

## Frequently Asked Questions (“FAQ”): New Process for Inward Telegraphic Transfer (IWT) in Compliance to Foreign Exchange Administration (FEA) Rules Requirement

### 1. Why the need for the New Requirements?

We and you must ensure compliance with the relevant regulatory requirements.

### 2. When will the New Requirements take effect?

7 November 2016

### 3. What is the main difference between the existing process and the new process for ITT arising from the New Requirements?

#### Existing Process

All funds will be credited via system to the customer’s account without any hold status and will be available for customer’s withdrawal.

Customer to provide information to the branch where the account is maintained (“Branch”) for BNM’s International Transactions Information System (ITIS).

#### New Process

All funds will be **credited** via system to the customer’s account with a **“Hold” status**.

**All funds will only be made available** for customer’s use after we have performed necessary compliance verification and obtained sufficient supporting documents from the customer if required, failing which the funds will be returned to the remitter after 3 business day from receipt of the funds.

### 4. What are the required supporting document?

The relevant supporting documents are as listed in the Appendix.

### 5. Who should submit the supporting documents?

The customer should submit the supporting documents to the Branch failing which the Branch will contact the customer to do so.

### 6. When, where and how will the customer submit the supporting documents?

The customer must submit copies of the supporting documents within 3 days of receipt of the funds to the Branch via hand or email or fax. The Branch will contact the customer if the hard copies of the supporting documents or further information is required.

### 7. Can the customer request for an extension/grace period for submission of documents?

Case to case basic.

### 8. Will the customer receive any credit advice?

The customer will receive a credit advice after the Branch releases the “HOLD” status which can be viewed by an M2u / M2e customer after 11pm on that day.

**9. When and why will the funds be returned to the remitter?**

The Branch will debit your account and return the funds less applicable charges and foreign exchange difference, if any, to the remitter after **3 business days** of receipt of the funds in the event the compliance verification is not successful or where there is no purpose of payment or supporting documents or we are unable to contact the customer.

**10. What are the penalties for not complying with the FEA rules?**

Per subsection 214(9) of the Financial Services Act and / subsection 225(9) of the Islamic Financial Services Act, non-compliance with any of the FEA Rules will result in either one of the following:

- a) Imprisonment up to 10 years;
- b) Fine up to RM50 million; or
- c) Both.

**11. Who should customers contact to obtain more information on this matter?**

Should you require further assistance, you are welcome to contact your Branch or Maybank Group Customer Care at: 1300 88 6688

For more details or clarification on the FEA Rules, kindly refer to Bank Negara Malaysia's ("BNM") website at [www.bnm.gov.my](http://www.bnm.gov.my) or contact [BNMTELELINK](mailto:BNMTELELINK) at 1-300-885465 or email to [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my).

**Investment Onshore**

S&P, Loan Agreement, Sales order, Agreement, Purchase Receipt, Board Resolution etc.

**Borrowing/ advance**

- Declaration by resident on Existing Foreign Currency Borrowing
- Loan agreement
- Any transaction above the limit, BNM approval letter is to be sighted and verified by staff

**Own Fund Transfer**

- Declaration prior to crediting funds into MFCA1/MFCA2
- Statement account or CDD on the customer

**Export Receivable**

- Invoice/s

**Services**

- Invoice/s OR/AND
- Service Agreement

**Dividend/return/proceed receivable by a resident investor**

- Dividend warrant OR/AND
- Company's resolution or other valid documents confirming the amount of dividend declared
- BNM approval (if applicable)

**Immediate family member**

- Declaration on gift / donation & immediate family member

**Gift/ Donation/ Charity / Pension/ Grant / Gratuity**

- Declaration on Gift / Donation & Immediate family Member OR/AND
- Appeal letter for sourcing donation

**Sale of Asset by Resident to Non-Resident**

- Sale & Purchase Agreement OR/AND
- Letter of Offer for Takeover

**Receipt payment from other resident in FC**

- Payment is to be received either in FCAI or RM account (in the absence of FCAI)

**Swapping of financial assets**

- Sale & Purchase Agreement OR/AND
- Letter of Offer for Takeover

**Proceeds sourced from the listing of shares through an Initial Public Offering on the Main Market of Bursa Malaysia**

- Board resolution
- Bursa announcement on proceed listed on main market

**Migration to Malaysia**

- Document confirming permanent resident (PR) status granted from the relevant authority OR/AND
- Permanent Resident (PR) VISA or Re-entry VISA issued by Malaysian Authority