



Our ref: iodaml19

Dear Customer

## **RE: FX PAYMENT INSTRUCTIONS AND GLOBAL PAYMENT REGULATIONS**

Money laundering and terrorist financing is a major problem across the globe, including in Papua New Guinea.

In order to counter the impact that criminal activity has on people and economies within the global community, Governments worldwide have passed anti-money laundering and counter financing of terrorism laws. In Papua New Guinea, the Government in 2015 enacted the Anti-Money Laundering and Counter Terrorist Financing Act (referred to as the "AML/CTF Act 2015).

The AML/CTF Act 2015 requires all Banks in Papua New Guinea to impose controls to banking transactions and processes, to ensure that the banking system in Papua New Guinea is not used for money laundering.

The law says that banks must assess the risk they face from the actions of money launderers and people who finance terrorism and must identify potentially suspicious activity. To do that, the bank must obtain and verify information from prospective and existing clients about a range of things. This is called "customer due diligence". In short we must carry out certain background checks and take reasonable steps to make sure that the information we receive from our customers is correct and where applicable, we are required to ask for documentation as proof.

### **HOW DOES THIS AFFECT YOU?**

International Payment Instructions that are incomplete or contain conflicting information may be held for further review / investigation. This takes time and means:

- (a) Your payment will be delayed;
- (b) We may need to contact you for clarification or request documentation to validate your payment; and
- (c) Your payment will be rejected if we are unable to confirm or validate the information provided.

Your assistance is sought to ensure that your International Payment Instruction contains the correct information which will allow processing without any delays, and will allow us to minimize any inconvenience to you.

### **FULL NAME**

You must enter the full name of the sender and the beneficiary, which matches the account name. You must not enter initials or incomplete names. You must also enter the full name of the Bank that you are sending the payment to.

E.g.: (1) Kila Tau and NOT K Tau.                      (2) Bank of South Pacific Limited and NOT BSP.

**BSP Classification: External Confidential**

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**A** Sec 34, Lot 6&7, Klinki St, Waigani Drive, PO Box 78, Port Moresby, Papua New Guinea   **W** www.bsp.com.pg



**CORRECT ADDRESS FORMAT**

A Post Office Box (P.O.Box) is no longer accepted as a remitter or beneficiary address by overseas banks and must not be used.

We require a street address or residential address for both the sender and the beneficiary. You must also include the full country name of the country of origin of funds hence Papua New Guinea and not PNG), as part of the Sender/Remitter address.

E.g (1) **Kila Tau  
Sec 89, Lot 4  
Gordons, Port Moresby  
Papua New Guinea** or (2) **Kila Tau  
Unit 78 Ela Beach Tower  
Port Moresby  
Papua New Guinea**

These details are needed to ensure that your FX Payment request via Internet Banking can actually be processed. By ensuring that remitter and receiver addresses are complete, bank and beneficiary and remitter names are not abbreviated, your transfer will pass through.

**BPNG REPORTING**

Please note that while we ensure that your details are correct before we process the international payment, it is equally important to ensure that the reporting of the transaction to the Central Bank in accordance with the Balance of Payments Reporting Form– R1 (Central Banking Act – 2000) is correctly carried out. This is done by you filling out the details of the purpose of the funds correctly in the section as per below.

**BPNG Reporting**

Select appropriate option:

Payment for Imports into PNG (BPNG Form M)  Any other transfer of funds overseas (BPNG Form R1)

Booking Number (if available)

\*To Country

\*To Currency

\*Industry Code

\*Purpose of Funds

If you have any questions about the information provided or require further assistance please dial +675 3057154 to talk to our International Operations Support Team. We are happy to assist you.

Head of International Operations  
Waigani Head Office | Bank of South Pacific Limited

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