NOTICE 4: PAYMENT AND RECEIPT

TABLE OF CONTENTS

No.	Content	Page
1.	PART A: PAYMENT AND RECEIPT FOR APPROVED TRANSACTION	2
2.	PART B: PAYMENT IN RINGGIT	3
	Payment in Ringgit Between Non-Resident and Resident or Non-Resident	3
3.	PART C: PAYMENT IN FOREIGN CURRENCY	4
	Payment in Foreign Currency Between Residents	4
	Payment in Foreign Currency Between Resident and Non-Resident	5
	Payment in Foreign Currency Between Non-Residents	5
4.	PART D: PAYMENT RELATING TO REMITTANCE BUSINESS	6
5.	PART E: REPATRIATION OF FUNDS BY NON-RESIDENT	7
6.	PART F: OPENING AND MAINTAINING OF ACCOUNT	8
	Ringgit Account	8
	Foreign Currency Account	9
7.	Appendix: Requirements on NRFI or Non-Resident Intermediary in Managing Ringgit Asset on Behalf of Clients	10

PART A: PAYMENT AND RECEIPT FOR APPROVED TRANSACTION

1. A person is allowed to make or receive a payment arising from any transaction approved in writing by the Bank under the FEP Notices or otherwise approved in writing by the Bank **subject to** compliance with the Direction on Dealings with Specified Person and in Restricted Currency issued by the Bank on 3 January 2022 (as amended or revised from time to time).

PART B: PAYMENT IN RINGGIT

Payment in Ringgit Between Non-Resident and Resident or Non-Resident

2. A Non-Resident is allowed to make or receive payment in Ringgit, in Malaysia, to or from another Resident or Non-Resident for—

(a) any purpose between Immediate Family Members;

(b) income earned or expense incurred in Malaysia; or

(c) settlement of—

(i) a trade in goods or services, **excluding** payment between Non-Residents for settlement of a trade in goods or services **outside** Malaysia;

(ii) a Ringgit Asset including any income and profit due from the Ringgit Asset; or

(iii) a commodity murabahah transaction undertaken through a commodity trading service provider, **excluding** payment between Non-Residents for settlement of a commodity murabahah transaction undertaken through a Non-Resident commodity trading service provider.

3. A Non-Resident is allowed to make or receive payment in Ringgit, in Malaysia, to or from a Resident for—

(a) a court judgement where the transaction under litigation is undertaken in compliance with the FEP Notices; or

(b) a reinsurance for domestic insurance business or a retakaful for domestic takaful business between a Resident and a person licensed to carry out Labuan insurance business under the LFSSA or LIFSSA.

PART C: PAYMENT IN FOREIGN CURRENCY

Payment in Foreign Currency between Residents

4. A Resident is allowed to make or receive payment in Foreign Currency, to or from another Resident for—

(a) any purpose between Immediate Family Members;

(b) education, employment or migration outside Malaysia;

(c) a transaction between the Resident and—

(i) a LOB;

(ii) a licensed international takaful operator; or

(iii) an international currency business unit of a licensed takaful operator,

in the conduct of the latter's business involving Foreign Currency;

(d) settlement of—

(i) a Foreign Currency-denominated derivative (**excluding** an Exchange Rate Derivative) transacted on a Specified Exchange under the CMSA between a Resident and a Resident futures broker;

(ii) a commodity murabahah transaction between Residents undertaken through a Resident or a Non-Resident commodity trading service provider;

(iii) a miscellaneous expense[1] incurred outside Malaysia between a Resident Individual residing in Malaysia and a Resident Individual residing outside Malaysia; or

[1] Miscellaneous expense is a Current Account Transaction that is of reasonable amount and infrequent in nature, including but not limited to holiday expenses abroad, medical expenses abroad and advance or reimbursement for purchase of goods and services abroad on behalf of a Resident Individual residing in Malaysia.

(iv) a domestic trade in goods or services between a Resident exporter and a Resident Entity involved in Global Supply Chain[2] operations in Malaysia, **provided that** the payment—

(A) is sourced from Trade FCA of the Resident payor or proceeds from a Foreign Currency trade financing facility obtained by the Resident payor in accordance with Part B of Notice 2;

(B) shall **not** be sourced from conversion of Ringgit into Foreign Currency by the Resident payor; and

(C) is credited into Trade FCA of the Resident payee.

Payment in Foreign Currency Between Resident and Non-Resident

5. A Resident is allowed to make or receive payment in Foreign Currency, to or from a Non-Resident **for any purpose**[3], **excluding** payment made or received for—

(a) a Foreign Currency-denominated derivative or Islamic derivative offered by a Resident **unless** approved by the Bank under Part B of Notice 5 or otherwise approved in writing by the Bank;

(b) a derivative or Islamic derivative which is referenced to Ringgit **unless** approved by the Bank under Part B of Notice 5 or otherwise approved in writing by the Bank; or

(c) an Exchange Rate Derivative offered by a Non-Resident **unless** approved by the Bank under Notice 1 or otherwise approved in writing by the Bank.

Payment in Foreign Currency Between Non-Residents

6. A Non-Resident is allowed to make or receive payment in Foreign Currency, in Malaysia, to or from another Non-Resident for **any purpose**.

