Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of Natural Persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. FINANCIAL SERVICES HORIZONTAL COMMITMENTS			
A. Offshore banks, offshore investment banks, offshore direct insurance companies, offshore reinsurance companies, offshore insurance brokers, offshore insurance underwriting managers, and offshore insurance managers	(1) Unbound* except as otherwise specified in this Appendix. (2) Unbound* except as otherwise specified in this Appendix. (3) Entry is confined to Labuan. Entry is limited to establishment of a branch registered or a subsidiary incorporated in Malaysia. (4) Unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence.	(1) Unbound* except as otherwise specified in this Appendix. (2) Unbound* except as otherwise specified in this Appendix. (3) None (4) Unbound except for presence of natural persons in respect of supply of a service through the mode of commercial presence.	
B. Commercial banks and investment banks	(1) Unbound* except as otherwise specified in this Appendix. (2) Unbound* except as otherwise specified in this Appendix. (3) The 13 wholly foreign-owned commercial banks are permitted to remain wholly owned by their existing shareholders.[9] Unbound for new licences.	(1) Unbound* except as otherwise specified in this Appendix. (2) Unbound* except as otherwise specified in this Appendix. (3) None except as indicated in the respective activities listed below. Acquisition by a foreign bank of an aggregate of five per cent or more of shareholding in a	

[9] Refers to the 13 wholly foreign-owned commercial banks specified in Malaysia's Schedule of Specific Commitments under GATS.

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of Natural Persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	Entry is limited to equity participation by foreign banks in Malaysian-owned or controlled commercial banks and investment banks and aggregate foreign shareholding in a commercial bank or an investment bank shall not exceed 30 per cent. Foreign commercial banks and investment banks are required to be locally incorporated in accordance with the *Financial Services Act 2013* [Act 758]. A commercial bank is not allowed to acquire any share in another commercial bank but may acquire shares in one investment bank. An investment bank is not allowed to acquire any share in a commercial bank or another investment bank. Other persons are not permitted to acquire five per cent or more of shareholding in a commercial bank or investment bank if the person already holds five per cent or more of shareholding in another licensed financial institution.	Malaysian-owned or controlled commercial bank or investment bank must meet the following criteria: (a) The foreign bank has the ability to facilitate trade and contribute to financial and economic development of Malaysia; (b) The country of the foreign bank has significant trade and investment interests in Malaysia; and (c) The country of the foreign bank does not have significant representation in the Malaysian banking industry.	