

Securities

NEW PROCEDURES IN HANDLING RECEIPTS FROM CLIENTS – DIRECTIVE FROM SECURITIES COMMISSION

In an effort to safeguard clients' monies, third party payments are not allowed to pay for the account of clients ("Beneficial Client") (including but not limited to payment for purchase contracts/contra losses, deposit into trust/margin account, payment for margin call etc) if there is no discernible relationship between the third party and the Beneficial Client.

Examples of parties having discernible relationship are as follow:

- (i) Immediate family (including spouse, parents/parents in law, grandparents, children, siblings)
- (ii) Sole proprietary business entity where the Beneficial Client is the sole proprietor

The following measures are implemented for all types of payments by clients:

Payment Mode	Via AHIB's Counter	Via Designated Commercial Banks
Cheque amount >=RM50,000 ⁽¹⁾	If the cheque is not issued by the Beneficial Client, the person who submit the cheque or DR shall confirm the relationship between the cheque issuer and the Beneficial Client to the counter staff.	Client/DR shall present ⁽²⁾ the image of the cheque which must clearly show the cheque issuer name. If the cheque issuer is not the Beneficial Client, DR shall confirm the relationship between the cheque issuer and the Beneficial Client to the counter staff.
Fund transfer amount >=RM50,000 ⁽¹⁾ (e.g. Internet Banking, Intra-Bank transfer, Inter-Bank GIRO, RENTAS, SWIFT)	N/A	If the payor's name is not displayed in our bank statement, client/DR will be requested to present ⁽²⁾ the image of the payment document which must show the payor name. If the payor is not the Beneficial Client, DR shall confirm the relationship between the payor and the Beneficial Client to the counter staff.
Multiple cheques/fund transfers to a same Beneficial Client (regardless of the amount) ⁽³⁾	If the cheques are not issued by the Beneficial Client, the person who submit the cheques or DR shall confirm the relationship between the cheque issuers and the Beneficial Client to the counter staff.	For cheques, client/DR shall present ⁽²⁾ the image of the cheque which must clearly show the cheque issuer name. If the cheque issuer is not the Beneficial Client, DR shall confirm the relationship between the cheque issuer and the Beneficial Client to the counter staff.
Splitting of one cheque/fund for more than one Beneficial Clients	Prohibited	Prohibited

⁽¹⁾ Verification may also be conducted by the Bank on amount below RM50,000 on random basis or when there is any ambiguity on the payments.

⁽²⁾ The image of the cheque can be in photocopy, fax or email. Please find the fax number of email address of your branch attached in Appendix 1.

⁽³⁾ Note that payment using more than 5 items (cheques/transfer/cash) will be rejected.

Regards,