

Foreign Exchange Policy Department
Bangladesh Bank
Head Office
Dhaka
www.bb.org.bd

FE Circular No. 37

Date: September 30, 2025

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Foreign exchange regulations regarding outward remittances on account of current account transactions other than imports and transportation services

Foreign exchange transactions on outward remittances are regulated by the Foreign Exchange Regulation Act (FER), 1947 and subsequent circulars issued thereagainst. To bring ease in conducting outward remittances on account of current account transactions other than imports and transportation services, the existing regulations have been compiled at one place with modifications as necessitated. Accordingly, relevant instructions in this regard contained in the Guidelines for Foreign Exchange Transactions-2018 (GFET) and its subsequent circulars will stand repealed with issuance of this circular excepting monthly reporting instructions contained in GFET, Vol-2.

02. This circular is issued with the authority vested to Bangladesh Bank under Section 20(3) of FER Act, 1947.

03. The instructions of this circular will remain valid for one year from the date of its issuance. However, instructions to be issued within this period will be read with this circular.

Please bring the contents of this comprehensive circular to the notice of your constituents.

Yours faithfully,



(Md. Harun-Ar-Rashid)
Director (FEPD)
Phone: 9530123

Encl. As stated.

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Part-A
OUTWARD REMITTANCES

1. General

(1) Barring a few remittances of special nature, most outward remittances either in its entirety or up to a certain limit set by Bangladesh Bank may be approved by Authorized Dealers (ADs), following declaration of Taka as convertible for current account payments from March, 1994. However, the limits of release of foreign exchange set forth in this circular are indicative; all bonafide requests beyond these indicative limits and payment transfer requests for a current international transaction not specifically included in this circular will be accommodated by Bangladesh Bank upon establishing the bonafide of the expenses.

(2) All remittances from Bangladesh to a foreign country or local currency credited to non-resident Taka accounts of foreign banks or convertible Taka account constitute outward remittances of foreign exchange. ADs must exercise utmost caution to ensure that foreign currencies remitted or released by them are used only for the purposes for which they are released; they should also maintain proper records for submission of returns/reports to Bangladesh Bank as also for the latter's inspection from time to time.

2. Reporting forms

(1) In all cases of purchase of foreign currency, an application must be made to an AD. For payments other than against imports, the prescribed application form is Form TM (Appendix-1). Form TM must be used by ADs even when remittance is approved by Bangladesh Bank in any other manner, for instance by issuing a special permission/approval letter. On receipt of the application from the client/customer, ADs may effect the sale of foreign exchange if they are empowered to approve the application. If the transaction requires prior approval of Bangladesh Bank, the application should be forwarded by ADs to Bangladesh Bank for consideration.

(2) Outward remittances (other than for import of goods) are to be reported to the 'Online TM Monitoring System' of Bangladesh Bank. Here ADs are advised to mention 'TM ID number (unique number generated from the online system of Bangladesh Bank after posting)' at the upper left corner of hard copy of Form TM. ADs are also required to furnish information regarding payments of tax and value added tax in Online TM Form Monitoring System (OTFMS) under Bangladesh Bank online reporting system within 25th day of the following month to which they relate.

3. Application

Applications for Bangladesh Bank's prior approval for outward remittances, wherever required, should be submitted to Bangladesh Bank only through ADs and not by their customers directly; all such applications should be forwarded by ADs to Bangladesh Bank by their own messengers or by post. While applying to Bangladesh Bank for releasing foreign exchange on behalf of

customers, ADs should submit necessary papers/documents duly attested by the authorized official of ADs along with their recommendations/comments.

4. Dealing with approved applications

In respect of the special permissions/approvals from Bangladesh Bank, ADs should see that these have been duly signed by authorized officers of Bangladesh Bank. In case the authorization is signed by an official of Bangladesh Bank whose specimen signature is not available with them, authentication of the authorization should be made from the nearest office of Bangladesh Bank. It is important that once the permissions have been accorded by Bangladesh Bank, ADs carry out the transactions only on behalf of the original applicants for whom the permissions have been given.

5. Permission for recurring remittances

The amount released must not exceed the authorized limit. Also, the instructions, if any, given in the approval with regard to the amounts to be released periodically e.g. monthly or quarterly must be strictly adhered to.

6. Period of validity of Bangladesh Bank's approval

All authorizations for selling foreign exchange for outward remittances given by Bangladesh Bank remain valid for a period not exceeding 45 days from the date of approval unless they are expressly stated as valid for a specified longer period or unless they have been revalidated for a further period. ADs should not effect any remittance against approval of Bangladesh Bank which have lapsed.

7. Disposal of application forms

(1) ADs shall preserve the records of Form TM along with supporting papers at their own custody for at least 05 years for record and inspection of Bangladesh Bank. However, in respect of cases which are under investigation by Bangladesh Bank inspection team/other Government agencies, the Form shall be disposed of only after obtaining clearance from the inspection team/Government agency concerned.

(2) ADs shall report all types of their foreign exchange transactions carried out by them, including those of offshore banking units (OBUs) to the different web portals of Bangladesh Bank on regular basis as directed by the concerned departments.

8. Cancellation of outward remittances

(1) In the event of any remittance which has already been reported to Bangladesh Bank on the prescribed return being subsequently cancelled either in full or in part, ADs must report the

cancellation of the outward remittance as an inward remittance in Form C (Appendix-2). The same shall be reported to the 'Online Inward Remittance Monitoring System' as well.

(2) In reporting such transactions to the 'Online Inward Remittance Monitoring System, TM ID Number (as mentioned in paragraph 2) of concerned outward remittance shall have to be mentioned against the head 'Outward Reference' of the above mentioned system. Besides, TM ID Number shall have to be mentioned at the bottom right side of the hard copy of the Form C (where applicable). ADs shall preserve the documents in support of such cancellation.

Part-B
TRAVEL

9. Release of foreign exchange for travel abroad

(1) The amount of foreign exchange released by an AD to a traveler with the approval of the Bangladesh Bank or under general authority given to ADs by Bangladesh Bank should be recorded by them on the traveler's valid passport as well as ticket under their stamp and signature at the time of release of such exchange. Release of foreign exchange in excess of USD 200 or equivalent will require valid visa except in the cases mentioned in sub-paragraph 10 below. However, while issuing foreign exchange to the Diplomats/Privileged persons/UN personnel, Govt. officials travelling on official duties, such endorsement in their passports need not be made. ADs should verify to satisfy that the ticket covers a journey to be undertaken not later than two weeks after the date on which exchange is issued. No exchange should be sold against tickets, which do not specify the date of departure.

(2) ADs may release foreign exchange up to USD 12,000. Out of the prescribed entitlement, ADs may release up to 5,000 in the form of USD notes and the remainder in other freely convertible currencies at any one instance. For resident Bangladeshi nationals proceeding abroad against one way ticket for valid job or migration or study abroad, ADs may release the entire unused foreign exchange of the annual travel entitlement of the person concerned in the calendar year. Irrespective of foreign exchange entitlement, the outgoing passenger is permitted to take up to Bangladesh Taka 10,000 in cash at each time.

(3) Endorsement of foreign exchange on passports is applicable against release of foreign exchange either in cash or in non-cash form like international cards, etc. or both out of eligible entitlements of travels. The endorsement is equally applicable for release of foreign exchange in cash irrespective of entitlements/sources to persons other than those holding foreign passports. However, foreign exchange can be released without endorsement on passports in non-cash form like international cards, etc. out of balances held in private foreign currency (FC) accounts and resident foreign currency deposit (RFCD) accounts maintained under general authorization by concerned accountholders.

(4) The above limits are indicative. Bangladesh Bank will authorize release of foreign exchange for travel abroad beyond these indicative limits upon submission of documents regarding the bonafide of the expenses. Application for such authorization should be sent to Foreign Exchange Operation Department (FEOD)/other office of Bangladesh Bank.

(5) The annual quotas mentioned above are for adult passengers. For minors (below 12 years in age) the applicable quota will be half the amount allowable to adults.

(6) While releasing foreign exchange for travel abroad, ADs should verify and satisfy that any foreign exchange released for an earlier travel was utilized with the journey being actually undertaken or was duly encashed unutilized.

(7) The travel entitlements mentioned above may be utilized also by way of international cards issued in the names of the persons concerned as per relevant regulations.

(8) While releasing foreign exchange for travel purposes ADs should ensure that:

- (a) the intending traveler is a client of AD bank or is sufficiently well known to AD bank for it to be satisfied about the bonafide of the application;
- (b) the intending traveler is in possession of a confirmed air ticket (where applicable) for journey to be undertaken;
- (c) the amount released is endorsed on the passport and air ticket (where applicable) of the traveler with indelible ink, with the signature and name of AD branch embossed in the passport and ticket (where applicable); the same has been reported to the 'Online Foreign Exchange Transaction Monitoring System' of Bangladesh Bank.
- (d) the amount of foreign exchange endorsed/issued (in the forms of cash, international card, etc.) so far during the current calendar year against annual travel quota has been checked to prevent issuance of foreign exchange beyond allowable quota.

(9) In each case of release of foreign exchange for travel abroad, photocopies of first six pages of the passport/in case of machine readable passport, photocopies of first two pages, page bearing visa on the passport (if available), the page recording endorsement of foreign exchange and photocopies of the pages of ticket showing name of the passenger, route and date of journey and endorsement of foreign exchange alongwith the relative Form TM should be preserved by ADs as per requirement. These transactions shall be reported in usual monthly returns to Bangladesh Bank.

(10) Release of foreign exchange to the resident Bangladesh nationals travelling abroad without visa

(a) In case of travelling some countries, visa is obtainable on port entry/arrival basis. In such cases, ADs may release foreign exchange without visa to the resident Bangladesh nationals proceeding to the countries/zones with provision of visa on port entry/arrival basis up to the unused annual travel quota entitlement applicable for country concerned subject to complying with other relevant instructions. Besides having validity of the passport of the intending traveler for a period of minimum six months, the applicability of providing visa on port entry/arrival basis for travelling the country concerned shall have to be ensured by ADs upon receipt of information from the concerned passenger. However, utilization of foreign exchange issued without visa as mentioned above shall have to be ensured by ADs prior to issuance of foreign exchange for the subsequent foreign tour of the passenger concerned.

(b) In case of releasing foreign exchange for official visits abroad by the officials of Government/Semi-Government and Autonomous bodies (paragraph 11) the below mentioned facility of issuing foreign exchange without visa for traveling the countries/zones having provision of visa on port entry/on arrival basis will also be applicable.

(c) ADs may endorse/set travel entitlements on relevant passports to concerned Bangladeshi nationals in international cards for multiple years up to their validity, subject to compliance with the following instructions:

- (i) Yearly use shall not exceed the limit.
- (ii) Unused quota shall not be brought forward to following years.
- (iii) Bangladesh nationals proceeding abroad for employment/immigration or study purpose will not be eligible to avail this facility. Multiple endorsement should be discontinued for such individuals.
- (iv) Supplementary cardholders may avail this facility against their own travel entitlement with endorsement on own passports.

(11) The time limit for annual travel quota will be counted from January 01 to December 31. If the travel involves subsequent year, travel entitlement will be counted for the particular year to which the transaction date relates. In that case, post facto endorsement will be required for the subsequent year unless multiple years' endorsement facility has been used; particularly under international cards. Reporting to Bangladesh Bank for such cases will be based on transactions date.

(12) In case of exceeding the quota limit endorsed through international cards, without availing the facility as noted above, while on travel abroad, for unavoidable but bonafide grounds acceptable to ADs, the excess amounts may be adjusted in the following ways:

- (a) By debit to RFCD accounts of relevant travelers;
- (b) Excess amount not exceeding USD 500 or equivalent may be adjusted against travel quota of the following year without prior approval from Bangladesh Bank if option (a) is not possible to be executed.
- (c) ADs shall have adequate arrangements including monitoring mechanism to implement the above decisions meticulously.