---

[2] This includes pass-through payments for domestic trade in goods or services undertaken via Resident intermediate Entities along the Global Supply Chain.

[3] Subject to compliance with other FEP Notices.

PART D: PAYMENT RELATING TO REMITTANCE BUSINESS

7. The following persons are allowed to make or receive payment relating to remittance business as defined in section 2 of the MSBA for or on behalf of their customer **subject to** compliance with the Direction on Dealings with Specified Person and in Restricted Currency issued by the Bank on 3 January 2022 (as amended or revised from time to time):

(a) a person who is licensed under the MSBA to carry out remittance business or its money services business agent; or

(b) a person who provides a remittance system approved by the Bank under section 40(1) of the MSBA for a person referred to in paragraph 7(a).

PART E: REPATRIATION OF FUNDS BY NON-RESIDENT

8. A Non-Resident is allowed to repatriate from Malaysia, funds including any income earned or proceeds from divestment of Ringgit Asset, **provided that**—

(a) the repatriation is made in Foreign Currency; and

(b) the conversion of Ringgit into Foreign Currency is undertaken in accordance with Part B of Notice 1.

PART F: OPENING AND MAINTAINING OF ACCOUNT

Ringgit Account

9. A Non-Resident is allowed to open and maintain an External Account[4] with a Financial Institution in Malaysia.

10. Subject to paragraph 12, a NRFI is allowed to undertake the following transaction on behalf of its Non-Resident clients in facilitating settlement of international trade in goods or services between the Non-Resident client and a Resident:

(a) make payment in Ringgit to a Resident through the NRFI's External Account, **provided that** any sale of Foreign Currency against Ringgit shall be undertaken via straight pass-through transactions matched with a back-to-back arrangement with a LOB; or

(b) receive payment in Ringgit from a Resident through the NRFI's External Account.

11. Subject to paragraphs 12 and 13, a Non-Resident Intermediary or NRFI acting as a custodian or trustee is allowed to make or receive payment in Ringgit to or from a Resident or a Non-Resident on behalf of its Resident or Non-Resident clients in facilitating settlement of Ringgit Asset through—

(a) a Ringgit account opened and maintained by the Non-Resident Intermediary or NRFI for the Resident client;

(b) an External Account of the Non-Resident Intermediary or NRFI; or

(c) an External Account opened and maintained by the Non-Resident Intermediary or NRFI for the Non-Resident client.

12. Any transaction undertaken under paragraph 10 or 11 shall **not** involve any Ringgit financing by the Non-Resident Intermediary or NRFI to its Resident or Non-Resident clients.

13. A Non-Resident Intermediary or NRFI acting as a custodian or trustee managing Ringgit Asset for its clients shall comply with **Appendix**.

---

[4] Any payment, receipt or transfer from or into an External Account is allowed provided that the Non-Resident is able to produce documentary evidence that the purpose of transaction complies with relevant FEP Notices.

Foreign Currency Account

14. A Resident Individual is allowed to open and maintain a FCA with a LOB or a NRFI, individually or jointly[5] with another Resident Individual or a Non-Resident Individual.

15. Subject to Part A of Notice 3, a Resident Individual is allowed to transfer Foreign Currency funds from his FCA into—

(a) his own FCA;

(b) his joint FCA; or

(c) a FCA of his Immediate Family Member opened individually or jointly with any Individual.

16. Subject to Part B of Notice 3, a Resident Entity is allowed to open and maintain a FCA with a LOB or a NRFI.

17. A Resident Intermediary shall segregate Foreign Currency funds belonging to its Resident client from those belonging to its Non-Resident client into a separate FCA opened under the Resident Intermediary's name.

18. A Non-Resident is allowed to open and maintain a FCA with a LOB, individually or jointly with a Resident Individual or another Non-Resident.

[5] For a joint FCA where any one account holder is a Resident Individual with Domestic Ringgit Borrowing, Part A of Notice 3 shall apply.

APPENDIX

(Paragraph 13)

Requirements on NRFI or Non-Resident Intermediary in Managing Ringgit Asset on Behalf of Clients

No.	Scenario	Requirements
1.	The Non-Resident Intermediary or NRFI opens and maintains separate Ringgit accounts for its Resident and Non-Resident clients to manage their Ringgit investments.	The Ringgit account opened and maintained by the Non-Resident Intermediary or NRFI for the Resident clients shall be designated as Resident's Ringgit account. The Ringgit account opened and maintained by the Non-Resident Intermediary or NRFI for the Non-Resident clients shall be designated as External Account. Any investment in Foreign Currency Asset on behalf of the Resident clients using funds from the Ringgit account shall be subject to Part A or B of Notice 3.
2.	The Non-Resident Intermediary or NRFI opens and maintains an Omnibus Ringgit Account to manage Ringgit investments of its Resident and Non-Resident clients.	Such Omnibus Ringgit Account is classified as External Account. However, all Ringgit proceeds arising from sale of Ringgit Asset on behalf of the Resident clients shall be transferred from the Omnibus Ringgit Account into the Resident Clients' own Ringgit account within three (3) business days.