforementioned date the annual investment budget.

Article 118 (Registration of foreign investment)

1. The registration of foreign direct investment shall be carried out in accordance with the following procedures:

- a) Presentation of a copy of the bank bordereau issued by the bank of the concessionaire proving receipt of the foreign currency in favor of the enterprise, when the investment is made through the entry of foreign currency;
- b) Presentation of the single documents, when the investment is made through the importation of equipment, machinery and other material goods provided for under the contract.

2. When the investment incorporates specialized services, in the Research, Development and Expansion phases, registration is done based on the certification of the auditors, attaching proof of compliance with the tax obligations and other inherent State charges, within thirty days .

Article 119 (Provision of information)

1. With respect to the accounts opened in accordance with articles 114 and 115, the Concessionaires must provide the Banco de Mozambique with all elements of identification thereof, namely the bank and its domicile, the account number (s), as well as other relevant elements, within a period of fifteen, counted from its opening.
2. In the context of the movement of the accounts abroad, referred to in Article 115, the Concessionaires must:
 - a) Report to the Bank of Mozambique on a regular basis the movements in the accounts, and must order its bank to send quarterly statements directly to the Bank of Mozambique;
 - b) To renounce, under the terms defined by the Bank of Mozambique, their rights of banking secrecy in order to allow access to banking information and make it possible to carry out audits;
 - c) Support auditing expenses, which are considered recoverable costs.
3. The concessionaires shall, on a quarterly basis, submit to the Bank of Mozambique, under the terms defined herein, the detailed list of contracts entered into with non-resident entities that supply goods and services, which may request copies of said contracts.

Article 120 (Visit to the premises)

The Bank of Mozambique may, upon prior notification, visit the premises of the Concessionaires as well as the operational areas of the project, which must provide all necessary collaboration for the purpose of the visit.

6.2 SECTION II - MINING ACTIVITY

Article 121 (Sale of foreign currency to Banco de Mozambique)

1. In order to comply with tax obligations and other charges with the State, entities holding mining concessions, which are exporters, sell foreign currency to the Bank of Mozambique, under the terms defined by it.
2. The sale of currency referred to in the preceding paragraph shall be made at the reference exchange rate in force, disclosed by the Bank of Mozambique, on the day of the transaction.

6.3 SECTION III - BROKER OPERATIONS

Article 122 (Scope)

1. The provisions of this section apply to procedures for investments, capital transfers, interest, dividends and other income related to securities transactions admitted to trading on the Mozambican Stock Exchange by non-resident entities.
2. The provisions of this section also apply to foreign exchange transactions related to securities issued by national entities listed on the Mozambique Stock Exchange and traded on the Capital Markets abroad, as well as securities issued by foreign entities, listed on the respective Stock Exchanges when traded in Mozambique.

Article 123 (Transactions carried out by non-resident entities)

1. Investments in securities admitted to trading on the Mozambican Stock Exchange by non-resident entities are permitted.
2. The transactions referred to in the preceding paragraph are carried out through a financial intermediary authorized to carry out the activity of financial intermediation in securities, hereinafter referred to as authorized intermediary.

Article 124 (Transfer of invested funds and respective income)

The transfer of invested funds, interest, dividends and other income resulting therefrom abroad under this Notice shall be made through a bank authorized to operate in the country provided that:

- a) The non-resident entity submits to its authorized intermediary documentary proof of the entry of funds into the country by transfer;

- b) The non-resident entity presents proof of compliance with the tax obligations and other legal taxes levied on the income generated.

Article 125 (Transactions relating to foreign securities traded on the Mozambique Stock Exchange)

Foreign exchange transactions related to foreign securities traded on the Mozambican Stock Exchange, under the terms legally permitted, shall apply, with the necessary adaptations, in addition to the rules of this section, those related to portfolio investment related to securities and other foreign instruments traded in the Money and Capital Markets in Mozambique.

Article 126 (Transactions related to securities listed on the Stock Exchange of Mozambique traded abroad)

Foreign exchange operations related to securities listed on the Mozambican Stock Exchange traded abroad, under the legally permitted terms, shall apply, with the necessary adaptations, in addition to the rules of this section, those relating to portfolio investment related to securities and other instruments transactions in the foreign money and capital markets provided for in Article 96.

Article 127 (Verification duty)

1. Authorized intermediaries and other intervening entities shall ensure compliance with the applicable legislation in force prior to any requested transaction.
2. In particular, authorized intermediaries shall be responsible for verifying all material and formal requirements inherent in the operations to be carried out under this Section.
3. For the purposes of the preceding paragraphs, the non-resident entity must provide its authorized intermediary with all the evidence indispensable to the proper performance of the transaction when requested.