10. Release of foreign exchange for travel on health ground

(1) All applications for foreign exchange for travel abroad on health grounds should be submitted in form as at Appendix-3, in duplicate. Up to USD 15,000 or equivalent may be released by ADs on the basis of the recommendation of the Medical Board set up by the Health Directorate or on the basis of the need established through recommendation of appropriate medical specialists and the cost estimate of the foreign medical institution. Request for release of foreign exchange exceeding USD 15,000 for treatment abroad should be forwarded by ADs with supporting documents to Bangladesh Bank (FEOD/other office) which will authorize release upon verification of the bonafide of the expenses.

(2) The limit of USD 15,000 or equivalent shall stand relaxed on account of treatment abroad for persons injured in the Students-People's uprising - July 2024 Revolution. In this context, ADs may release foreign exchange based on estimation. In addition to banking channel, international card channel may be used for the transactions.

(3) In case of release of foreign exchange through international cards (prepaid/debit/credit) for travel abroad on health ground. ADs shall report the transactions in the field named “Medical Quota” under ENTITLEMENT menu in online international card monitoring system.

11. Official or semi-official visits by employees of government/autonomous semi-autonomous bodies

(1) For official or semi-official visits abroad by the officials of Government/Autonomous/Semi-autonomous institutions etc., ADs may release foreign exchange as per entitlements fixed by the Ministry of Finance/respective competent authority from time to time. In such cases, the applicant for foreign exchange shall be required to submit the Competent Authority's Order/Notification/Circular authorizing the travel abroad.

(2) Release of foreign exchange on account of 'overseas allowance' in favor of the cockpit and cabin crews of Biman Bangladesh Airlines Ltd. ADs may release foreign exchange on account of overseas allowances of the cockpit and cabin crews allowed by Biman Bangladesh Airlines Ltd. Before releasing foreign exchange, ADs shall observe the following instructions:

- (a) An approval letter from Biman Bangladesh Airlines Ltd. in favor of the crews specifying the amount to be released should be obtained.
- (b) The amount released should be endorsed properly on the passport of the crews. Licensed Money Changers may also release foreign exchange for above purpose observing the instructions as laid down above.

12. Release of foreign exchange for attending seminar, conference, workshop, training etc. abroad

ADs may release foreign exchange to private sector participants for attending seminar, conference, workshop, training, etc. abroad at the scale of USD 400 per diem irrespective of countries or regions, with additional one day diem facility. Foreign exchange may be released only for the actual period of the program to be held on the basis of invitation letters received in the names of the applicants or their employer institutions. Photocopy of the invitation letter and all other related documents should be kept in record by ADs for post facto scrutiny by the inspection officials of Bangladesh Bank. Release of foreign exchange beyond the above mentioned indicative limits will be allowed by Bangladesh Bank upon submission of requests supported by documented proof of the expenses. Application for such release should be sent to Bangladesh Bank (FEOD or other offices).

13. Release of foreign exchange by debiting convertible Taka account for travel abroad

Foreign exchange may be released to private individuals as well as to officials of Govt., Autonomous and Semi-autonomous bodies for undertaking educational tours, attending seminars, workshops etc. abroad by debit to convertible Taka accounts of foreign NGOs and International Bodies at their request. In the cases of officials of Government/ Autonomous/ Semi-autonomous bodies, the application for release of foreign exchange should be

accompanied by the permission letter of the competent authority authorizing their proposed travel abroad.

14. Issue of foreign exchange currency notes

(1) Issue of foreign currency notes to foreign nationals

ADs may issue foreign currency notes up to USD 5,000 per person against surrender of equivalent amounts in other foreign currencies. The foreign currency notes should, however, be delivered only on production of a ticket for a destination outside Bangladesh and the amount issued should be endorsed on the relative passports. In case of travel by car, ADs may accept export-cum-import permits in lieu of tickets.

(2) Issue of foreign currency notes to FC account holders

Foreign currency account holders may draw foreign currency notes from balances of their respective accounts without any limit up to 5000 in USD notes, against endorsement on passport and ticket for a destination outside Bangladesh.

15. Business travel quota entitlements for exporters, manufacturers for domestic markets and importers.

(1) Business travel quota entitlements for exporters, manufacturers for domestic markets and importers will be as under:

(a) Exporters, importers and producers for the local market will be entitled to foreign exchange quota for travel abroad @ USD 400 per diem, subject to limits of USD 4,000 per trip and USD 10,000 over a calendar year.

(b) Senior level (top two tires) expatriate foreign nationals employed in business organizations in Bangladesh with valid visa and work permit will be entitled to the above mentioned business travel quota as Bangladesh nationals.

(c) The above entitlement may be used through international cards (prepaid/credit) held by authorized officials of the enterprise concerned (paragraph 92(9) of this circular).

(2) The above facility shall also be applicable for local agents operating in Bangladesh on behalf of foreign principals without limiting to licensed indenting agents and buying agents. Before releasing foreign exchange on account of business travel, ADs shall satisfy themselves regarding bonafide of agents through valid agency agreements and other relevant documents.

(3) Genuine requirements beyond the entitlements enumerated above will be accommodated by Bangladesh Bank upon submission of application supported by documents establishing bonafide of the additional requirements. Application for such release should be sent to Bangladesh Bank (FEOD or other office, Bangladesh Bank).

16. Disposal of unspent foreign exchange by returning residents

Attention of all persons granted foreign exchange for travel should be drawn to sub-section (3) of Section 4 of the FER Act, 1947. No person acquiring foreign exchange for travel may use it for purposes other than living or travelling expenses in the country for which exchange is issued and in case of special allotment, for purposes other than those for which exchange is sanctioned. On return, unspent amounts brought back with declaration in FMJ Form for amounts more than USD 10,000 may freely be encashed to Taka or may be retained in RFCD accounts, up to USD 10,000 may be retained in hand.

17. Reconversion of unspent Taka into foreign exchange by foreign tourists

(1) ADs may allow reconversion into foreign exchange of the unspent Taka funds of foreign tourists (i.e. foreign nationals on temporary visit to Bangladesh except those on employment in Bangladesh) on production of the certificate evidencing the encashment of foreign currency brought in by the tourist. Reconversion shall be allowed by the same AD with which the foreign currency was encashed earlier, on the strength of the original encashment certificates which will be retained by ADs while allowing reconversion. The FMJ Form containing the declaration of the foreign exchange brought in at the time of arrival should be asked for and retained by AD where reconversion exceeds USD 10,000. Likewise, licensed money changer whether it encashed earlier or not may reconvert the unspent Bangladesh Taka belong to the foreign tourist up to USD 500 or equivalent provided that the tourist submits system generated encashment certificate issued by any licensed money changer. While providing reconversion, money changer shall stamp on the original encashment certificate to the effect that reconversion has been executed and preserve a copy thereof.

(2) Besides, to facilitate returning foreign tourists/non-resident Bangladeshi nationals, general permission has been accorded to reconvert their unspent Bangladesh Taka up to USD 100 or its equivalent at the bank booths situated at the departure lounges of international airports in Bangladesh upon presentation of encashment certificate. While providing such reconversion facility, the bank both will have to preserve the original encashment certificate/true copy of the encashment certificate attested by AD/money changer itself issued against conversion of foreign currency into local currency earlier and copy of the boarding card of the passenger wherein passport number, date of issue of passport, nationality and amount of reconverted foreign currency are to be recorded.

18. Release of foreign exchange for Hajj

The Government of Bangladesh announces each year the scale at which foreign exchange may be issued to intending pilgrims for performing Hajj. Release of foreign exchange should be made as per instructions to be issued for this purpose by Bangladesh Bank each year.

19. Release of foreign exchange for Umrah Hajj

(1) ADs may effect outward remittances, on behalf of Umrah Hajj agents licensed by the Ministry of Religious Affairs, to official Umrah Hajj service agents/providers at Kingdom of Saudi Arabia (KSA) against their Umrah Hajj packages sold to intending pilgrims for performing Umrah Hajj, subject to observance of the following instructions:

- (a) ADs shall obtain documents from the licensed agents in support of the sales of Umrah Hajj packages to intending pilgrims, compliant with Umrah Hajj policy in force of the Government.
- (b) ADs shall endorse foreign exchange out of annual travel entitlement on passports of pilgrims up to the expenses to be incurred in KSA and retain the same in foreign exchange margin accounts of licensed agents. Service charges including air ticket fare for journey from Bangladesh, if included in the packages; payable to licensed agents shall be settled in Taka.
- (c) Intending pilgrims may arrange foreign exchange out of annual travel entitlement and/or balances held in RFCD accounts. Pilgrims may also arrange transfer of foreign currency from their designated ADs favoring licensed agents after endorsement on passports. The transferred fund shall be retained in margin accounts of licensed agents maintained by their ADs as per (b) above.
- (d) Foreign exchange so realized against sales of Umrah Hajj packages shall be remittable to KSA on deduction and payment of applicable taxes thereon.

(2) ADs may also release foreign currency out of unused travel entitlement in cash to meet the needs of intending pilgrims during their stay in KSA.

(3) ADs shall observe customers' due diligence/KYC including AML/CFT standards and reporting routine to Bangladesh Bank.

Part-C
PRIVATE REMITTANCES

20. Transfer of assets of foreign nationals retiring from Bangladesh

Foreign nationals leaving Bangladesh permanently after expiry of period of service in terms of relevant employment contracts, may transfer abroad their genuine savings out of salaries/benefits clearly stated in the employment contracts duly approved by the BIDA/BEPZA/BEZA/BHTPA or other competent government authorities. They shall also be eligible to transfer abroad the retirement benefits such as provident fund, pension, gratuity due as per employment contracts approved by the BIDA/BEPZA/BEZA/BHTPA, etc.

21. Retirement benefits, etc

ADs may, without prior approval of Bangladesh Bank, effect remittance of retirement benefits and savings including sale proceeds of investments in government securities made in accordance with paragraph 24 below (but not including sale proceeds of real assets such as household articles, real estates and other real assets, requests if any for remittance of such sale proceeds should be forwarded to Bangladesh Bank); as per instructions in the following paragraphs.

22. Application and supporting documentation

- (1) Application as per proforma at Appendix-4 duly filled in by the applicant and his employer should be accompanied by:
 - (a) Form TM duly filled in and signed by the applicant;
 - (b) A certificate from the employer showing:
 - (i) Net salary and allowances for each year;
 - (ii) Provident fund and leave salary paid on retirement;
 - (iii) Bonus and other gratuitous payments for each year;
 - (iv) Whether the cost of passage for self and family is being paid by the employer.
 - (c) A certified true copy of the employment contract approved by BIDA or competent authority of the Govt. of Bangladesh should be produced in support of the above.
 - (d) Where any of the above payments are not covered by the original service contract, a certified copy of the resolution of the board of directors of the employer company allowing the payment and approval thereof from the Govt. Department which originally approved the employment of the foreign national should be submitted.
 - (e) In case of persons employed in the private sector, certified true copies of the relative permission letters for employment issued by the appropriate Govt. Department should be attached,
 - (f) Bank's encashment certificate in support of receipt of funds, if any, from abroad.

(g) AD's certificate in regard to the applicant's investment in Govt. securities made for availing of the income tax relief showing also the amount realized from the sale proceeds and income accrued on the investments,

(h) Bank's certificate showing:

(i) Total amount of remittances made on account of family maintenance.

(ii) Total amount of remittances made on account of leave salary.

(i) In case where the period of stay exceeds 10 years, the bank's certificate should cover the period of last 10 years.

(j) Statements of transactions in bank account for the last one year prior to the date of the application with explanation of sources of credit entries of Tk. 500 or more other than those relating to receipt of salaries and allowances.

