This chapter stipulates the procedures to be complied with by the ADM with respect to accepting, verifying, keying-in, filing and rejecting Transfer Requests and submission of documents to Bursa Depository.

The requirements of this chapter and its related appendices (checklists) must be complied with at all times by the ADM.

6.1   Accepting Transfer Of Securities Requests

6.1.1   Receive the following for **each** transfer request:-

a.   Document relating to transfer request

b.   Relevant documents supporting the reason for transfer, if any

c.   Transfer fee and the relevant GST amount to be based on the number of securities requested for transfer.

6.2   Verification Of Transfer Of Securities Requests

6.2.1   Verify all the particulars on the transfer request document against the **Checklist For Verification Of Transfer Request** (Appendix 51).

6.2.2   Ensure transfer transactions fall under the **Approved Reasons For Transfer** and that it is supported by relevant documents, if applicable. See Appendix 52 for more details.

> *Note: Approved Reasons for Transfer is not applicable for unlisted / delisted securities.*

6.2.3   Reject the transfer request if there is(are) error(s) or discrepancy(ies) or non-compliance with Appendix 51 and Appendix 52. Return the transfer request document and supporting documents (if any) to the depositor.

6.2.4   When everything is in order, hand over the transfer request document and supporting documents (if any) to the first (1st) level user to perform the data entry into the CDS.

6.3   Keying-In Transfer Data Into The CDS By First (1st) Level User

6.3.1   The first (1st) level user is to enter all transfer data using the CDS "Transfer Maintenance" screen.

6.3.2   The first (1st) level user is also required to enter the following:-

       a.   Appropriate code denoting the reason for transfer

       b.   Reference number as appearing in Bursa Depository's letter approving the transfer (if applicable).

Note: *The security to be transferred is now earmarked and may not be used for any other purposes.*

6.3.3   If the transfer data is rejected by the system, verify to ensure that there is(are) no data entry error(s). If there is(are) no data entry error(s), return the transfer request document to the depositor immediately, stating the reason(s) for rejection.

6.3.4   Upon completion, the transfer reference number will be generated and displayed on the CDS terminal.

     Notes:

     (i)   *All accepted transfer requests lodged with the ADM before 3.00pm on any market day must be keyed-in to the CDS terminal before 4.00pm on the same market day.*

     (ii)   *Transfer requests lodged after 3.00pm must be keyed-in before 4.00pm on the following market day.*

     (iii)   *All transfer requests that have been successfully keyed into CDS by 4.00pm shall be either deleted or confirmed by the ADM by 4.30pm on the same day.*

     (iv)   *Transfer requests that have been successfully keyed-in into the CDS can only be confirmed from 10.00am and onwards except for securities that are being traded as Designated Securities under the Rules of Bursa Malaysia Securities Bhd.*

     (v)   *Securities that are traded as Designated Securities under the Rules of Bursa Malaysia Securities Bhd, the transfer requests can be confirmed*

from 8.30am and onwards or such time as may be prescribed by Bursa Depository.

(vi)   *Transfer request relating to unlisted / delisted securities, key-in "B5" at the Approved Reason column and enter the word "Unlisted / Delisted" at the Approval Ref. No column.*

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Chapter: 6   TRANSFER
Section: 6.4   Acknowledge Receipt Of Transfer Requests

6.4   <u>Acknowledge Receipt Of Transfer Requests</u>

6.4.1   Acknowledge receipt the transfer requests only after the transfer reference number has been generated and recorded on the transfer request document.

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6.5   Generate And Verify Transfer Report

6.5.1   Print the **Transfer Report** (Appendix 53) after the transfer requests have been keyed into the CDS database. This report can be printed either by:-

a.   Specific account; or

b.   All accounts.

6.5.2   Verify the Transfer Report and ensure that the following details have been entered correctly into the CDS:-

a.   Transferor's CDS account number, name and account qualifier (if any)

b.   Transferee's CDS account number, name and account qualifier (if any)

c.   Securities' code and name

d.   Quantity of securities

e.   Transfer reference number and transfer date

f.   Approved reason for transfer.

6.5.3   Make the necessary cancellation(s) if there is(are) any discrepancy(ies) or data entry error(s).

6.5.4   Print the **Transfer Cancellation Report** (Appendix 54) to verify the cancellation(s) made and ensure that the cancellation(s) made is(are) correct.

