Foreign Exchange Administration Rules

What is Foreign Exchange Administration ("FEA") Rules?
- A set of rules that are administered by Bank Negara Malaysia ("BNM") to safeguard the value of the Malaysian currency

Who is required to comply?
- "Residents" who are dealing in foreign currencies
- "Non-Residents" who are dealing in Malaysian Ringgit, in Malaysia

Note:
- "Residents" are Malaysian citizen; or Malaysian citizen with Permanent Resident ("PR") status of another country but resides in Malaysia; or non-Malaysian citizen with PR status in Malaysia and resides in Malaysia; or business enterprise / societies established / operating in Malaysia
- "Non-Residents" are non-Malaysian citizen; or Malaysian citizen with PR status abroad and resides abroad; or foreign embassies, high commissions, supranational, central banks; or business entities established abroad

When is required to comply?
- All customers of BMM have to comply with FEA Rules when performing a remittance transaction (make and receive payments), invest in Foreign Currency Asset, and transact through External Account or Foreign Currency Account
- If the transaction does not meet the allowable purposes, the source of funds or allowable limits under FEA Rules, customers are required to obtain approval from BNM

Why is required to comply?
- In compliance to the BNM’s requirements on FEA to safeguard the value of the currency of Malaysia
- Penalties imposed if customers and financial institutions are charged against any non-compliance with provisions under the Islamic Financial Services Act 2013, such as, fines and / imprisonment depending on the type of offence committed

Where to check on the requirement?
- Please refer to the website of BNM (Foreign Exchange Administration), as per below link:
  http://www.bnm.gov.my

For further information, please visit our nearest BMMB's branches or contact our Customer Care Line at 1-300-88-8787