Article 128 (Information duty)

1. Authorized intermediaries must report to the Bank of Mozambique, within forty-eight hours, all occurrences of transactions carried out within the scope of this Notice.
2. The authorized intermediaries are obliged to constitute a file containing all information related to the operations they carry out on behalf of non-resident entities, in accordance with the legislation in force.

6.4 SECTION IV - TRANSFER OF GAMES

Article 129 (Scope)

1. The provisions of this Section shall apply to transfers abroad of gains arising from the practice of games of chance or social entertainment by non-resident players in premises authorized by the competent authority in accordance with the law.
2. The provisions of this section shall also govern the exercise of partial foreign exchange trading or for the purpose of transfers referred to in the preceding paragraph.

Article 130 (Transferability)

Income derived from the practice of games of chance or social entertainment referred to in the previous article are transferable abroad provided that the requirements are fulfilled and the procedures set forth in this Notice and other applicable legislation are complied with.

Article 131 (General requirements for transferring game winnings)

1. Without prejudice to the provisions set forth in the following article, regarding gains from games made by non-resident players exclusively or partially in foreign currency, the transfer abroad of winnings of games of chance or of social entertainment shall be effected by means of the issue of the relevant Game Gain Certificate.
2. The exit through the border posts of the country of a sum of money from games of chance or of social entertainment not exceeding the limit equivalent to USD 5,000.00 (five thousand United States dollars America).
3. Exit from the country of the gains referred to in paragraph 1 shall be subject to authorization in accordance with Articles 132 and 133 where the following circumstances apply:
 - a) through the border posts in the country, cash amounts exceeding USD 5,000.00 (five thousand United States dollars); or
 - b) By bank, whatever the amount.

Article 132 (Gains resulting from games made in foreign currency)

1. The non-resident player who carries out foreign exchange transactions and exclusively spends foreign currency for the purpose of playing games of chance and who has won the game shall be entitled to receive the respective "Game Winnings Certificate" of a model approved by the General Inspection of Games, after hearing the Banco de Mozambique.
2. The certificate referred to in the previous number, when duly confirmed by the General Inspectorate of Games, shall serve as the basis for the authorization of the transfer abroad of the respective gains.
3. The amounts to be transferred, resulting from game winnings, referred to in the preceding paragraphs, are not subject to any limits, provided they are duly documented and ratified by the General Inspectorate of Games.
4. Any foreign currency, with legal tender in the country of origin and freely convertible, presented to the operators of games of chance for the purpose of betting, may be converted to the currency indexed in the game unit, in practice in the entity of games in the form of chips or playing credits.
5. The prizes won through the bets referred to in the preceding paragraph may be paid in the currency referred to in the preceding paragraph up to the limit of the amount with which the player has acquired chips or credits of play and the remainder in the indexed currency of the playing unit, not having the right to demand payment of the total prize money in the currency of acquisition of the gambling chips.

Article 133 (Special register)

1. The special registration for the purpose of transferring winnings of games of chance or of social entertainment is made through the issuance of the relevant Gaming Certificate.
2. The Game Winning Certificate is issued by the Game's concessionaire, obeying its own model approved by the General Inspectorate of Games, after consulting the Bank of Mozambique.
3. The Game Winning Certificate must be dated and signed by the Cashier and the Director of the game concessionaire entity where the value of the Certificate has been earned, and must necessarily include the player's identification, the amount won and the form of payment , as provided for in the model referred to in the preceding paragraph.

4. In the Gaming Certificate the beneficiary must declare to be non-resident in Mozambique, indicate the number, date, place and entity issuing the entry visa, as well as the respective passport and nationality.

Article 134 (Authorization of physical transfer or exit)

1. The authorization of the transfer abroad of the amount won is given by the General Inspectorate of Games, by affixing in the Certificate of Game Gain of the signature of the Inspector in service and the stamp in use in the Inspection Service with the concessionaire entity of games.
2. The physical transfer or exit depends on the presentation by the player to the relevant entities of the Game Gain Certificate issued under the terms of the previous number.

Article 135 (Distribution of the Game Gain Certificate)

The Game Gain Certificate must be issued in quadruplicate, earmarked:

- a) The original, to the player who is the beneficiary of the transfer;
- b) The duplicate, the presentation to the customs entity at the border exit point of the country, in the case of amounts in cash, or the presentation to the bank of the concessionaire of games, in the case of a bank transfer;
- c) The triplicate, to the General Inspectorate of Games; and
- d) The quadruplicate, to the game concessionaire, issuer of the certificate.

Article 136 (Conversion of premiums in foreign currency to national currency)

Non-resident players are allowed to exchange premiums earned in foreign currency by national currency.