(k) Application for transfer of actuarial reserve and relative insurance record in respect of insurance policy, if any, is required to be submitted through the insurance company concerned.

(l) The statements/certificates mentioned in the sub-paragraphs (f), (g), (h), (j) and (k) above are to be prepared by ADs themselves on the basis of their own records.

(m) Clearance certificate in respect of income tax and other taxes payable.

(n) For remittance of pension/provident fund/gratuity on account of an employee retiring from a foreign-owned/foreign controlled organization, a certificate signed jointly by the employer organization and its nominated AD that the relevant pension fund/retirement fund out of which the retirement benefits are payable are maintained in Bangladesh and that no remittance towards contribution to any retirement fund maintained abroad has been made in respect of the applicant employee.

(2) Examination and processing of applications

(a) Before effecting remittance of retirement benefits, ADs should verify with reference to the terms of employment contract approved by the competent government department (currently BIDA/BEPZA/BEZA/HTPA, etc.) that the benefits applied for remittance are indeed due as per terms of the employment contract. In case of applicants retiring from foreign owned/foreign controlled companies, ADs shall satisfy themselves, with reference to the certificate mentioned at paragraph 22(1)(n) that the relative pension/retirement funds are maintained locally.

(b) Before effecting remittance of funds representing savings, ADs shall carefully examine the applications and supporting documents to satisfy themselves that the amount applied for remittance are the genuine savings out of the applicant's own legitimate earnings in Bangladesh. For this purpose, they will look into the information on earnings of the applicant such as approved salary, allowance, bonus etc., debits for the applicant's local expenses out of such earnings, outward remittances already made or to be made; and inward remittances received from abroad, if any.

(c) Details of credits to bank account of the applicant during the preceding one year at least should be scrutinized to ascertain that only the items of the applicant's own legitimate earnings have been included in arriving at the amount of savings applied for remittance.

(d) If on the basis of the above examination there emerges sufficient grounds to believe that the amount applied for remittance is in excess of the applicant's possible genuine savings, ADs shall effect remittance only to the extent of its own estimate of the applicant's genuine savings and thereafter refer the case to FEOD, Bangladesh Bank for further consideration regarding the excess amount, with such additional explanation /representation as the applicant may wish to furnish.

(e) Pension payments: In cases where pension is payable at regular intervals after the initial lumpsum payment of retirement benefits, ADs shall effect remittances of regular pension payments provided that life certificate in respect of the pensioner issued by the paying banker abroad is produced and ADs are satisfied on the basis of documentary evidence that the relative pension fund is maintained locally.

23. Reporting

Remittances effected in accordance with the above instructions will be reported by ADs to the concerned area office of Bangladesh Bank in the usual monthly returns. ADs shall maintain full records of cases of remittance of retirement benefits and savings of foreign nationals disposed of by them, for eventual examination by the inspecting officials of Bangladesh Bank.

24. Investments by foreign nationals in certificates/securities, etc.

(1) All requests for investment by foreign nationals in Bangladesh Govt. securities such as defense savings certificate etc., for the purpose of claiming income tax relief against investment allowance should be submitted through the applicant's bank to Bangladesh Bank for prior approval. While forwarding the application to Bangladesh Bank, ADs will furnish a certificate to the following effect on the application form:

- (a) The investment is proposed to be made out of the applicant's genuine savings in Bangladesh.
- (b) The applicant does not have local borrowings and overdrafts.
- (c) The proposed investment is for qualifying for tax relief against the investment allowance allowed by income tax authorities.

(2) If, however, the applicant has local borrowings and overdrafts, full details thereof should be furnished viz.,

- (a) The date on which the loan /overdraft was obtained;
- (b) The purpose for which the loan /overdraft was obtained; and
- (c) The amount of loan/overdraft outstanding as on the date of application for investment in Govt. securities.

25. Remittance of sales proceeds of real assets

Application for remittance of sale proceeds of real assets such as household articles and real estates, should be forwarded to Bangladesh Bank with the following documents /certificates:

(1) Statement of sale proceeds realized in respect of locally purchased articles of value Tk 500 (five hundred) or more mentioning:

- (a) Description;
- (b) Purchase price;
- (c) Date of purchase;
- (d) Date of sale and
- (e) Sale proceeds realized.

(2) Relative sale receipts or their certified true copies should be produced.

(3) A statement of sale proceeds realized in respect of articles imported/brought from abroad of value Tk 500 or more mentioning (a) description (b) landed cost in Bangladesh (c) date of import (d) date of sale (e) sale proceeds realized. Relative import documents and relative sale receipts or their certified true copies should be produced.

26. Legacies and other distribution of assets from the estates of deceased persons

(1) Application for remittance of legacies and other distributions from estates of deceased persons due to beneficiaries resident outside Bangladesh should be forwarded to Bangladesh Bank. Such applications should contain the following information and supporting documents:

- (a) Name, nationality and place of residence of the deceased at the time of his death. If the deceased person was resident of Bangladesh the period of such residence should be stated.
- (b) A copy of the relative clauses in the Will after probate has been granted or if the deceased died intestate, in the Letters of Administration; in both cases authenticated by a Notary Public, any Court, Judge or Magistrate in Bangladesh or in the country of residence of the deceased if he died abroad.

(2) When making applications a full statement of the assets of the deceased in Bangladesh should be given including a statement of bank account and all other assets. The balance in the bank accounts representing income earned during the year should be stated separately in cases where the deceased was a person resident outside Bangladesh. The amounts which are not allowed to be remitted to the beneficiaries will be permitted by Bangladesh Bank to be credited to a blocked account in the name of the executor or administrator with a bank in Bangladesh. If any security, shares and real estate which have been specifically bequeathed to persons resident outside Bangladesh are to be transferred to such beneficiaries, the application should also contain full particulars of such securities, shares and real estate.

27. Family remittance facility

(1) ADs may remit up to 80% of earned net income after tax at any time all over the year subject to availability of fund in the bank accounts concerned of foreign nationals working in Bangladesh as per "Form of Application for Private Remittance by Foreign National to Countries Abroad" prescribed in Appendix-5.

(2) The remaining 20% of foreign nationals' net income will be remittable at the end of the financial year upon completion of income tax assessment, supported by certificate issued by tax authority concerned.

(3) ADs are also allowed to remit foreign nationals' net income from the employers' FC account opened and maintained for this purpose to abroad where the family members of the foreign employees reside.

(4) Before executing the remittances ADs will ensure that the remittable amount does not exceed the balance held in related bank account.

(5) The employer of the foreign nationals shall prepare the "Certificate Required under paragraph 27(1)" of Appendix-5 considering all the monetary and non-monetary benefits as specified in the work permit granted by the competent authorities in compliance with the relevant provisions of Income Tax regulations in force. ADs shall observe due diligence with regards to customers' KYC and AML/CFT standards, reporting routine to Bangladesh Bank and so on.

(6) Bonus or commission receivable by foreign nationals cannot be added for calculating monthly entitlement in anticipation of the grant of bonus or commission, the inclusion will be made only after the net amount of bonus or commission has been actually paid by the employers and will be spread over the subsequent twelve months. However, subject to deduction of applicable taxes and payment thereof at one-go without spreading over the subsequent 12 months. Foreign nationals, however, can exercise prevailing regulations at their options.

(7) Salary and benefits in foreign currency accounts

Up to 80 percent of net monthly income in equivalent foreign currency may be credited to FC accounts of the expatriate employees maintained and operated under general authorization from permissible FC/ERQ accounts or Taka accounts of their employers. In respect of transactions, ADs shall observe the following instructions:

- (a) While crediting FC accounts, the transactions shall be treated as outward remittances and accordingly Form TM procedures need to be followed.
- (b) ADs may, out of the balances held in the accounts, allow debit/prepaid cards to the FC account holders for permissible transactions including travel related expenses.
- (c) Encashment of balances held in FC accounts shall be treated as inward remittances for bonafide local disbursements, including purchase of air ticket locally.

(8) Remittance of leave salaries of foreign nationals

Net salary of the foreign nationals payable for the period of leave admissible to them as per their service contract duly approved by the Govt. will be remittable. In such cases a declaration

from the employer to be obtained to the effect that leave for which remittance is claimed has been earned exclusively on service tendered in Bangladesh. Such remittance should be effected on approach by the employer. The employer should also be advised that the remittance for the remaining period will not be admissible should the employee return to Bangladesh earlier than the period for which it was intended for. Family remittance facility will not be admissible for the period for which leave salary will be availed of.

(9) Foreign exchange issuance against family remittance facility/leave salary for travel abroad

Foreign exchange may be released for short travels abroad during approved employment period of the foreign national and his/her spouse and other family members; amounts so released should be adjusted from the monthly remittance entitlement, or from the leave salary remittable as per sub-paragraph (8) above. Such release of foreign exchange would be against tickets evidencing confirmed date of travel within two weeks from the date of release of foreign exchange.

(10) Remittances effected in accordance with the above instructions will be reported to Bangladesh Bank in the usual monthly returns of ADs. ADs shall maintain full records of such remittances, for eventual examination by inspection officials of Bangladesh Bank as also for reference while processing applications for remittance of savings on retirement from Bangladesh

28. Membership fees, fees for application, registration, admission, examination, etc.

(1) ADs may release foreign exchange towards remittance of membership fees of foreign professional and scientific institutions, both for individuals and corporate in Bangladesh. They are also allowed to remit fees for application, registration, admission and examination (TOEFL, SAT etc.) in connection with admission into foreign educational institutions on the basis of written application or demand notice/letter from the concerned foreign institution showing the amount to be remitted. The remittance to be effected should be payable direct to the institution concerned and the transaction should be reported to the Bangladesh Bank in the usual monthly return.

(2) ADs may allow authorized examination centers/operators to collect admission/registration and examination-related expenses in Taka on account of TOEFL, SAT, etc., and secondary and higher secondary equivalent studies under recognized foreign academic bodies/authorities for outward remittances. In this context, ADs are required to observe the following instructions:

(a) Examination centers/operators-customers are duly authorized by relevant bodies/authorities abroad.

(b) ADs shall conduct due diligence with regards to customers' KYC including permission, if required, by the competent authorities to conduct examinations, valid agreements signed with relevant bodies/authorities abroad, and other issues appropriate for the activities.

(c) ADs shall ensure that payment clauses in arrangements with counterparts abroad do not exceed 90-day credit facilities.

(d) Income on account of fees, service charges, etc. is to be collected through bank accounts.

(3) Remittances: ADs shall effect remittances provided that:

- (a) instructions mentioned in paragraph (2) above are duly complied with;
- (b) submitted invoices are supported by statements containing details of examinees' names, names of examination, collection amount, payable amount in foreign currency and in Taka, applicable taxes such as source tax, VAT, etc., payable net of tax and other charges in foreign currency and in Taka, earnings over expenses, and other relevant information;
- (c) balances held in bank accounts are sufficient to cover the remittances applied for;
- (d) remittance requests shall contain an undertaking from remitters to the effect that statements reflect actual position and no payment therein has been made earlier and will not be effected in future. In case of wrong calculation, they will arrange repatriation of the same immediately on detection and they will be held responsible for misinformation; and
- (e) remitters shall declare that the remittance requests do not contain any non-resident/foreign examinees.

(4) Remittances under the authority of this circular may be made through only an AD branch designated by remitters, with intimation to Bangladesh Bank, head office/concerned area office.

(5) ADs shall observe routine reports to Bangladesh Bank including reports on taxes as per paragraph 2 of this circular. As usual, ADs shall preserve records in details of the transactions, with electronic option, for verification by the inspection team of Bangladesh Bank.

