

The Malaysian Currency

banking info

INFO PERBANKAN

GENERAL
INFORMATION

The Malaysian
Currency

A consumer education programme by:



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA



PERSATUAN BANK BANK DALAM MALAYSIA
THE ASSOCIATION OF BANKS IN MALAYSIA

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Disclaimer

This document is intended for your general information only. It does not contain exhaustive advice or information relating to the subject matter nor should it be used as a substitute for legal advice.

Date: 21 January 2003



This booklet will help you
differentiate
between genuine and
counterfeit banknotes

Introduction

Banknotes can sometimes turn up soiled, mutilated or defaced, creating problems, about what to do with them. There are a number of state-of-the-art security features built into modern Malaysian banknotes, which are useful to know about because they give you a better idea of exactly what you should look out for when faced with currency of dubious quality.

This booklet will help you differentiate between genuine and counterfeit banknotes, together with the necessary steps that should be taken when you encounter them.



There are **limits**
to which you can use
coins to make payments

LEGAL TENDER

Only banknotes and coins issued by Bank Negara Malaysia (BNM) are legal tender (i.e. can be used legally in Malaysia). The banknotes and coins must not be defaced for it to be legal tender. In the case of coins, there are limits to which you can use them to make payments. (The table on the right indicates the maximum limits that you can use coins to make payments.) However, there is no limit in using banknotes to make payments.

Denomination	Legal Tender Status
Coins exceeding RM1 (e.g. commemorative coins)	Any amount based on the face value of the coin
50 sen and RM1 coins	Up to RM10.00
Coins less than 50 sen	Up to RM2.00

REPRODUCTION OF THE MALAYSIAN CURRENCY

You are not allowed to reproduce the Malaysian currency. It is also illegal for you to use any photograph, drawing or design of any note, coin or any part of the note or coin, of any size, scale or colour, in any advertising or on any merchandise or products, which are manufactured, sold, circulated or distributed except with the permission of BNM. You may be fined up to RM5,000 if you were to reproduce the Malaysian currency without the permission of BNM.

BANKNOTES & COINS IN CIRCULATION

Since 1967, BNM has issued three series of currency banknotes and two series of currency coins for general circulation.

The current series is the 3rd series with the theme "WAWASAN 2020" (VISION 2020) which reflects Malaysia's economic

Series	Denomination	Design/ Theme
Banknote:		
1 st series	\$1, \$5, \$10, \$50, \$100 and \$1000	Mathematics and Geometrical
2 nd series	\$1, \$5, \$10, \$20, \$50, \$100, \$500 and \$1000	Cultural Artefacts
3 rd series	RM1, RM2, RM5, RM10, RM50 and RM100	Wawasan 2020 (Vision 2020)
Coins:		
1 st series	1 sen, 5 sen, 10 sen, 20 sen, 50 sen and \$1	Parliament
2 nd series	1 sen, 5 sen, 10 sen, 20 sen, 50 sen and RM1	Malaysian tradition and character



Malaysian banknotes
are made from
**high quality
paper**
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from cotton

development. There are altogether 6 denominations in the current series i.e. RM1, RM2, RM5, RM10, RM50 and RM100. The series has a number of new security features in addition to the existing security features to deter counterfeiting.

Malaysian currency coins in circulation comprise of 1 sen, 5 sen, 10 sen, 20 sen, 50 sen and RM1. Various equipments and tools used in traditional cultural games are shown on the side where the face value of the coin is not indicated.

BANKNOTES SECURITY FEATURES

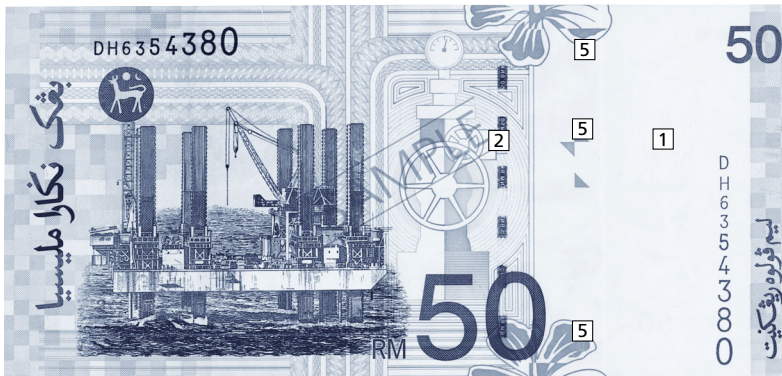
To help you determine whether your banknote is genuine, the main security features of the Malaysian banknotes (3rd series) are as follows:

