

INWARD FUNDS TRANSFER (CUSTOMER INFLOWS)

10.1 INTRODUCTION

These are inward payments from offshore parties in favour of Premium Trust Bank customers. The payments for ultimate credit to Premium Trust Bank beneficiaries may be for credit to one of the following accounts:

- **Customer's ordinary domiciliary account**
- **Customer's export domiciliary account (Repatriation of Export Proceeds)**
- **Customer's Naira account (Capital Importation or other purposes)**

International Trade Services shall ensure that customers FCY inflows are processed in an efficient manner and subject to completeness of information and AML /regulatory compliance.

These are foreign currency transfers received from other banks through our correspondent banks for further credit into Premium Trust Bank customer domiciliary accounts.

Requirements:

- An active domiciliary account in the currency being received.
- A proper remittance instruction through the correspondent bank.

Any amount in a foreign currency can be transferred to the Bank's customer from remitters in other banks for credit into the customer's domiciliary account. The following information is required for successful application of transferred funds:

- Beneficiaries account number and name well captured.
- Our bank name (Premium Trust Bank)/ SWIFT code (PTRUNGLA)
- Our Bank's account number with correspondent bank.
- Our correspondent banks name or SWIFT code.

Noteworthy

- Customers receive value for foreign currency Inflows when funds reflect in Premium Trust account(s) offshore.
- It is imperative that the remitting bank includes the Beneficiary's name and account number in the Swift message to enable us to apply the transferred funds.
- Inflows received into individual accounts from individual remitters offshore must include details on the purpose of remittance as mandated by CBN.

10.2 Categories of Inflows

- **Capital Importation:** Where inflow is for capital importation, enablement for prompt issuance of Certificate of Capital Importation must be done within 24 hours of receipt of funds as per prevailing regulations.
- **Export Proceeds:** This should be credited to the relevant export proceeds account. The export desk officer generates reports of inflows into customers' export proceeds account for purpose of subsequent certification to the CBN.
- **Ordinary Dom account Inflow:** This will be credited to customer's domiciliary account except there is a reason genuine reason not to do so.
 - **Returned Funds:** Where inflow relates to returned funds for transfers generated by the Funds Transfer Unit, this will be highlighted for proper investigation by the responsible officer to know the actual reason for returns and treat accordingly. This should be reflected in the inflow register as updated.

- I. In all cases where inflows are to be applied to customer's account (the ordinary or export domiciliary account), the officer will pass the following entries:

Dr: Bank's offshore account with inflow amount

CR: Customer with inflow amount or equivalent in the agreed currency

- II. The inflow officer updates the inflow on-line register and ensures that inflow documents and related correspondence (if any) are properly filed.
- III. The desk officer submits posting tickets to the supervisor for call over purpose.

Importantly, where inflows stray into a non-designated inflow accounts with offshore correspondents, a SWIFT message (MT200/202) will be done without fail to move funds to the required account for ease of reconciliation.

10.3 HANDLING INFLOWS WITH INCOMPLETE DETAILS

In the event of receipt of inflows with incomplete details, Swift message to be generated to the correspondent bank to provide the missing details:

- ❖ Where the required details are provided, funds will be applied while ensuring that there is no duplication.
- ❖ Where the correspondent bank fails to provide the required details after five working days of sending out request for more information, the desk officer shall escalate to the Unit Head for determination and decision on return of funds to the correspondent.

Application of funds without complete details may be considered on exceptional basis where beneficiary is able to provide convincing evidence of ownership and subject to executive Management's approval.

10.4 RECALL OF FOREIGN CURRENCY INFLOW

Foreign currency inflows received from offshore correspondent for further credit to Premium Trust Bank Customers may be recalled for any of the following reasons:

- I. Where the funds have been transferred in error
- II. Where payment is duplicated
- III. Where transfer is fraudulent
- IV. Where funds have been recalled by the Remitter

The following procedure shall apply for treatment of funds recall request by offshore correspondent:

Desk Officer shall:

- I. Receive Recall Request via SWIFT or Electronic Email
- II. Verify receipt of funds in our nostro account
- III. Review customer's account to confirm receipt of original inflow and ascertain status of funds.

- IV. Intimate the compliance team of the development, especially as it relates to fraud, money laundering or financing of terrorism activities.
- V. Notify the Relationship Officer in charge for further action.

WHERE FUNDS IS AVAILABLE IN CUSTOMER'S ACCOUNT, TRADE OFFICER

- I. Block funds Immediately.
- II. Provides an interim standardized response to the correspondent bank and requests for more information / reason(s) for the recall where necessary
- III. Updates the Recall Funds Register
- IV. Notifies Branch / Relationship Team of the development
- V. Reviews feedback from correspondent / Relationship Team / Customer
- VI. Requests Relationship Team to obtain customer's consent to return funds

WHERE FUNDS IS NOT AVAILABLE IN CUSTOMER'S ACCOUNT, TRADE OFFICER:

- Provides an interim response to the correspondent bank and requests for more information / reason(s) for the recall where necessary
- Updates the Recall Funds Register
- Notifies Branch / Relationship Team of the development
- Request Relationship Team to inform customer to fund account and provide debit authority to enable bank honour recall request.

WHERE CUSTOMER CONSENTS TO RECALL REQUEST AND PROVIDES FUNDS WHERE ACCOUNT IS NOT SUFFICIENTLY FUNDED:

- Funds Transfer Officer to issue debit authority to the correspondent bank to return funds
- Update recall funds register
- Funds Transfer Officer issues debit authority and passes relevant entries

IN CASE OF BENEFICIARY'S UNWILLINGNESS TO ISSUE DEBIT AUTHORITY, TRADE OFFICER SHOULD:

- Escalate to the Branch for further investigation and advise.
- Communicate outcome to correspondent bank.

- Update recall register.

IF RECALL MESSAGE IS RECEIVED PRIOR TO APPLICATION OF FUNDS TO BENEFICIARY ACCOUNT, THE DESK OFFICER SHALL:

- Pend application of funds to beneficiary account.
- Request correspondent bank to provide reason for recall.
- Provide debit authority to correspondent bank upon receipt of satisfactory response and update relevant registers.

10.5 FCY CHEQUE CLEARING

Cheque clearing services by correspondent Banks are not common these days. However, if it is allowed on a case-by-case basis, cheques accepted and endorsed to the Bank for clearing will always come from the branches and forwarded to our correspondent Bank.

The correspondent Bank credits our advised nostro account with value of cleared cheques less charges. Upon receipt of credit, the desk officer credits customer's account with proceeds. Customer's account is also debited with applicable fees (commission, VAT, and postage).