(6) Besides traditional mode of payment, international cards may be used for online payment through internet of fees mentioned above. Individuals not holding international cards in their names may also make such online payment through internet using 'Virtual Card' for the required amount by an international cards issuing bank for use through its designated bank branch. Online international card transactions including virtual card transactions shall have to be reported to Bangladesh Bank as per usual reporting norms.

29. Release of foreign exchange for study abroad

(1) Prior approval of Bangladesh Bank is required to release foreign exchange for study of Bangladeshi students abroad at school level. However, ADs are allowed to release foreign exchange for admission and study by Bangladesh nationals in regular courses such as undergraduate, post graduate, language course pre-requisite to bachelor degree & professional diploma/certificate courses in recognized institutions abroad. Remittance for language course regardless of pre-requisite to bachelor degree is permissible. In all cases, ADs shall conduct verification of bonafide according to the following drill:

- (a) Application and required papers
 - (i) Application (Appendix-6) duly filled in;
 - (ii) Original and photocopy of admission letter issued by the educational institution in favor of the student (such as the I-20 in the case of US institutions);

- (iii) Original and photocopy of estimate relating to annual tuition fee, board and lodging, insurance, incidental expenses etc. issued by the concerned educational institution (I-20 in case of US institutions);
- (iv) Attested copies of educational certificates of the applicant; and
- (v) Valid Passport.

(b) Examination and processing by ADs

- (i) After scrutinizing the application and the supporting documents submitted, ADs shall issue foreign exchange as per estimate furnished by the educational institution.
- (ii) In each case of sale of foreign exchange, the front page of the original letter of estimate/acceptance letter issued by the concerned educational institute should bear clearly the round stamp of the foreign exchange issuing bank branch and also the signature of the officer of the said branch.
- (iii) After verifying the original copies of papers referred to in paragraph (a) above, the foreign exchange issuing ADs would attest the photocopy thereof and preserve the same. Thereafter, the original copies would be returned to the applicant.
- (iv) Foreign exchange payable to the educational institution should be released in favor of the institution concerned. If payment on account of board and lodging/incidental expenses etc. are not required compulsorily to be in favor of the educational institution, foreign exchange on these counts may be issued in favor of the student in the form of international card. Educational institutions sometimes require applicants to send advance amounts for processing of applications, retention of seats etc. If the papers of the foreign educational institution clearly state such requirement, advance remittance may be effected. ADs may also release foreign exchange for study of Bangladeshi students in permissible courses abroad in favor of the designated intermediary payment processing entity provided it is clearly mentioned in ADs mission documents (I-20, Admission Acceptance Letter etc.) of the concerned main educational institution that fees, charges etc. are to be remitted through their designated entity.
- (v) ADs may also release foreign exchange on account of Health Coverage/ Health Insurance/ Medical Insurance fee provided that such fees are mandatory for Visa/Admission in permissible courses supported by documentary evidence (I-20, Admission Acceptance Letter, Offer Letter etc.) from the concerned educational institution.
- (vi) The facility of purchase of foreign exchange/remittance will not be admissible for more than one academic year at a time.
- (vii) For each release of foreign exchange subsequent to the first release, the current progress report and current estimate of the educational institution should be taken into consideration. ADs shall maintain separate file for each student with all relevant papers in readiness for perusal by inspecting officials of Bangladesh Bank.
- (viii) All purchases of foreign exchange throughout the entire duration of a course of study pursued abroad should be from one AD bank branch. For any intended change in this respect, the relevant file shall be transferred direct to the concerned new AD branch on written request by the student. Under no circumstance should the file be handed over to the student.

(2) Deposit in foreign currency to blocked accounts abroad for visa/admission processing against study purpose

If students intending to study abroad are required to deposit foreign currency to be blocked in designated bank accounts or student accounts abroad opened in accordance with the guidance of foreign educational institutes/embassies/high commissions, they are allowed to open such blocked accounts abroad to which necessary funds as set by foreign institutes/competent authority in foreign currency may be released after observing the following instructions:

- (a) ADs shall get ensured with documentary evidence that the deposits will be refundable in case of non-availability of visa;
- (b) In case of non-availability of visa, ADs shall ask students/guardians to arrange repatriation of remittance for which ADs shall obtain due undertaking from them;
- (c) ADs shall follow up students to the effect that they will proceed abroad within one year of remittance;
- (d) The deposits remitted as blocked fund for future use shall be adjusted as relevant expenses including foreign bank charges for the study with proper documentation therein.

(3) Release of foreign exchange for studying abroad in special cases

ADs are allowed to release foreign exchange for admission and study by Bangladeshi nationals in regular courses such as undergraduate, post graduate & professional diploma/certificate courses in institutions abroad as per instructions mentioned above. Sometimes students get themselves admitted into the foreign institutions without taking away foreign currency from Bangladesh source. Besides, ADs may need to release foreign exchange in cases of changing institution, changing subject and opening of student file for new higher course by the students. In these cases, ADs may allow the remittances on being satisfied after scrutiny of following documents and in compliance with above mentioned paragraph:

- (a) Release of foreign exchange for the student studying abroad
 - (i) Complete and satisfactory explanation regarding request for releasing foreign exchange for study abroad after leaving the country;
 - (ii) Documentary evidence in support of admission executed earlier;
 - (iii) Academic results of previous semesters;
 - (iv) Sources and amount of the expenses incurred as of date.
- (b) Change of educational institution
 - (i) Reasonable explanation by the applicant for the change;
 - (ii) Certificate evidencing that the new institute has agreed to accept the credits earned in the present institution.
- (c) Change of subject
 - (i) Reasonable explanation by the applicant for the change.
- (d) Opening of student file for new higher course after completing one course
 - (i) In compliance with the prevailing instructions on release of foreign exchange for study abroad.

30. Remittance on account of correspondence courses

(1) In order to facilitate development of professional skills, ADs may effect remittances on account of correspondence courses/distant certification courses to be paid by students to foreign professional/educational institutions for appearing in professional examinations. In this context, ADs shall examine the following documents:

- (a) Form TM signed by applicants supported by a declaration as per Appendix-7.
- (b) Demand note/invoice/examination fee notice, etc.

(2) The remittances are to be effected in the name of the foreign institutions abroad, subject to deduction of applicable taxes.

(3) The facility shall be admissible for one correspondence course at a time.

(4) For each release of foreign exchange subsequent to the first release, the current progress report needs be taken into consideration.

(5) ADs may execute the remittances through card channels in terms of paragraph 96.

(6) All purchases of foreign exchange throughout the entire duration of a correspondence course should be from one AD bank branch. ADs shall maintain separate file for each student with all relevant papers in readiness for perusal by inspection team of Bangladesh Bank.

31. Remittance of Consular fees

(1) Consular fees collected by foreign embassies in Bangladesh Taka and deposited in a Taka Account maintained with an AD solely for depositing the consular fee collections may be remitted abroad without prior Bangladesh Bank approval. Besides, collection of visa processing fees through nominated resident agents of foreign embassies may be remitted abroad to bank account designated by embassies or their home offices. In this context ADs shall observe the following instructions:

- (a) Collection of visa fee shall be as per the rate determined by the concerned embassies;
- (b) ADs shall obtain invoice from embassies/home offices supported by visa applicant-wise statement of collection;
- (c) ADs shall ensure deduction of applicable taxes.

(2) International cards (debit/prepaid) may be used for online payments of visa processing fees. In this context, ADs may issue international cards in the name of official designated by nominated resident agents of foreign embassies.

32. Remittance of visa fee abroad

(1) Visa fee is remittable abroad by individuals also if embassies of those countries are not located in Bangladesh on the basis of the demand of the foreign embassies concerned. Such fee

is also remittable to the visa agents abroad nominated by the concerned countries as per invoice/requirement of the concerned embassies after deduction of applicable taxes.

(2) Online payment of visa processing fees through international card as per requirement of concerned Embassies/High commissions may be effected also. International card issuing banks may also issue Virtual Cards for individuals not holding international cards to facilitate the online payment of visa processing fees.

(3) ADs shall report such remittance in the online monitoring system as well as usual monthly returns to the concerned office of Bangladesh Bank.

33. Remittance of immigration visa processing fees, evaluation fees, right of landing fee

(1) Immigration visa processing fees and evaluation fees for evaluation of educational certificates, demanded by foreign Immigration Authorities from resident Bangladesh nationals applying for immigration visa, may be remitted by ADs as per demand notes of the Foreign Immigration Authorities, on approach by the applicants. Besides, ADs may also allow remittance on account of 'right of landing fee/permanent residence fee' required for resident Bangladesh nationals finally proceeding abroad for migration. Such fees may be remitted in favour of immigration authority abroad upon establishment of bonafide of the demand. While processing the case of remittance on account of right of landing fee/permanent residence fee, ADs are advised to obtain the following papers/documents from the applicant:

- (a) application of the candidate;
- (b) copy of passport;
- (c) fee schedule;
- (d) letter from authority (demand note/offer letter);
- (e) Nikah-nama (for spouse who has been selected);
- (f) copy of medical report;
- (g) money receipt for medical check-up.

(2) Such remittances shall be reported to the area offices of Bangladesh Bank in the usual monthly returns.

(3) Fees relating to immigration may also be remittable to the agents nominated by the concerned authorities complying the relevant instruction in this regard.

34. Remittance for professional/skilled category employment abroad and immigration

(1) ADs may remit funds in bank accounts maintained under general authorization by Bangladeshi nationals in the countries in which they intend to proceed before obtaining visas. In this context, ADs need to observe following instructions:

- (a) ADs shall obtain documentary evidences in supports of the requirement to maintain bank accounts aboard and deposits therein;

- (b) The fund to be remittable shall not exceed the limit as required by the documents issued by respective authorities;
- (c) ADs shall ensure that bank accounts will not be operative before proceeding abroad by applicants;
- (d) In case of non-receipt of visas, ADs shall ensure repatriation of the fund and shall obtain an undertaking from applicants in this regard;
- (e) ADs shall satisfy that the facilities will not be available for immigration under investment categories.

(2) ADs shall observe reporting routine to Bangladesh Bank, and regulations on taxes.

35. Remittance for family maintenance abroad by residents

Applications for remittance of moderate amounts of foreign exchange for maintenance of family members (dependent parents, spouses and children) living abroad may be forwarded by ADs to Bangladesh Bank for consideration and prior approval. Each application should be supported by a certificate issued by the relevant Bangladesh Embassy regarding residency of the beneficiaries, extent of income abroad alongwith the Embassy's recommendation as to moderate requirement for family maintenance purpose. The certificate should also indicate the purpose for which the family member(s) went abroad, reasons for continued residence abroad and the probable period of stay abroad.

36. Registration/participation fee for attending training, seminar, workshop abroad

- (1) ADs may release foreign exchange on account of registration/participation fee of the officials of Govt., Autonomous/Semi-autonomous institution, employees of banks and finance companies operating in Bangladesh, faculty members of nationally recognized banking training institutions, employees/officials of company/firm/institution/NGO registered and operating in Bangladesh under the existing laws of the country subject to observance of following terms and conditions:
 - (a) the invitation letter is received in the name of applicant from the organizing institution;
 - (b) the tour must be approved by the employer;
 - (c) the fee as indicated in invoice/demand note is reasonable;
 - (d) the program of training/seminar/workshop is appropriate for the intending employee/official based on his/her job specification;
 - (e) the program of training/seminar/workshop is financed out of budgetary allocation of the institution;
 - (f) request for remittance of more than one time for attending training/seminar/workshop in a year favoring a single person is to be justified;
 - (g) request letter to remit the fee from the employer is received;
 - (h) registration certificate of the concerned institution is received;
 - (i) remittance should be made only favoring organizing institutions.

(2) For employees of banks and finance companies, ADs need to observe relevant instructions regarding their foreign tours.