- Paper
Malaysian banknotes are made from high quality paper manufactured from cotton. The banknotes have a slightly rough touch and have a special crisp sound when crunched.

Main Security Features for Malaysian Banknotes (3rd Series)



Front



Back

Actual Size: 145 x 69 mm

- Portrait of Yang di-Pertuan Agong
The portrait of the First Yang di-Pertuan Agong, which is found on the right hand side of the banknote, is an anti-counterfeiting feature which is difficult to reproduce.
- Watermark 1
The shaded watermark portrait of the First Yang di-Pertuan Agong, in the clear panel on the left hand side of the banknote, can be seen when the banknote is held up against the light. The watermark has a 3-dimensional look with different tones of dark and light, appearing soft and shady without sharp outlines. At the base of the watermark the number i.e. 50 for the RM50 denomination, is clearly visible.
- Windowed Security Thread 2
The windowed security thread is interwoven in the paper and it runs vertically down the reverse side of the banknote. When the banknote is held up against the light, the thread

appears as a continuous dark line with repeated text printed on it. For example on a RM50 banknote, the words “BNM RM50” is typed repeatedly on the thread.

- LEAD Features ^[3]

For denominations of RM50 and RM100, there is a holographic strip (seen as a shiny strip) on the right hand side of the banknote. There are three items printed on the holographic strip:

- Repeated designs similar to the one printed on the right-hand side of the portrait of the First Yang di-Pertuan Agong
- Image of the denomination numeral (e.g. RM50)
- Image of the letters “BNM”

- PEAK Features ^[4]

The PEAK features is located in the middle of the banknote. When the banknote is looked at from various angles, the denomination numeral can be seen in the center of the square. For example on a RM50 banknote, the number 50 is printed.

- Perfect See-Through Register ^[5]

A hibiscus flower at the top and bottom of the banknote with exact images on both sides of the banknote.

- Intaglio Print ^[6]

The portrait of the First Yang di-Pertuan Agong, denomination figures, designs and the words ‘BANK NEGARA MALAYSIA’ are printed with intaglio inks to give good overall tactility and gives a raised feel.

You can
exchange
soiled banknotes
or deposit
them at any
commercial bank



COINS SECURITY FEATURES

The security features of the coins are the relief of the design, milled edges, lettering and characters on both sides. If you drop the coin onto a hard surface, you will hear a sharp ringing tone. You can also check the colour of the coin. All coins should have an even colour.

SOILED MALAYSIAN CURRENCY

After a few times in circulation, the banknotes become soiled. You can exchange soiled banknotes or deposit them at any commercial bank. It is not advisable to re-circulate soiled banknotes as they may not be fit for circulation and some security features may not be as effective as brand new or clean banknotes. In addition, this may affect the public's recognition of genuine banknotes. You can do your part in ensuring clean banknotes in circulation by exchanging soiled banknotes for newer ones. The cleanliness of the banknotes will to some extent be reflective of the image of the country.

DEFACED MALAYSIAN CURRENCY

You are advised not to deface the banknotes with words, signs, symbols, drawings or offensive messages. You should also not drill holes into coins. If you do so, you will not get any value on these currencies or coins, if you were to exchange them at commercial banks or BNM's branches.

MUTILATED MALAYSIAN CURRENCY

If you have mutilated or damaged banknotes you may exchange them for new currency at any BNM branch. Badly mutilated or damaged banknotes may need further examination and valuation before any amount is refunded. The common causes of damage are fire, water, chemicals, explosives, animals, insect or rodent damage, suffered as a result of being buried or decomposed. The decision to award compensation is at the discretion of BNM.



