

DOMICILLIARY FUNDS TRANSFER (PAYMENTS)

9.1 INTRODUCTION

These are remittances from customer's foreign currency ordinary domiciliary accounts to beneficiaries outside Premium Trust Bank via Swift.

The following are the requirements:

- Customer must have an operational domiciliary account.
- Account must be adequately funded to accommodate both the principal and charges.
- There will be monitoring of transactions to ensure that proper confirmation is in place before processing.
- Ensure that Transaction below \$5,000.00 or equivalent in other currencies has at least a single confirmation by the Relationship manager or Service Manager or Team Lead.
- Transaction above \$5,000.00 should have dual confirmation of the service manager/Relationship or Branch Manager. In case transaction is above \$10,000.00 or its equivalent in 3rd currency, confirmation from Contact premium in addition to dual confirmation from the originating branch will suffice.
- Customers written request for Domiciliary transfer stating details of beneficiary.
- Transfer that involves bringing in of goods or items into the country will require execution of a Form M as stipulated in Memorandum 9 of the CBN's FX manual.
 - I. A physical review of the customer's account is paramount to determine source of fund if it is cash or inflow. This is in line with the CBN's regulatory requirement that limits maximum transfer amount to USD10,000.00 (or its equivalent in other currencies) for cash-based transfers.
 - II. There are however no limits to transfer amount where customer's account is funded through SWIFT inflow.

- III. All customers foreign transfer requests will be processed through the relationship team in the branches to the Funds Transfer desk of the department ensuring that no transaction is executed mistakenly transferred twice.
- IV. Proper maker checker checks should be in place starting from the branches to the Head office.

In case of defective requests, the customer or business group will be notified for remediation.

- I. In the event of defective documentation, inadequacy of funds or regulatory concerns on transactions received by the department, such will be notified to the originating branch, business group or customer for remediation.
- II. Where a defect is observed on an outgoing domiciliary SWIFT message the responsible officer shall repair the SWIFT message before final release. Modification by responsible officer shall be subjected to Maker Checker function. Where the observed defect requires that the transaction be aborted, the payment shall be rejected and the originating branch, business group or customer notified accordingly.
- III. Relevant records are updated and required regulatory returns rendered for processed transactions.
- IV. Swift advise to customer for successful transactions will be generated and sent to customers on request.
- V. The desk officers shall ensure an up-to-date reconciliation of the relevant nostro accounts

The following entries are passed for processed transactions:

- (a) DR: Customer Transfer Amount (FCY)
CR: Offshore Correspondent account ledger (Transfer amount or equivalent in third currency)
- (b) DR: Customer Account (for commission and other charges).
CR: Commission - Service Charges A/C for Commission.
CR: SWIFT Recovery

CR: Offshore bank charges recovery
(where applicable)CR: VAT Account

9.2 AMENDMENTS / ENQUIRIES/RECALLS AND PAYMENT CANCELLATION

In cases where there are amendments to funds transferred

- (1) Requests for the amendment shall be submitted by the customer through the branch
or business group or directly to the department's Funds Transfer desk.
- (2) The receiving branch or business group will verify the instruction for genuineness before forwarding to International Trade Services for further processing. An amending instruction shall be sent via SWIFT to the correspondent bank.
- (3) In case of need, customers' requests to trace payments or recall processed payments
shall be submitted in the same manner.
- (4) Where response to correspondent's enquiries is not received timely and funds are returned because the offshore bank is unable to apply payment, the returned funds shall be credited within 48 hours to the customer's account and the customer / business group / branch notified.
- (5) Responses to tracers sent to the offshore bank in respect of processed payments shall likewise be communicated.
- (6) In few cases, a correspondent bank may cancel a payment instruction because it does not comply with their internal policies. Under such circumstances, the customer will be notified, and their account credited.

The following SWIFT recovery entries are passed where amendment is at the instance of the customer:

- DR Customer with SWIFT Recovery
- CR SWIFT Recovery Account