

## Types of External Accounts and Permitted Sources & Uses of Funds

A ringgit account maintained by a non-resident

Type of External Account (EA)	EA maintained .....	Limits/restrictions on the sources and uses of funds
Exempted	<ul style="list-style-type: none"> <li>Personally by a foreign individual that is working or studying in Malaysia or participating in the Malaysia: My Second Home Programme (MM2HP);</li> <li>Jointly between foreign individual(s) that are working or studying in Malaysia or participating in the MM2HP; or</li> <li>Jointly between a foreign individual employed/studying in Malaysia with his/her spouse, child or parent who are staying in Malaysia.</li> </ul>	No limitation/restriction
Non-Exempted	<ul style="list-style-type: none"> <li>Personally by a foreign individual that are not working or studying in Malaysia or not participating in the MM2HP;</li> <li>Jointly between foreign individual(s) that are not working or studying in Malaysia or not participating in the MM2HP; or</li> <li>Jointly between foreign individual(s) employed/studying in Malaysia or participating in the MM2HP with one (1) or more foreign individual(s) that are not working or studying in Malaysia or not participating in the MM2HP.</li> </ul>	Refer to <b>Table 1</b> below
	By foreign entities	

**Table 1 - Permitted Sources and Uses of Funds of a Non-Exempted External Account**

Sources	Uses
<ul style="list-style-type: none"> <li>Proceeds from sale of foreign currency (FCY) on Spot Basis to: <ul style="list-style-type: none"> <li>✓ a licensed onshore bank (LOB); or</li> <li>✓ a Licensed Money Changer</li> </ul> </li> <li>Drawdown or repayment of an approved Ringgit (RM) Borrowing in accordance with FEP Notice 2</li> <li>Cash deposit of up to RM10,000 per transaction for any purpose<sup>1</sup></li> <li>Receipt or inward transfer of up to RM10,000 per transaction for any purpose<sup>1</sup> via: <ul style="list-style-type: none"> <li>✓ automated teller machine (ATM); or</li> <li>✓ other electronic means<sup>2</sup></li> </ul> </li> <li>Inward crediting of up to RM10,000 per cheque for any purpose<sup>1</sup></li> <li>Receipt in RM for purposes in accordance with Foreign Exchange Policy (FEP) Notice 4</li> <li>Transfer between same account holder</li> <li>Transfer in RM between Non-Resident Financial Institutions (NRFIs) which are China Foreign Exchange Trade System (CFETS) members for settlement of trade in goods or services with a Resident</li> </ul>	<ul style="list-style-type: none"> <li>Purchase of FCY on Spot Basis from: <ul style="list-style-type: none"> <li>✓ a LOB; or</li> <li>✓ a Licensed Money Changer</li> </ul> </li> <li>Lending of RM or repayment of any RM Borrowing in accordance with FEP Notice 2</li> <li>Cash withdrawal over-the-counter of any amount</li> <li>Payments or outward transfer of up to RM10,000 per transaction for any purpose<sup>1</sup> via: <ul style="list-style-type: none"> <li>✓ ATM; or</li> <li>✓ other electronic means<sup>2</sup></li> </ul> </li> <li>Outward clearing of up to RM10,000 per cheque for any purpose<sup>1</sup></li> <li>Payment in RM for purposes in accordance with Part B: Payment in RM and Part F: Opening and Maintaining of Account of FEP Notice 4</li> <li>Transfer between same account holder</li> <li>Transfer in RM between NRFIs which are CFETS members for settlement of trade in goods or services with a Resident</li> </ul>
<p><sup>1</sup>any transaction beyond the prescribed threshold of RM10,000 must be supported with documentary proof of permitted purposes under FEP Notice 4</p> <p><sup>2</sup>including internet banking, mobile banking, mobile payments or electronic money</p>	

**Trade Foreign Currency Account and Investment Foreign Currency Account maintained by Resident Individual (RI), Sole Proprietor (SP) or General Partnership (GP)**