(3) ADs shall report the transactions to FEOD or other office of Bangladesh Bank in monthly returns/statements. ADs are also advised to collect and retain copies of completion certificate, travel documents from the applicants upon return to Bangladesh for eventual inspection by Bangladesh Bank.

37. Remittance towards publication related fees of articles in international journals

ADs may release foreign exchange towards remittance of fees for publication of articles in reputed international journals written by resident Bangladeshi nationals. While effecting remittance, ADs shall satisfy themselves about the genuineness of the invoices from the publishing companies/publishers abroad and deduction of applicable taxes.

38. Remittance of IT expenses through Virtual Cards (debit, credit or prepaid)

(1) International card issuing banks may issue 'Virtual Card' to individual developers/freelancers of mobile Apps and Games having acknowledgements/training/boot-camps/hackathons/course participation certificates on mobile application development arranged by government authority, BASIS, or its member organization and any other recognized training/academic institutes for online payment of fees for -

(a) Registration/license fees to reputed online or mobile application marketplace like Google, iTunes, Firefox, Windows, Blackberry, etc.

(b) Any associated license fees such as game engine or other software licence for mobile application or game development

(c) Online training fees for programs such as vendor certification examination, etc.

(d) Any domain registration/renewal, hosting/cloud solutions within the scope of mobile/game application development. However, the release of foreign exchange for these purposes shall not exceed USD 500 or its equivalent in a calendar year.

(2) ADs may release IT expenses within permissible limit on behalf of individual developers/freelancers through their notional accounts (digital wallet) maintained with Online Payment Gateway Service Providers (OPGSPs). In this context, ADs shall observe the following instructions:

(a) ADs shall arrange required amount in their nostro accounts for settlement of payment through notional accounts of OPGSPs on post-funding basis.

(b) For execution of online instructions from individual developers/freelancers, ADs shall have secure and suitable online transaction platform, and arrangement for documentary formalities before disbursement of funds as per (a) above.

(c) In case of refund due to cancellation of the relative transactions for valid reasons, ADs shall, on receipt of amount from OPGSPs, refund the same to remitters.

(d) Usual formalities required for outward remittances need to be observed including usual reporting, deduction of applicable taxes and payment thereof.

(3) Irrespective of above limit, developers/freelancers are permitted to remit their bonafide business expenses out of balances held in ERQ accounts through digital wallet.

(4) ADs may maintain notional accounts with OPGSPs. ADs shall use the accounts to execute above transactions on behalf of individual developers/freelancers having no notional accounts with OPGSPs.

39. Trading at Border Haats

India and Bangladesh have opened 'border haats,' or 'common marketplaces' in different places of the border of the two countries for carrying on traditional border trade at these places in terms of the Memorandum of Understanding dated October 23, 2010 signed between the Government of the People's Republic of Bangladesh and the Republic of India. To facilitate transactions in these haats, it has been decided that pursuant to the authorization conferred by the Government of Bangladesh under Section 25 of the Foreign Exchange Regulation Act, 1947 (Act VII of 1947), operations of Section 5(1) and 5(3) of the said Act shall remain suspended in respect of purchases by each individual not exceeding Bangladesh Taka or Indian Rupee equivalent to USD 100 for any particular day in the border haats. (Please see Appendix-8).

40. Other private remittances

Applications for remittances by private individuals for purposes other than those mentioned above should be made on Form TM on which full details of the purpose of the remittance should be stated and full documentary evidence in support of the application should be attached. ADs must satisfy themselves regarding the bonafide of each case through personal knowledge of the applicant, if any, or evidence which the applicant may be able to produce. After thus satisfying themselves, ADs should certify the application and forward it to the Bangladesh Bank for consideration. In each case the nationality of the applicant should be stated and if the applicant is not a resident in Bangladesh, the country of residence of the applicant should be clearly stated. If the applicant is a foreign national, the period of residence in Bangladesh and his intention as to future residence should be declared. Particulars of any permit obtained by him for making monthly remittances to his country of domicile should be given.

Part-D
REMITTANCES – PROFITS AND DIVIDENDS, ETC.

41. Remittance of profit of branches of foreign firms other than financial institutions

ADs may without prior Bangladesh Bank approval remit abroad the profits of branches of foreign firms and companies. The foreign firm/company operating in Bangladesh should for this purpose submit application to its nominated AD duly supported by the following documents/information:

(1) Submission of documents

- (a) Audited Balance Sheet and Profit and Loss Account for business done in Bangladesh for the relevant period.
- (b) Consolidated audited Balance Sheet and Profit and Loss Account of the company/firm (head office) for the corresponding period.
- (c) Year-wise reconciliation of head office accounts for the period for which profit remittance is applied for.
- (d) Documents regarding payment of taxes in Bangladesh:
 - (i) A certificate from the Auditors in Bangladesh that tax provision made in the accounts for the period in question is sufficient to meet all tax liabilities in Bangladesh; or,
 - (ii) Copies of final assessment orders and forms in respect of all taxes for the period duly certified and stamped by the department concerned.
- (e) Full particulars about additions to fixed assets of the company in Bangladesh, if any, during the period and source of funds for financing such additions.
- (f) Particulars of outstanding borrowings in Bangladesh of the company/firm.
- (g) Permission letter of the relevant Government Authorities for carrying on business in Bangladesh and the terms and conditions thereof.

(2) Examination of documents

ADs shall examine and process the applications for profit remittance as follows:

- (a) All past losses should be adjusted either to profit and loss account or general reserve account.
- (b) Additions to fixed assets, furniture and fixture, office equipments, cars etc. will be deducted from net profit before arriving at the remittable profit. If the additions are financed out of depreciation, disposals during the year and/or non-repatriable funds received from abroad, no deduction for these will be made from the profit.
- (c) Profit on sale of small fixed assets items like furniture, fixture and equipment and profit on sale of investments in stocks, shares, bonds, securities etc. may be treated as admissible items of remittable profit.
- (d) The entire amount of the profit on sale of fixed assets acquired for running the normal business activities of the concern as well as profit on sale of investments in share, securities etc. acquired out of undistributed remittable profit will also be treated as remittable.

(e) Profit on sale of immovable properties such as land, building, etc. shall be deducted from remittable profit unless prior permission of Bangladesh Bank has been obtained on application alongwith

- (i) Auditor's certificate about current market value of the immovable property sold
- (ii) balance sheet and other papers of the relevant period establishing the book value of the property on the date of sale
- (iii) copy of agreement of sale certified by the Auditor
- (iv) papers regarding tax assessment/tax payment on the capital gains from the sale.

(f) Net amount of cash subsidy, if any, granted by the Govt. shall be deducted from profit.

(3) Remittance of profits of Sterling Tea Estate Companies

Further to the requirements of sub-paragraphs (1) and (2) above, applications for remittance of profits of Sterling Tea Estate Companies should fulfill the following:

- (a) The companies will prepare accounts in Taka and apply for remittance in Taka.
- (b) The Auditors should certify that the computation of remittable profit and the entire income for the year has been earned on business authorized by the Memorandum and Articles of Association of the company and accrued in Bangladesh and that all losses and revenue liabilities have been adjusted before arriving at the remittable profit. The Auditors must also certify that in their opinion the accompanying financial statements present fairly the financial position of the company as of date and the results of its operations and changes in financial position for the year ended, are in conformity with the generally accepted accounting principles applied on a business consistent with that of the preceding year and the deviations, if any, have been reported.
- (c) Certified copies of assessment orders and evidence of payment of all income and other taxes or a certificate from the Auditors of the company that adequate provision has been made to meet all tax liabilities in Bangladesh, both for the previous years as well as current year together with the calculation sheet duly certified by the Auditors showing how the tax provision figure has been arrived at, should be produced.

(4) The firm/company will keep Foreign Exchange Investment Department (FEID), Bangladesh Bank, Head Office informed beforehand about its nomination of ADs and about any subsequent change in such nomination. ADs shall determine the Taka amount of the remittable profit after examining the remittance application in terms of sub-paragraphs (2) and (3) above and effect remittance of equivalent foreign exchange. After making the remittance ADs shall forward the remittance application and supporting papers/documents in original to FEID, Bangladesh Bank for post facto checking within one month of effecting remittance. Another copy of the remittance application alongwith the approved Form TM shall be forwarded, to the concerned area office of the Bangladesh Bank with the monthly returns of ADs.

42. Remittance of profit of banks, insurance companies and other financial institutions

Foreign banks and financial institutions operating in Bangladesh may remit profits to their head offices abroad through their nominated ADs without prior Bangladesh Bank approval. Foreign insurance companies operating in Bangladesh may likewise remit the shareholders' portion of profits through their nominated ADs without prior Bangladesh Bank approval. The basis for computation of remittable profit and the documents on which the calculations should be based shall be as follows:

(1) Documents

- (a) Audited Balance Sheet and Profit & Loss Account in respect of operation of the foreign bank/insurance company/financial institution in Bangladesh for the relevant year;
- (b) (i) Copies of final assessment orders and forms in respect of all taxes for the period duly certified and stamped by the taxation authority or (ii) certificate from the Auditors in Bangladesh that tax provision made in the accounts for the period is sufficient to meet all tax liabilities;
- (c) Certificate authenticated by the Auditor showing particulars of additions to fixed assets in Bangladesh, if any, during the period alongwith the amount of depreciation made, sale proceeds of fixed assets disposed of, and the amount of non-repatriable funds received from abroad to finance capital expenditure during the period;
- (d) Auditor's certificate with regard to the income accrued and shown in the books of accounts but not actually realized on the date of remittance;
- (e) In case of insurance companies, Actuary's valuation report relating to the period for which remittance is to be sent, and approval letter from Insurance Development and Regulatory Authority (IDRA) regarding remittance of shareholders' portion of profits for the period;
- (f) Auditor's certificates regarding adequacy of (i) capital and reserves and (ii) provisioning against classified loans, advances and other assets required in terms of applicable laws and regulations; mentioning clearly both the required and the actual levels of capital, reserves and provisions;
- (g) An undertaking from the applicant foreign bank/insurance company/ financial institution that any amount determined by Bangladesh Bank as having been remitted in excess of the amount actually remittable shall be repatriated immediately on demand.

(2) Computation of remittable profit

Upon being satisfied about the consistency of the amount applied for remittance with the facts and figures in the documents listed above, profits as per audited accounts may be remitted after making necessary deductions on the following counts:

- (a) Tax: Tax assessed by the taxation authority or in the event assessment is not completed on the date of remittance, the amount of tax as provided for in the books of accounts and certified by the auditors as adequate in accordance with the tax laws;
- (b) Additions to fixed assets: Costs of fixed assets, furniture and fixtures, office equipment, cars etc. acquired/bought during the year minus cost of assets financed out of depreciation, sale

proceeds of assets and those bought with non-repatriable funds from abroad as shown in the Auditor's certificate referred to in paragraph 42 (1) (c) above;

(c) Profits on sale of immovable assets: Any amount of profit in excess of Tk 10,000 arising out of sale of immovable assets (land, building etc.) included in the profit;

(d) Income receivable: Any unrealized interest income on adversely classified assets wrongly credited to income statement.

(e) Irregular income: Excess amount of interest and commission/charges etc. realized and included in the Profit & Loss Account as detected by Bangladesh Bank inspection teams;

(f) Shortfalls in capital & in provision requirements: Any shortfall in capital & reserves in Bangladesh and any shortfall in maintenance of provisions against classified loans, advances and other assets as required in terms of laws and regulations by Bangladesh Bank/other relevant regulatory authorities from time to time;

(g) Past accumulated losses: All accumulated previous losses.