COUNTERFEIT MALAYSIAN CURRENCY: WHAT TO DO?

The following are some steps you can take if you suspect someone has given you counterfeit Malaysian currency:

- Delay the person (passer) who gives you the counterfeit banknote if possible and observe the passer's description, as well as that of his/her companion if any, and the license numbers of any vehicles used by them
- Do not write on, cut or re-circulate the counterfeit currency
- Handle the currency as little as possible (e.g. you can put it in an envelope or plastic cover). Record on a separate sheet of paper all the details about how you got the currency, who gave it to you, where and when you got it
- Take the counterfeit currency to the nearest police station and surrender the counterfeit currency to them after lodging a police report

If you have mutilated
or damaged banknotes
**you may
exchange them**
for new currency at any
BNM branch

FREQUENTLY ASKED QUESTIONS

Where does BNM print its currency banknotes?

Malaysian banknotes are printed overseas by reputable banknote printers.

What is the purpose of issuing commemorative coins and banknotes?

BNM issues commemorative coins and notes to commemorate internationally and nationally significant events. They are also issued to encourage the hobby of collecting notes and coins.

Why did BNM reintroduce the RM1 currency banknote?

The new RM1 currency banknote was reintroduced into circulation in response to public demand. The RM1 banknote is also easier to handle compared with the RM1 coin, which is heavy and tends to tarnish easily.

Is it legal for a shopkeeper to refuse 1 sen or 5 sen coins as part payment for goods and services?

Section 24, Central Bank of Malaysia Act 1958 allows 1 sen, 5 sen, 10 sen and 20 sen to be used as legal tender up to RM2. RM1 and 50 sen coins can be used to make payments of up to RM10.

How can I differentiate between genuine and counterfeit banknotes?

There are a few main security features that you can look out for namely:

- **Quality of The Paper**
Genuine banknotes are printed on very high quality paper. It has a unique feel, slightly rough to touch and has a crisp sound when crunched.
- **The Watermark Portrait**
There is a three-dimensional watermark portrait of the First Yang di-Pertuan Agong which appears soft and shady without sharp outlines.
- **The Security Thread**
The genuine banknote have a security thread embedded in the paper.
- **The Intaglio Printing / Feel The Paper**
The printed image is readily recognizable to the general public and it gives banknotes their unique feel, crisp, not limp, waxy or shiny and some of the lettering will feel rough to the touch.

Can I get a replacement if I discover counterfeit banknotes?

No. There is no value for counterfeit banknotes.

Why did BNM take the RM500 and RM1000 banknote out of circulation?

BNM has taken out the RM500 and RM1000 notes from circulation and withdrawn their legal tender status ("demonetised") to complement the exchange control measures introduced in 1998.

Can I still exchange RM500 and RM1000 banknotes into those with a smaller denomination?

Yes. You can still exchange the RM500 and RM1000 at any BNM branch.

Is there a penalty for reproduction of the Malaysian currency without BNM's approval?

Yes. The penalty for reproduction of the Malaysian currency banknotes and coins without prior approval from BNM is a fine not exceeding RM5,000.

Where can I exchange mutilated banknotes?

You can exchange mutilated Malaysian currency banknotes at any of the six BNM branches namely BNM Kuala Lumpur, Pulau Pinang, Johor Bahru, Kuala Terengganu, Kota Kinabalu and Kuching.

Can I exchange new banknotes and coins at BNM branches?

BNM has stopped the service of exchanging new banknotes and coins since 1997. You can exchange new banknotes and coins at your banking institution.

Can I exchange foreign currencies at BNM?

No. You can exchange foreign currencies at any commercial bank or licensed money changer.



BANK NEGARA MALAYSIA

LIMA PULUH RINGGIT

LIMA PULUH RINGGIT

5

10

5

WANG KERTAS
INI SAH
DIPERLUKUKAN
DENGAN NILAI

WANG KERTAS
INI SAH
DIPERLUKUKAN
DENGAN NILAI

LIMA RINGGIT

SEPULUH RINGGIT



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