	<b>Trade Foreign Currency Account (TFCA)</b>	<b>Investment Foreign Currency Account (IFCA)</b>
Permissible Sources	<ul style="list-style-type: none"> <li>• Proceeds of Export of Goods (PEG);</li> <li>• Settlement of domestic trade in goods or services from another resident within the Global Supply Chain (GSC) as permitted under Foreign Exchange Policy (FEP) Notice 4;</li> <li>• Any amount for same party transfers from TFCA or IFCA;</li> <li>• Other foreign currency (FCY) funds arising from transaction permitted under the FEP Notices.</li> </ul>	<ul style="list-style-type: none"> <li>• Any FCY funds, other than: <ul style="list-style-type: none"> <li>✓ PEG; and</li> <li>✓ Settlement of domestic trade in goods or services from another resident within the GSC as permitted under FEP Notice 4.</li> </ul> </li> <li>• Up to RM1 million equivalent in aggregate per calendar year<sup>2</sup> using funds sourced from: <ul style="list-style-type: none"> <li>✓ Conversion of RM;</li> <li>✓ TFCA; and</li> <li>✓ Swapping of a RM-denominated financial asset in Malaysia for a financial asset outside Malaysia.</li> </ul> </li> <li>• Any amount for same-party transfers from IFCA.</li> </ul>
Permissible Uses	<ul style="list-style-type: none"> <li>• Settlement of domestic trade in goods or services from another resident within the GSC as permitted under FEP Notice 4;</li> <li>• Investment in FCY asset (including transfers to own IFCA) up to the permitted aggregated investment limit of RM1 million equivalent per calendar year<sup>1</sup> in FEP Notice 3;</li> <li>• Any amount for same party transfers into TFCA;</li> <li>• All other permissible purposes in the FEP Notices.</li> </ul>	<ul style="list-style-type: none"> <li>• Any amount for same-party transfers into TFCA or IFCA;</li> <li>• All other permissible purposes in the FEP Notices.</li> </ul>

<sup>1</sup> Computed based on an aggregate borrowing in FCY by the RI and a SP and a GP owned by the RI

<sup>2</sup> Computed in aggregate based on aggregate borrowing of the RI, SP and GP's investment in FCY Asset.

## Trade Foreign Currency Account and Investment Foreign Currency Account maintained by Resident Entity

	<b>Trade Foreign Currency Account (TFCA)</b>	<b>Investment Foreign Currency Account (IFCA)</b>
Permissible Sources	<ul style="list-style-type: none"> <li>• Proceeds of Export of Goods (PEG);</li> <li>• Settlement of domestic trade in goods or services from another resident within the Global Supply Chain (GSC) as permitted under Foreign Exchange Policy (FEP) Notice 4;</li> <li>• Any amount for same party transfers from TFCA or IFCA;</li> <li>• Other foreign currency (FCY) funds arising from transaction permitted under the FEP Notices.</li> </ul>	<ul style="list-style-type: none"> <li>• Any FCY funds, other than:               <ul style="list-style-type: none"> <li>✓ PEG; and</li> <li>✓ Settlement of domestic trade in goods or services from another resident within the GSC as permitted under FEP Notice 4.</li> </ul> </li> <li>• Up to RM50 million equivalent in aggregate per calendar year<sup>2</sup> using funds sourced from:               <ul style="list-style-type: none"> <li>✓ Conversion of Ringgit (RM);</li> <li>✓ TFCA;</li> <li>✓ FCY borrowing obtained from a Licensed Onshore Bank for purposes other than Direct Investment Abroad; and</li> <li>✓ Swapping of a RM-denominated financial asset in Malaysia for a financial asset outside Malaysia.</li> </ul> </li> <li>• Any amount for same-party transfers from IFCA.</li> </ul>
Permissible Uses	<ul style="list-style-type: none"> <li>• Settlement of domestic trade in goods or services from another resident within the GSC as permitted under FEP Notice 4;</li> <li>• Investment in FCY asset (including transfers to own IFCA) up to the permitted aggregated investment limit of RM50 million equivalent per calendar year<sup>2</sup> in FEP Notice 3;</li> <li>• Any amount for same-party transfers into TFCA;</li> <li>• All other permissible purposes in the FEP Notices.</li> </ul>	<ul style="list-style-type: none"> <li>• Any amount for same-party transfers into TFCA or IFCA;</li> <li>• All other permissible purposes in the FEP Notices.</li> </ul>

<sup>1</sup> Computed based on an aggregate borrowing in FCY by the RE and other RE with Parent-subsiary Relationship

<sup>2</sup> Computed in aggregate based on the RE and other RE with Parent-Subsidiary Relationship's investment in FCY Asset