(3) Submission of documents to Bangladesh Bank for post facto checking

Attested copies of all papers/documents related to remittance of profits of foreign banks, financial institutions and insurance companies, and head office expenses of foreign banks are to be forwarded to FEID, Bangladesh Bank, Head Office, Dhaka by ADs, within one month of remittance, for post facto checking; retaining the originals in their records for inspection by Bangladesh Bank officials. Any sum remitted in excess (as may be determined by the Bangladesh Bank during post facto checking) shall have to be repatriated immediately.

43. Head office expenses

(1) Branch operations of foreign banking companies need to share expenses of their head offices against benefits accrued to operations in Bangladesh. These expenses of head offices are incurred on account of the general management, administration and strategy of the whole company including its foreign branches. Head offices allocate these expenses to their branches in accordance with standard practices. ADs may remit such expenses without prior approval from Bangladesh Bank subject to observance of the following instructions:

(a) Gross remittable amount (before deduction of source tax) shall not exceed the limit as allowed in income tax regulations of the country;

(b) The remittance is subject to compliance of taxes regulations like deduction and payment of applicable source tax and VAT.

(c) Head office expenses need to be supported by certificate issued by the head office auditors in line with global standard;

(d) The expenses will not be remittable before the close of financial statements;

(e) There should be separate disclosure in the audited Financial Statement for such expenses.

(2) Within 15 days of remittance, a set of documents related to the remittances is to be forwarded to FEID, Bangladesh Bank; Head Office with an undertaking to the effect that any amount detected by Bangladesh Bank as excess remittance while post facto checking shall be repatriated immediately.

44. Remittance of dividend to non-resident shareholders

(1) ADs are allowed to remit dividends (both final and interim) to the non-resident shareholders on receipt of the application in the prescribed form (Appendix-9) in triplicate from the companies concerned duly certified by their Auditors and supported by the following documents:

- (a) Attested copy of the certificate of incorporation of the company (to be submitted only once).
- (b) Audited Balance Sheet and Profit & Loss Account of the Company for the year to which the dividend relates.
- (c) Copy, certified by the Auditor, of the Board resolution declaring the dividend.
- (d) List of non-resident shareholders to whom dividend is payable.
- (e) Certificate from the Auditor of the company to the effect that the taxes payable by the non resident shareholder on account of the dividend earned has been deducted.
- (f) Auditor's certificate to the effect that the provision for income tax and/or any additional liability (such as surcharge, etc.) in connection with such taxes made in the accounts of the company is sufficient to meet all past and present tax liabilities of the company in Bangladesh up to the period for which remittance of dividend is applied for i.e. the provision should cover not only current year but also the previous years for which taxes have not yet been finally assessed and paid.
- (g) Final income tax assessment order as and when obtained.
- (h) Before allowing remittance ADs should ensure that the applicant has given undertaking to the effect that in case of remittance of any ineligible amount, the amount so remitted will be repatriated to Bangladesh on demand by Bangladesh Bank/ADs.

(2) Each company will apply for dividend remittances through one nominated AD whose name should be communicated beforehand to FEID, Bangladesh Bank, Head Office, Dhaka. Any change in the nominated AD bank should likewise be notified to the Bangladesh Bank well in advance.

(3) While allowing remittance of dividend ADs should satisfy themselves that profit shown in the Balance Sheet and Profit & Loss Account has arisen out of the normal trading/business activities of the company or out of past accumulated reserves which were remittable. In arriving at the profit out of which dividend has been declared and applied for remittance, ADs should in particular verify to ensure that all previous losses/tax liabilities, if any, have been fully adjusted against current year's net profit or against general/revenue reserve. Also, any cash subsidy granted by Govt. to the company should be deducted from profit in arriving at the divisible profit, unless allowed otherwise by Bangladesh Bank.

(4) Remittance of dividend should be approved in Taka first and be effected after converting the Taka into equivalent foreign exchange at the rate ruling on the date of remittance.

(5) Dividend payable to foreign shareholders may be credited to their FC accounts maintained in Bangladesh, subject to observance of following instructions:

(a) ADs shall satisfy themselves that the fund in equivalent foreign currency to be credited in FC accounts on account of dividend has arrived in terms of above instructions.

(b) While crediting FC accounts, the transactions shall be treated as outward remittances and accordingly Form TM procedures need to be followed.

(c) Encashment of balances held in FC accounts shall be treated as inward remittances for bonafide local disbursements, subject to Form-C procedures.

(6) Reinvestment of dividend

Declared dividend may be used, with treatment as inward remittances for reinvestment in Bangladesh through purchase of shares in existing companies and/or other companies subject to observance of following instructions:

(a) Procedures as outlined in this paragraph have been followed regarding the disbursement dividend to foreign shareholders.

(b) Investee companies shall, within 14 days on issuance of shares in accordance with regulatory norms, arrange to report with attachment of relevant documents through their designated ADs to FEID and Statistics Department of Bangladesh Bank, Head Office in accordance with paragraphs 2(A) and 2(B), chapter 9 of GFET.

(7) ADs will maintain separate company wise record of payment of dividends to the non-resident shareholders either by remittance or for credit to the Non-resident Investor's Taka (NITA) Account as the case may be, under the above general permission, so as to facilitate their inspection by Bangladesh Bank.

(8) Remittance of pre-liberation dividend will, however, require prior approval of Bangladesh Bank. Such application should be forwarded by ADs to Director (FEID), Bangladesh Bank, Head Office, Dhaka on Form TM alongwith all requisite documents for approval.

(9) Export of dividend warrants

Dividend warrants can be freely exported to the non-resident shareholders of both Bangladesh and foreign controlled companies provided the shares have been issued against payments in foreign exchange received through the banking channel or against payments out of NITA in the name of the shareholder in accordance with the general approval of Bangladesh Bank accorded in this behalf.

(10) Remittance of profits to foreign partner in joint venture

For joint venture enterprises, Bangladesh Bank shall allow remittance of the foreign partner's/collaborator's share of profits on submission of application alongwith audited Balance Sheet, Profit & Loss Account etc. and other papers as per instructions contained in this paragraph.

45. Outward remittances on account of service payments by subsidiaries of foreign companies

(1) Purchases of recurrent services by subsidiaries from or through overseas parent/group firms or their associates comparable to those available locally enable related party transactions. It is observed that resident companies operating in Bangladesh as subsidiaries of foreign companies avail different services from their parents/group companies abroad. In view of the situation and to facilitate transactions between subsidiaries and parent/group companies, ADs may allow remittances on behalf of local subsidiaries against services from or through parent/group companies or their associates provided that:

- (a) The services are not locally available;
- (b) The subsidiaries are controlled by parent/group companies by holding shares exceeding 50 percent;
- (c) Gross remittable amount (before deduction of source tax) shall not exceed 10 percent of net profit in an accounting year.

(2) For the purpose of remittance facility under this authority, parent/group controlled subsidiaries shall mean those companies as defined in paragraph 4 of FE Circular No 34, dated September 02, 2025.

However, the facility will be applicable for companies with shares held by foreign companies/investors less than 50 percent (i) as per relevant regulatory requirements, if any, in Bangladesh, and/or (ii) in case of business activities of respective companies dependent on foreign investor-companies;

(3) Before allowing remittances, ADs shall observe following instructions:

- (a) ADs shall obtain underlying contracts including invoices;
- (b) The price of services is competitive;
- (c) The remittance is subject to compliance of taxes regulations like deduction and payment of applicable source tax and VAT, including transfer pricing;
- (d) Periodical payments shall be admissible based on reasonable estimation of profit certified by auditors;
- (e) Undertaking from remitter-subsidiaries is to be received to the effect that necessary adjustments shall be made in the following year in case of excess payment due to non-achievement of profit as per estimation.

(4) The facility under this authorization will be inadmissible for remittances requiring permission from competent authorities; and this will be mutually exclusive for transactions with parent/group companies if granted generally or specifically.

(5) The facility shall be available through a branch of an AD designated by the applicant. For any intended change in this respect, the relevant file shall be transferred direct to the concerned new AD branch on written request by the applicant.

(6) As usual, ADs shall report the transactions to Bangladesh Bank in the online reporting module and usual monthly returns/statements.

(7) In case of service payments requiring more than the limit set above, subsidiaries should send applications, through their designated ADs, to Bangladesh Bank accompanied by following documents:

- (a) Draft copies of agreements or Memorandum of Understanding (MoU) to be signed between subsidiaries and parent/group companies abroad;
- (b) Documents as evidence of price competitiveness of services;
- (c) Documents or statement(s) justifying the unavoidable necessity of obtaining services from parent/group companies abroad or that such services cannot be provided by local service providers;
- (d) Certificate from auditors regarding sources tax and VAT, base of calculation of source tax and obligatory of taxes with reference to relevant provisions of tax laws, rules and regulations.

Part-E
INSTITUTIONAL REMITTANCES

46. Remittance of cost of training, consultancy services and other fees

- (1) Industrial enterprises producing for local markets and service sector industries may remit through their nominated ADs up to 1 (one) percent of annual sales as declared in their previous year's income tax return or USD 100,000, whichever is higher, towards costs of training and consultancy services as per relevant contract with the foreign trainer/consultant, and prior approval of Bangladesh Bank will not be required for such remittances.
- (2) The authorization shall be applicable to all sectors under the prevailing Industrial Policy, excluding banks and financial institutions such as finance companies, insurance companies, capital market intermediaries, micro finance institutions, etc.
- (3) The above authorization is to include legitimate other current account payments like audit fee, certification fee, commissioning fee, testing fee, valuation fee, etc. within the purview of the above stated regulation. However, this will exclude payments which require permission from competent authorities without limiting to paragraph 47 below. ADs shall, while undertaking the transactions, satisfy themselves to the effect that regulations regarding deductions and payments of taxes at source, value added taxes and other levies applicable on the payments have duly been complied with. This facility and other permissible remittances will be mutually exclusive.
- (4) The above facilities shall equally be applicable to industrial enterprises operating in domestic processing areas of EZs having sales in Taka. However, in case of the availability of foreign exchange in the respective FC accounts, out of legitimate sources, of concerned customers, ADs will first use such balances before utilization of their own sources by conversion of Taka fund.
- (5) While processing remittances, ADs shall satisfy themselves that the cases are not remittable under specific authorization. The authority does not waive the requirements of consent, if any, from competent authorities. Accordingly, ADs shall ensure before effecting remittances that such consent has duly been issued in favor of respective remitters. As usual, ADs shall dispose requests for remittances on account of royalty, technical knowledge/technical know-how fee, technical assistance fee and franchise fee under the Guidelines of the Bangladesh Investment Development Authority (BIDA) as per stipulations outlined at paragraph 47 below.
- (6) ADs shall observe due diligence with regards to customers' KYC and AML/CFT standards, reporting routine to Bangladesh Bank and so on.

47. Application of Bangladesh Investment Development Authority Act, 2016 for payment of royalty, fees for technical knowledge or technical assistance and franchise fees to foreign persons or institutes

- (1) Section 18 of Bangladesh Investment Development Authority Act, 2016 requires approved industrial enterprises to make applications to the Authority for payment of royalty, fees for technical knowledge or technical assistance and franchise fees to foreign persons or institutes in accordance with the prescribed manner as defined by BIDA. Accordingly, private sector industrial enterprises as defined in Section 15(3) of the Act shall have approval from BIDA for such remittances.
- (2) BIDA has issued Circular No. 03.08.2680.224.165.1479.2017/59 of March 03, 2021 regarding the guidelines for outward remittances on account of royalty, technical knowledge/technical know-how fee(s), technical assistance fee(s) and franchise fee(s). Schedule 1 appended with the guidelines contains permissible amount of fee(s) to be remitted without BIDA's approval. In accommodating the requests for specified remittance under general authorization, ADs shall observe the instructions of the guidelines. In case of advance payment permitted in accordance with guidelines of BIDA, ADs shall observe relevant regulatory instructions stipulated herein.