Article 137 (Transfer mechanisms)

Payment of games allowed or authorized under this Regulation may be made by cash, bank transfer or any other means of payment, including bank card loading.

Article 138 (Partial trade in foreign exchange for games)

1. In the context of the activity of operating games of chance or of social entertainment, they may engage in partial foreign exchange trading related to the activity they carry out, through the establishment of a specific service and with the necessary authorization from the Banco de Mozambique:

- a) Casinos;

- b) Other entities engaged in the exploitation of games of chance or social entertainment.

2. Gaming operators, when they do not have a specific service for the trade of partial foreign exchange, are allowed to engage in foreign exchange transactions related to the gaming activity in their buying banks.

3. The entities referred to in the preceding paragraph are prohibited from trading in foreign exchange transactions in acts that are not related to their activity.

Article 139 (Provision of exchange information and supervision)

1. The gaming concessionaire shall provide the Banco de Mozambique with exchange information and any clarifications requested on the matter.
2. The Banco de Mozambique may carry out inspections of game concessionaires in respect of its responsibility as a foreign exchange authority and supervisor of the financial system.
3. For the purposes of the previous paragraphs, the gaming concessionaires must keep on file the documents related to game winnings by non-resident players, the subject of the issue of Gaming Certificates.

Article 140 (Subsidiary system)

In all matters not specifically provided for in this section, the general regime of foreign exchange transactions shall be applicable under the terms of the Foreign Exchange Law.

6.5 SECTION V - EXCHANGE IN BORDER ZONES

Article 141 (Trade in special regime in border areas)

In the context of the exchange in border areas, the exchange of currency under special regime is allowed to entities that do not meet the requirements of the legislation applicable to credit institutions and financial companies, meet the minimum conditions and request the appropriate authorization under the terms of this Notice.

Article 142 (Minimum conditions for trade in special regime exchange in border areas)

Minimum conditions for carrying out trade in special arrangements in border areas under this section are:

- a) Is domiciled in the border area where the activity is to be carried out;
- b) have a source of income which can support the commencement of trading activity;
- c) have reliable references from the local administrative authority, which shall deal in particular with the following elements:
 - i. Suitability;
 - ii. Ability to ensure, by themselves or by third parties, the provision of mandatory information on the activity to the competent authorities;
 - iii. Possess facilities where the activity of foreign exchange trading can be developed.
 - iv. Obtain the necessary authorization from the Bank of Mozambique, which will establish the terms of the exercise of this activity.

Article 143 (Applications for authorization)

1. For the purposes of authorization referred to in the previous article, interested entities must submit the respective application to the Bank of Mozambique instructed by the following documents:

- a) Identification document of the applicant;
- b) Application form, duly completed;
- c) Declaration of residence issued by the District Administrative Authority.

2. The declaration referred to in sub-paragraph c) of the previous number shall contain the certification of the following elements:

- a) residence of the applicant;
- b) Suitability of the applicant;
- c) Realization by the applicant of activity that allows the obtaining of resources that can support the realization of foreign exchange trading;
- d) Provision by the applicant of premises for carrying out the activity of foreign exchange trading.

3. The requests for authorization referred to in this article shall be entered in the District Administration of the border area where the activity is intended to be carried out, and shall be dealt with by the Branch or other forms of representation of the Banco de Mozambique that supervises the area of the district.

4. Authorization shall be granted upon the issue of an annual, renewable license.

Article 144 (Obligation to send information)

Entities authorized to engage in foreign exchange trading under the terms of this section are obliged to send to the Banco de Mozambique the semi-annual report of the movements made, using a specific model established by the Bank of Mozambique, observing, for this purpose, the procedure provided for in article previous.

6.6 SECTION VI - OTHER SPECIAL EXCHANGE RULES

Article 145 (Other special cases governed by its own regulations)

The following special cases are governed by their own regulations and, in the alternative, by this Notice:

- a) Remittances of Mozambican emigrants;
- b) Foreign exchange operations carried out in industrial free zones;
- c) Foreign exchange transactions carried out in special economic zones;
- d) Other situations defined in special legislation.

7 CHAPTER VII FINAL PROVISIONS

Article 146 (Penalty regime)

Violation of the provisions set forth in this Notice is punishable under the terms of articles 10 et seq. Of the Foreign Exchange Law, approved by Law no. 11/2009, of March 11.

Article 147 (Clarification of doubts)

The doubts that arise in the interpretation and application of this Notice must be submitted to the Department of Licensing and Exchange Control of Banco de Mozambique.

Article 148 (Entry into force)

This Notice shall enter into force on the date of its publication.

Rogério Lucas Zandamela Governor