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**Policy on Issuance of Redemption Statement and Release of Original Title of Immovable Property**

Late last month, the Central Bank of Malaysia issued a policy document on the issuance of redemption statements and the release of original titles of immovable property with the aim of promoting and improving service efficiency in the financial services sector.



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Based on the policy, a financial service provider <sup>[1]</sup> is required to comply with the time frame, as set out in the table below, in a non-complex case:

	<b>Time Frame</b>
Issuance of redemption statement	Within <b>two working days</b> commencing from the working day following the date of receipt of the customer's/customer's solicitors' instruction.
Release of the original title	Within <b>five working days</b> commencing from the next working day following the date of receipt of the redemption sum. <sup>[2]</sup>

Non-complex cases would include (but are not limited to) the following:

- (a) the housing loan/home financing account is performing and has no record of impairment history;
- (b) the immovable property is not used as a collateral for other loan/financing facilities;
- (c) complete security documents are in the custody of the financial service provider or its panel lawyer;
- (d) complete information is provided by the customer and no further clarification is required;
- (e) the terms of the housing loan/home financing contract have not been changed during the tenure; or
- (f) all outstanding charges for the housing loan/home financing account have been fully settled.

The aforementioned policy may be viewed [here](#).

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[1]

“financial service provider” refers to:

- (a) a licensed bank under the FSA;
- (b) a licensed Islamic bank under the IFSA;
- (c) a licensed insurer under the FSA carrying on life business;
- (d) a licensed takaful operator under the IFSA carrying on family takaful business; and
- (e) a prescribed institution under the DFIA.

[2]

If payment is made using a cheque, it is upon clearance of the cheque.