(3) Transactions under the authorization shall be executed by one AD bank branch nominated by remitters. For any intended change in this respect, the relevant files shall be transferred direct to the concerned new AD branch on written request by remitters. ADs shall, before effecting the transactions, have been ensured of deductions and payments of source taxes, VAT and other levies applicable against the remittances. As usual, ADs shall comply with Section 3(4) of FER Act, 1947, including observance of due diligence with regards to KYC and AML/CFT standards, reporting routine to Bangladesh Bank under Foreign Exchange regulations, preserve customer-wise documents and so on.

48. Outward remittances on account of payment of royalty, fees for technical knowledge or technical assistance and franchise fees

On receipt of applications in terms of BIDA's guidelines together with approval, if required, following instructions shall be observed by ADs before execution of remittances:

- (1) ADs shall be ensured that they are nominated for the remittances as per approval letter issued by BIDA;
- (2) ADs shall be satisfied that applicable taxes payable on remittable amounts have duly been deducted and paid;
- (3) ADs shall satisfy themselves about the genuineness of the relevant documents. They will immediately contact with BIDA in case of any doubt.
- (4) As usual, ADs shall preserve customer-wise documents for eventual examination by Bangladesh Bank inspection team and shall report the transactions to Bangladesh Bank.

49. Remittance on account of royalty, technical know-how and technical assistance fees for DPAs of EZs: ADs may, on behalf of industrial enterprises in Domestic Processing Areas (DPAs) of Economic Zones (EZs), effect outward remittance on account of royalty, technical

know-how and technical assistance fees from taka account subject to observance of the instructions stipulated below:

- (1) for new projects, not exceeding 6 (six) percent of the cost of imported machinery;
- (2) for ongoing concerns, not exceeding 6 (six) percent of the previous year's sales as declared in the income tax returns.
- (3) Remittance of such fees in excess of the prescribed limit is subject to prior specific approval from BEZA.
- (4) In case of the availability of foreign exchange out of legitimate sources in the respective FC accounts of concerned customers, ADs shall first use such balances before utilization of their own sources by conversion of Taka fund. ADs shall, in no circumstances, utilize the combined sources for making outward remittances on behalf of industrial enterprises operating in export processing areas of EZs.
- (5) ADs shall, before effecting the transactions, satisfy themselves that the industrial enterprises do not have sources of income in foreign currency and shall have been ensured of deductions and payments of applicable taxes.
- (6) ADs shall comply with Section 3(4) of FER Act, 1947, including observance of due diligence with regards to KYC and AML/CFT standards, reporting routine to Bangladesh Bank and so on.

50. Employment of overseas agents, etc.

- (1) Prior permission of Bangladesh Bank is required by persons or firms in Bangladesh who wish to employ the services of agents abroad, whether on regular or intermittent basis.
- (2) Applications for this purpose should be made by letter giving full details of the nature and value of the business transacted in the past by the applicant, the existing arrangements and the nature of the proposed arrangements to be made with the overseas agents and where approved, applications for remittances should be made on Form TM quoting reference of the approval of the facility by Bangladesh Bank.

51. Opening of branches abroad

- (1) Prior approval of Bangladesh Bank is not required by the residents in Bangladesh for opening of offices abroad. They are however required to report the same to Bangladesh Bank within one month of opening of such offices, as per Appendix-10. Companies/firms shall, through ADs, regularly submit to FEID, Bangladesh Bank, Head Office periodical statements of accounts of these offices/subsidiary companies abroad; any net surplus of earning over routine current expenses/net profit of such offices are to be promptly repatriated to Bangladesh.

(2) Residents in Bangladesh shall mean those legal resident entities other than banks and finance companies licensed under the Bank Company Act, 1991 and Finance Company Act, 2023 respectively.

(3) Remittance of up to USD 30,000 or equivalent may be made annually to meet current expenses of such offices opened abroad by a commercial or industrial concern. Such remittance may only be made in the names of concerned offices/subsidiary companies abroad. ADs shall examine following papers before effecting remittances:

(a) approval letter of the competent authority of the country concerned for opening the office in that country.

(b) lease agreement relating to the premises.

(4) In no way, this authorization is useable for equity remittance to establish subsidiaries abroad. Henceforth, ‘subsidiary companies’ as stated in the aforesaid paragraph shall stand repealed. ADs shall satisfy itself about the actual necessity of remitting funds by examining the actual and/or estimated incomes and expenses of the office abroad as revealed from its audited accounts and the other papers; and remit funds to the extent found necessary, subject to the prescribed ceiling. Before effecting remittances for subsequent years ADs shall verify the renewed lease agreement (if applicable) and other related vouchers.

52. Advertisement of Bangladeshi products in mass media abroad

(1) ADs may without prior Bangladesh Bank approval effect remittance towards cost of advertisement of Bangladeshi products in mass media abroad. Remittance applications from the companies/firms in Bangladesh should be supported by the invoice from the foreign mass media concerned, and the applicant will have to submit copy of ADs advertisement within one month of its issuance. ADs shall preserve the invoice, application and advertisement copy for post facto checking by inspection officials of Bangladesh Bank.

(2) ADs may also effect remittance towards cost of advertisement of Bangladeshi products in foreign electronic and online media in dynamic, image, video, interactive and/or other formats.

(3) ADs may effect remittances on behalf of their advertisement agency-customers circulating advertisements in foreign media for resident entities. In this context, ADs shall obtain applications containing the followings:

(a) Copy of valid agreements;

(b) Copy of invoices;

(c) Statements showing surplus position after deduction of (i) remittable amount, (ii) taxes, (iii) other expenses, etc. from gross collection, pertaining to the relevant transactions;

(d) Documentary evidences in support of deduction and payment of all applicable taxes;

(e) An undertaking from the applicant to the effect that, in case of wrong or excess remittance, the amount remitted will be repatriated to Bangladesh immediately on demand.

(4) ADs shall effect payments upon satisfying relevant statements. ADs shall also ensure that remittable fund is arranged from respective collections.

(5) Transactions under the authorization shall be executed by one AD bank branch nominated by remitters. For any intended change in this respect, the relevant files shall be transferred direct to the concerned new AD branch on written request by remitters.

(6) As usual, ADs shall comply with Section 3(4) of FER Act, 1947, including observance of due diligence with regards to KYC and AML/CFT standards, reporting routine to Bangladesh Bank, preserve customer-wise documents and so on.

53. Remittance of aircraft lease rental by airlines incorporated in Bangladesh

(1) ADs may effect remittances on account of lease rentals by the airlines incorporated in Bangladesh up to the guaranteed hours subject to bonafide according to the following drill:

(a) Application and required documents:

(i) Application of the applicant company;

(ii) Permission letter of competent authority allowing to operate the rental aircraft in favor of the applicant company;

(iii) Copy of valid agreement;

(iv) Copy of invoices;

(v) An audited statement showing the opening balance, earning, expenditure and net amount (surplus/deficit) pertaining to the operation of rental aircraft;

(vi) Proof of challans pertaining to payment of all applicable taxes or certificate of exemption issued by relevant tax authority;

(vii) An undertaking from the applicant company to the effect that, in case of wrong or excess remittance, the amount remitted will be repatriated to Bangladesh immediately on demand.

(b) Examination and processing by ADs:

(i) ADs shall ensure that the applicant is regular in submission of returns to Bangladesh Bank and repatriation of surplus earnings in accordance with FE Circular No. 21, dated July 18, 2018 and its subsequent circulars.

(ii) After scrutinizing the application along with the supporting documents submitted and establishing the bonafide, AD shall effect the remittance. In this case, ADs shall utilize first foreign currency fund, if any, in their FC account and later remainder from Taka accounts.

(iii) ADs shall maintain separate file for each company for verification by Bangladesh Bank inspection team and report the transactions to the concerned area office of Bangladesh Bank.

(2) Remittances under authority of this circular may only be made through an AD branch designated by the remitters for the purpose with intimation to Bangladesh Bank, head office/concerned area office of Bangladesh Bank.

54. Outward remittances on account of bandwidth/internet and related service import

(1) ADs may effect remittances to beneficiaries/designated parties abroad on account of bandwidth/internet service import by the business entities incorporated in Bangladesh subject to observance of the following instructions:

(a) ADs shall obtain application containing the followings:

(i) copy of valid licenses issued by competent authorities for respective service;

(ii) copy of agreements within related parties;

(iii) copy of regulatory approvals from BTRC and other competent authorities in applicable cases;

(iv) copy of relevant invoices;

(v) documentary evidences pertaining to payment of all applicable taxes or certificate of exemption issued by concerned tax authority;

(vi) an undertaking from the applicant company to the effect that, in case of wrong or excess remittance, the amount remitted will be repatriated to Bangladesh immediately on demand.

(2) ADs shall effect payments upon satisfying themselves with the genuineness of the remittance requests and sources of funds through reviewing applicable regulatory approvals, NOCs, licenses, financial statements, etc. In this respect, ADs shall obtain relevant documents along with audited statements of earnings, expenses, net position (surplus/deficit) pertaining to the payments. Audited statements should also include collection amount originated from sales of imported bandwidth service. ADs shall ensure that remittable fund is arranged from respective business sources and required regulatory reporting is met.

(3) ADs shall maintain separate files for each remitter-customer for verification by Bangladesh Bank inspection team, observe routine reports to Bangladesh Bank and comply with AML/CFT standards.

(4) Remittances under the authority of this circular may only be made through a designated AD branch with intimation to Bangladesh Bank, head office/concerned area office of Bangladesh Bank.

55. Software maintenance/support fees

(1) ADs may effect remittances on account of software maintenance/support fees, usage fees for cloud services, IT infrastructure and remote software applications. ADs shall, while effecting remittances, observe the following instructions:

(a) ADs shall have to be ensured of the concerned software having legitimate license;

(b) ADs shall obtain valid agreements for the maintenance/support services executed with foreign service providers.

(c) Remittance requests from the remitters shall be supported by invoices;

(d) Undertaking from remitters to the effect that they have not remitted the payments from other ADs and shall not do the same in future, and they will bring back the remitted amount or its parts in case of non-receipt or partial receipt of services.

(e) Regulations regarding payments of tax at source, value added taxes and other levies applicable on the payments need to be complied with.

(2) In the context of subsequent payments, ADs shall observe relevant instructions as noted above and certificates from service recipients regarding satisfactory use of services against earlier payments.

(3) The above facilities shall equally be applicable to banks having approval from their own competent authorities and industrial enterprises operating in domestic processing areas of EZs having sales in Taka. However, in case of the availability of foreign exchange out of legitimate sources in the respective FC accounts of concerned customers of EZs, ADs shall first use such balances before utilization of their own sources by conversion of Taka fund.

(4) The transactions under the above authorization shall be executed by an AD designated by remitters who can change ADs as per mutual understanding. In case of change, designated AD shall forward the remittance files direct to new designated AD with intimation to Bangladesh Bank. As usual, ADs shall observe due diligence with regards to customers' KYC and AML/CFT standards, reporting routine to Bangladesh Bank and so on.

(5) To facilitate the stated service arrangements, ADs may effect remittances on behalf of their arranger-customers routing respective services to the ultimate users. In this context, ADs shall–

(a) obtain justification for sourcing the stated services from abroad,

(b) satisfy themselves regarding bonafide business requirements,

(c) conduct due diligence to ensure services are being arranged under valid agreements and have legitimate collections, covering remittances, applicable taxes, mark-up, etc., from their customers.

(6) ADs shall comply with regulatory framework as stated above as subject to authorization, if required, from competent authorities.

56. Remittance for academic/research journal subscription

ADs may allow remittance of subscription fee for academic/research journals, subscription fees of academic software and cloud based educational services to be procured from abroad by public universities and medical colleges, recognized national research/training institutions, University Grants Commission (UGC) approved private universities and Govt. approved private medical colleges up to USD 15,000 or equivalent for an institution per calendar year against production of invoice/relevant supporting documents subject to establishment of bonafide. Such remittances are to be reported to Bangladesh Bank.

