

# Foreign Currency Account (FCA) Terms & Conditions



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## Opening a new account

- You will require a Kina account prior to requesting for a FCA.
- FCA's require the approval of Bank of Papua New Guinea (BPNG) prior to establishment. You will need to complete a BPNG BOP Form V1 and provide written details as to your need for the FCA. Please refer to the BPNG Foreign Exchange Manual section 11 to ensure you satisfy the compliance requirements.
- Your Branch/Relationship Manager can assist in this process.

## General

- Accounts may be maintained in major currencies USD/AUD/EUR/GBP/NZD and will be conducted similarly to current accounts, with the exception that no cheque books will be issued.
- There are minimum balance requirements. Refer table below.
- Minor currency accounts will be considered on a case by case basis but would normally only be available for trade related transactions.
- Interest will accrue daily but is paid only on currencies where our Bank is able to invest funds. If at any stage BSP is unable to invest the funds then interest will cease to be paid.
- Interest, if any, will be paid on a monthly basis.
- Fees & charges will be deducted at the end of each month. Refer table below.
- Statement Cycle is the 1st day of each month. This can be varied but could attract a fee. Refer table below.
- Accounts are to be conducted on a strictly credit basis.
- Value Date will be the date foreign currency is received/debited by BSP.
- Deposits of foreign currency transferred from offshore will be accepted but charges, similar to Inward Payments converted into Kina, will apply. Refer table below.
- Deposits and withdrawals of foreign currency notes will be accepted but charges will apply. Refer table below.
- Deposits of foreign currency cheques will be accepted but charges similar to negotiation into Kina will apply. Refer table below.
- Withdrawals from FCA's must be made against clear funds.
- Withdrawals from FCA's and crediting **Kina** account **with BSP** will attract no charges.
- Withdrawals from FCA's and crediting **Kina** account **with other bank** will attract charges, similar to Inward Payments converted into Kina. Refer table below.
- Withdrawals from FCA's and crediting **foreign currency** account **with other bank** will attract charges, similar to Inward Payments received, will apply. Refer table below.
- Transfers of foreign currency by telegraphic transfer will be processed but charges similar to Outward Payments converted from Kina, will apply. Refer table below.
- Transfers of foreign currency by International Draft will be processed but charges similar to Outward Drafts converted from Kina, will apply. Refer table below.
- FCA transactions should be completed at your Branch Overseas Department.
- Personal & Business Internet Banking can be used to transfer funds overseas from your linked FCA in the same currency.

## BPNG

- BPNG Foreign Exchange Regulations and Internal Revenue Commission formalities must be strictly adhered to. If in any doubt please refer to your Branch/Relationship Manager for guidance.
- Copy of FE Notice 11 - Foreign Currency Accounts and Kina Accounts of Residents and Non-Residents, attached for your reference.
- Resident account holders must provide to BPNG a monthly Foreign Currency Account report on Form - OS (BOP - OS) showing actual cash inflows and outflows of each account on the 15th day of the month following the end of the reporting calendar month, FE 11.9 (b); and.
- Resident account holders must provide to BPNG a quarterly forecast report on the 15th day of each calendar month for the ensuing three months, showing in detail the expected cash inflows and

outflows of that account on Form-OS (BOP-OS), including any other relevant information, FE 11.9 (c).

Reports should be sent to: Bank of Papua New Guinea  
 Balance of Payments Unit - Economics Department (Level 3)  
 To Robert Haus, Cnr Douglas & Cuthbertson Sts,  
 P.O Box 121, Port Moresby, NCD

BSP has been instructed not to accept orders for foreign currency if you maintain balances in a Foreign Currency Account/s. These funds must be used before any order is accepted.

Any breaches of BPNG directives will be dealt with in accordance with the Central Banking (Foreign Exchange and Gold) Regulation.

### Table of Minimum Balances

<b>Minimum Account Balance</b>	K5,000 approximate equivalent, currently; <b>USD/AUD/NZD2,500 - EUR/GBP1,000</b>  Accounts which fall below the minimum balance may be requested to make a deposit or close.
<b>Fees &amp; Charges</b>	<p><b>Maintenance/Transaction Fees - Refer table below.</b></p> <p><b>Deposits and withdrawals of foreign currency notes</b>                  2% commission (min K50.00) for &lt;K1,000 equivalent.                  5% commission (min K50.00) for =&gt;K1,000 equivalent.</p> <p><b>Deposits from offshore sources</b>                  K15 per transaction.</p> <p><b>Deposits of foreign currency cheques</b>                  Immediate Credit - K75 per item (if approved).                  Collection basis - 0.25% (min K50 max K100) plus courier costs (approx. K105).</p> <p><b>Withdrawal to pay other Bank Kina</b>                  K40 per transaction.</p> <p><b>Withdrawal to pay other Bank foreign currency account</b>                  K150 per transaction.</p> <p><b>Telegraphic Transfer from FCA - Branch (or part thereof)</b>                  K50 per transaction.</p> <p><b>Telegraphic Transfer from FCA - Internet Banking</b>                  K40 per transaction.</p> <p><b>Purchase of Draft from FCA (or part thereof)</b>                  K60 per transaction.</p> <p><b>Dormant Account Fee</b>                  Charged similarly to Maintenance Fee - Refer table below.</p> <p><b>Early Closure Fee</b>                  K40 will be charged on accounts closed within three months of opening.</p> <p><b>Statement Request</b>                  K10 per additional request.</p>

## Table of monthly Maintenance Fee

<b>Account Currency</b>	<b>Maintenance Fee p/month</b>	<b>Account Transaction Fee</b>
AUD	20	Free
USD	15	Free
EUR	15	Free
GBP	10	Free
NZD	20	Free
CAD	20	Free
FJD	30	Free
HKD	100	Free
JPY	1500	Free
SGD	20	Free
SBD	100	Free

Maintenance & transaction fees are waived for account holders of Overseas Currency Accounts that fall into the following categories:

- BSP First account holders.
- Non-Resident accounts of Diplomats, Consular Representatives & Trade Commissioners of Overseas Governments in Papua New Guinea.
- Non-Resident accounts of Other personnel possessing diplomatic status.

The Bank will endeavour to notify customers of any change to the above Terms and Conditions, however, if the Bank does do so for any reason, failure to notify will not prevent the variation to the Terms and Conditions.