

Payment in Foreign Currency between Resident and Non-Resident

Payment in foreign currency between Resident and Non-Resident is permitted for any purpose¹ subject to compliance with the following Foreign Exchange Policy (FEP) Notices which are not exhaustive:

- a) Investment limits under FEP Notice 3; or
- b) Borrowing limits/purposes under FEP Notice 2.

However, the following payments between Resident and Non-Resident are **NOT PERMITTED**:

- a) a foreign currency-denominated derivative or Islamic derivative offered by a Resident unless approved by Bank Negara Malaysia (BNM) under Part B² of Foreign Exchange Policy (FEP) Notice 5 or otherwise approved in writing by Bank Negara Malaysia (BNM);
- b) a derivative or Islamic derivative which is referenced to ringgit unless approved by BNM under Part B² of FEP Notice 5 or otherwise approved in writing by BNM; or
- c) an Exchange Rate Derivative offered by a Non-Resident unless approved by BNM under FEP Notice 1 or otherwise approved in writing by BNM.

¹ subject to compliance with other FEP Notices such as Permitted Investment Limit under FEP Notice 3, Permitted Payments under FEP Notice 4, etc.

² issuance of Financial Instrument and Islamic Financial Instrument by Licensed Financial Institution and Bursa Malaysia

Payment in Foreign Currency between Resident and Non-Resident

Payment in foreign currency between Resident and Non-Resident is permitted for any purpose¹ subject to compliance with the following Foreign Exchange Policy (FEP) Notices which are not exhaustive:

- c) Investment limits under FEP Notice 3; or
- d) Borrowing limits/purposes under FEP Notice 2.

However, the following payments between Resident and Non-Resident are **NOT PERMITTED**:

- a) a foreign currency-denominated derivative or Islamic derivative offered by a Resident unless approved by Bank Negara Malaysia (BNM) under Part B² of Foreign Exchange Policy (FEP) Notice 5 or otherwise approved in writing by Bank Negara Malaysia (BNM);
- b) a derivative or Islamic derivative which is referenced to ringgit unless approved by BNM under Part B² of FEP Notice 5 or otherwise approved in writing by BNM; or
- c) an Exchange Rate Derivative offered by a Non-Resident unless approved by BNM under FEP Notice 1 or otherwise approved in writing by BNM.

¹ subject to compliance with other FEP Notices such as Permitted Investment Limit under FEP Notice 3, Permitted Payments under FEP Notice 4, etc.

² issuance of Financial Instrument and Islamic Financial Instrument by Licensed Financial Institution and Bursa Malaysia