57. Registration fee on account of medical check-up for migrant workers

(1) Migrant workers before proceeding abroad may need medical check-up with medical centers approved by the concerned countries for which candidate-wise registration fee is

payable to the approving authorities of the countries. In such cases ADs may, upon request from approved medical centers, remit fee to the bank account of the beneficiaries on account of registration fee for medical check-up services to migrant workers subject to production of invoice specifying details of the check-up and deduction of applicable taxes.

(2) In accordance with the requirement of Gulf Health Council (GHC) regarding online registration and payment for medical check-up, ADs may issue international debit/prepaid/credit Card in favor of Bangladeshi medical centers accredited by GHC to pay only the registration fee for medical check-up services of Bangladeshi nationals proceeding abroad for employment in member countries of Gulf Cooperation Council. Each medical center may avail only one card from any one of the card issuing banks. In this regard, ADs shall meticulously follow the instructions regarding reporting requirements of international card.

58 (1) Subscriptions to foreign media services

On applications from the local newspapers, ADs may remit foreign exchange towards cost of subscription of news items, features, articles of foreign news agencies. Remittance should be made on the basis of (a) contracts entered into between the applicant and the foreign news agency and (b) NOC of the Ministry of Information.

(2) Bank's own subscriptions/charges

(a) ADs are allowed to make remittances on account of their own subscription for availing recurring services required for day-to-day international transactions, without limiting to Reuters monitor, SWIFT, Bloomberg, bankers almanac, due diligence repository services, credit rating services, price verification services and so on.

(b) ADs may effect remittances towards settlement of dues to foreign banks of bank charges, cost of cables & other incidental charges arising in their normal course of the business without prior Bangladesh Bank approval. All such remittances should be reported to the Bangladesh Bank alongwith appropriate return.

(c) ADs may effect remittance towards cost of agent services of legal process under the USA PATRIOT Act of 2001 after satisfying themselves with the genuineness of the request through agreement/proforma invoice duly accepted and after deducting all applicable taxes.

(d) Shipment tracking charges: ADs may effect remittances on account of shipment tracking charges; subject to observance of the following instructions:

(i) ADs shall have tie-up arrangements with globally recognized shipment tracking service providers;

(ii) ADs shall receive shipment tracking information through secure communication channels/automatic system generated paths;

(iii) Remittance requests from service providers abroad shall be supported by invoices;

(iv) Regulations regarding payment of tax at source, value added taxes and other levies applicable on the payments need to be complied with.

(v) To economize transaction costs, ADs may establish tie-up arrangements with other ADs having arrangements with shipment tracking service providers abroad, for receiving the particular services. Payments between them will be settled in Taka. Service providing ADs

may remit, in accordance with 2 above, the payments abroad payable against the services rendered to other ADs. ADs shall observe due diligence regarding AML/CFT standards, reporting routine to Bangladesh Bank and so on.

(3) Lounge visit facilities

ADs may allow remittances on account of payments related to lounge visit facilities availed by their customers-travelers holding international cards, subject to the ceiling in aggregate not exceeding 500 US Dollar or equivalent per cardholder in a calendar year.

(4) Transactions of capital market intermediaries

To facilitate smooth functioning of capital market transactions, ADs may remit fees abroad on account of services relating to financial data and communication services such as Reuters monitor, Bloomberg etc. In this context, ADs need to be ensured that applicants - brokerage firms, merchant banks, asset management company, etc. are duly licensed by Bangladesh Securities Exchange Commission

59. Remittance on account of legal expenses of banks

Banks may need to be involved in legal proceedings abroad for taking legal action against any party thereon or to face any litigation abroad sued against them. In both of the cases, bank may require outward remittance(s) of foreign exchange. Prior approval of Bangladesh Bank will be required for making any remittance for the first time needed for such legal proceedings. However, once permission is granted for any case for the first time, subsequent remittances (if any) needed for the same case may be done without prior permission of Bangladesh Bank. While applying to Bangladesh Bank for such remittance, ADs shall have to submit the opinion of its own legal adviser regarding justification of being involved to the litigation and prospect for winning thereto along with permission of the board of directors of the bank concerned for participating in such legal proceedings.

60. General Average Payment

(1) There is a General Average Act when an extraordinary sacrifice or expenditure is intentionally and reasonably made or incurred for the common safety for the purpose of preserving from peril the property involved in a common maritime adventure. To protect a ship and a major portion of its cargo from peril, the captain may declare General Average. To determine losses arising from General Average Act the captain then appoints an Adjuster. The General Average Adjuster sends report to the concerned parties stating therein the amount of loss, the share of each in the loss and the destination to which the share is to be remitted. In this context the insurance companies may apply to ADs for remittance abroad of the amount representing the shares of consignees insured by them, with the following document:

- (a) Final Report of the General Average Adjuster
- (b) Marine Cargo Policy
- (c) Copy of Letter of Credit (LC)/contract
- (d) Bill of Lading
- (e) Invoice
- (f) Average guarantee
- (g) Form TM and declaration as per Appendix-11
- (h) Declaration from Shadaharan Bima Corporation alongwith the list showing names of the insurance companies concerned with the General Average.

(2) Before allowing remittance, ADs shall satisfy themselves that the names of the company mentioned in the Marine Policy, of the ship, of the consignor and the consignee, the quantity of goods and price mentioned in the invoice, bill of lading no. and the quantity of goods mentioned therein, the quantity of goods and value mentioned in the LCs/contract the quantity of goods and value mentioned in the Average Guarantee etc. are consistent with the details contained in the General Average Adjuster's report. If all the documents and papers are found in order, ADs may approve Form TM and effect remittance on account of the General Average contribution applied for. All the papers and documents are to be preserved for eventual post facto checking by inspection team of Bangladesh Bank.

61. Outward remittances on account of project related expenses

(1) To facilitate transactions for implementation of the Government projects, general authorization is hereby accorded to designated ADs for effecting remittances on account of consultancy fees, management fees and other relevant current service fees; subject to observance of the following instructions:

- (a) The concerned projects shall have duly been approved by the competent authorities of the Government, including financial authorization;
- (b) There shall have agreements with the beneficiaries abroad;
- (c) Every request for remittance shall be supported by invoices from the beneficiaries abroad and certificate from the project authorities regarding receipt of concerned services;
- (d) Taxes regulations regarding payment of tax at source, value added taxes and other levies applicable on bill value need to be complied with.

(2) Outward remittances in accordance with the above authorizations shall be effected by AD branches designated by the project authorities/project implementing entities. AD branches shall, being designated, intimate it to Bangladesh Bank before execution of remittances.

(3) Remittances on account of royalty, fees for technical knowledge or technical assistance and franchise fees to foreign persons or institutes are subject to compliance with the Guidelines issued by BIDA (paragraph 47 of this circular).

(4) As usual, ADs shall comply with Section 3(4) of FER Act, 1947, including observance of due diligence of KYC, AML/CFT standards, reporting routine to Bangladesh Bank and so on.

62. Membership fee to foreign professional and scientific institutions

ADs may allow remittances on account of membership/affiliation fees payable by local business/professional entities to the professional/scientific institutions abroad without prior permission of Bangladesh Bank in terms of paragraph 28.

63. Remittance facilities to IT/software firms

(1) ADs may remit up to USD 40,000 on behalf of IT/software firms in a calendar year on account of international alliance/software registration fee, domain registration/hosting fee, server maintenance fee, account verification/remittance test fee, etc. without prior approval of Bangladesh Bank subject to compliance of the following drill:

- (a) ADs shall ensure that the services against which fees have been paid are subsequently provided for;
- (b) Invoice/demand note from the beneficiary abroad along with relative documents will have to be attached to the application for remittance;
- (c) ADs shall ensure deduction of applicable tax and payment thereof;
- (d) An undertaking from the applicant company to the effect that, in case of wrong or excess remittance, the amount remitted will be repatriated to Bangladesh immediately on demand.
- (e) BASIS will issue letter of recommendation for a particular firm to a specific AD of applicant's choice. All subsequent letters of recommendations are to be addressed to the same AD. ADs shall maintain separate file for each firm to ensure maintenance of limit as mentioned above for verification by Bangladesh Bank inspection team.
- (f) Within the limit of USD 40,000, ADs may issue international card favoring a nominated official of IT/Software firm for USD 8,000 with the recommendation of BASIS. The international card may be refilled for another USD 8,000 subject to production of documents evidencing the fact that the previous transactions were carried out for the purposes mentioned above. ADs shall ensure that the aggregate amount of refills of international card and outward payment through other means do not exceed USD 40,000 in a calendar year. ADs shall report the transactions to the concerned area office of Bangladesh Bank.

(2) This yearly entitlement will be usable by IT/Software firms for meeting bonafide current needs including but without limiting to digital marketing expenses. However, ADs shall comply with the instructions contained in paragraph 47 of this circular regarding the requirements of approval, if any, from BIDA in case of remittance on account of royalty, fees for technical knowledge or technical assistance and franchise fees to foreign persons or institutes.

64. Remittance facilities to e-Commerce firms

(1) ADs may allow annual remittance facilities of USD 10,000 or its equivalent to a member firm of e-Commerce Association of Bangladesh (e-CAB) for meeting bonafide current expenses abroad through traditional banking channel or card channel. In this case, ADs may

issue refillable international credit/prepaid card with USD 2,000 to the nominated official of the remitter within the limit. Aggregate refills in cards and remittances by banking channel shall not exceed total limit of USD 10,000 in a calendar year.

(2) Outward remittances on account of royalty, technical knowledge/technical know-how fee, technical assistance fee and franchise fee shall be guided by the guidelines of BIDA; and authorization as noted above will not be applicable for these purposes.

(3) Transactions under the above authorization shall be executed by a single AD bank branch nominated by remitters. For any intended change of AD branch, the relevant files shall be transferred direct to the concerned new AD branch on written request by eligible firms.

(4) ADs shall comply with relevant other instructions including deduction and payments of applicable taxes at sources, VAT and other levies, recommendation from e-CAB, reporting routine to Bangladesh Bank and so on.

65. Outward remittance of commission earnings of 'foreign brokerage firm' against service rendered to foreign portfolio investors in Bangladesh

(1) Local stock brokerage firms acting on behalf of foreign stock brokerage firms (registered and operating abroad) to aid foreign portfolio investors for trading of securities through NITAs in Bangladesh can remit share of commission earnings to their foreign counterpart brokerage firms through ADs without prior approval of Bangladesh Bank subject to observance of the following stipulations:

(a) The local brokerage firm (agent) shall have required permission from relevant Government Bodies (including BSEC) to operate their business in Bangladesh.

(b) The local brokerage firm shall request concerned AD for necessary arrangement to remit commissions/fees abroad with documents/information as mentioned in [FBC-1 (Appendix-12)].

(c) Only commission/service charge earned from trading of securities of the foreign investors through BO Account opened with the concerned brokerage firm/securities custodian bank and NITAs (opened with any AD) shall be considered for sharing with the foreign brokerage firm after deduction of taxes and other items (if any) for subsequent remittance to abroad in accordance with the agreement signed between the two parties.

(2) Local brokerage firm (agent) shall request ADs for the purpose of remittance to foreign brokerage firm (principal) abroad. Commission/service charge payable to the foreign stock brokerage firm shall be determined on monthly basis [FBC-2(Appendix-13)] in accordance with the agreement signed between the two parties. The statement must be certified by the auditor of the local agent. Supporting documents should contain information relating to transaction volume against stock trading on behalf of non-resident portfolio investors, amount of commission/service charge earned and the amount payable to the principal on account of commission/service charge. Commission/service charge earned in one month may be remitted