6.5.5   Repeat the data entry procedure under Section 6.3 – Keying-In Transfer Data Into The CDS By First (1st) Level User, if there is(are) error(s).

6.5.6   Ensure the "verified by" column in the Transfer Report is completed by the authorised signatory(ies) of the ADM as evidence of verification of such transfers.

6.5.7   Hand over the following to second (2nd) level user:-

a.   Duly verified and signed transfer report

b.   Transfer request document and relevant supporting documents (if any).

6.6   **Confirmation Of Transfer Requests By Second (2nd) Level User**

6.6.1   Verify the Transfer Report and ensure that the following details have been entered correctly into the CDS:-

   a.   Transferor's CDS account number, name and account qualifier (if any)

   b.   Transferee's CDS account number, name and account qualifier (if any)

   c.   Securities' code and name

   d.   Quantity of securities

   e.   Transfer reference number and transfer date

   f.   Approved reason for transfer.

6.6.2   Make the necessary cancellation(s) if there is(are) any discrepancy(ies) or data entry error(s).

6.6.3   Print the Transfer Cancellation Report to verify the cancellation(s) made and ensure that the cancellations(s) made is(are) correct.

6.6.4   Return the rejected transfer request and related documents (if any) to the first (1st) level user and repeat procedures under Section 6.3 – Keying-In Transfer Data Into The CDS By First (1st) Level User.

6.6.5   If the transfer transaction(s) is(are) free from error(s), the second (2nd) level user is to sign at the "approved by" column in the Transfer Report.

6.6.6   Before the ADM confirms the transfer transaction(s), check whether the transfer has any approval from Bursa Malaysia Depository for fee waiver, if there is no approval, confirm the transfer either by:

   a.   Specifying transfer reference number; or

   b.   Specific account.

   Note: *If there is prior approval from Bursa Malaysia Depository to waive on the transfer, ADMs are required to click on the fee waived and enter the letter reference number. Failing to enter both the information, may result in the billing for the transfer.*

6.6.7   Ensure that the quantity transferred being confirmed is **within the authorised confirmation limit.**

  Note: *Transfer Confirmation Limit Maintenance task enables the holder to set the transfer confirmation limit for each of the ADM's authorised personnel. This task is only assigned to senior authorised personnel at the principal office of the ADM.*

6.6.8   If the transfer transaction is confirmed using the transfer reference number via the Transfer Confirmation Maintenance screen and the quantity transferred exceed the authorised confirmation limit, this transfer transaction will be rejected.

  Note: *The appropriate rejection message will be reflected on the CDS screen.*

6.6.9   If one (1) or more transfer transactions for the same CDS account are confirmed using the Bulk Transfer Confirmation screen, the transactions that are within the authorised confirmation limit will be confirmed and reflected in the **Transfer Confirmation Report** (Appendix 55) that will be generated automatically.

  Note: *ADM would still have the flexibility of printing this report as and when required.*

        This report can also be printed at the ADM's principal office by its authorised personnel for transfer transactions entered and confirmed by all its branches for the purpose of monitoring the transfer activities at the branches.

6.6.10 If one (1) or more transfer transactions for the same CDS account are confirmed using the Bulk Transfer Confirmation screen, the quantity transferred that exceed the authorised confirmation limit will be rejected and reflected in the **Transfer Confirmation Exception Report** that will be generated automatically.

6.6.11 Ensure that the Transfer Confirmation Report is verified and signed on the same day by an authorised signatory of the ADM who is not the person that verified, keyed-in or approved the transfer requests.

6.6.12 The ADM is to print and provide the depositor the tax invoice (Appendix 72) from the CDS in respect of the fee for the transfer transaction unless the depositor indicates he does not require the same.

  Note: **In the event there is a request from a depositor to reprint the original tax invoice, the ADM is to reprint the tax invoice from CDS and endorse it with a rubber stamp bearing the word "COPY" on the top section of the reprinted tax invoice before forwarding it to the depositor.**

6.6.13   On the next market day, ADM has the option to print the Participants CDS Transaction Invoice Report (Appendix 73) from CDS. The purpose of this report is to assist the ADM to reconcile the GST amount collected for all the CDS transactions initiated on previous day. The report can be printed by type of CDS transaction, by account type and by a specific period.

6.7   <u>**Generate Unattended Transfer Report**</u>

6.7.1   Print the **Unattended Transfer Report** (Appendix 56) before system cut-off time, after all transfer transactions for the day have been attended by the second (2nd) level user.

6.7.2   Check the report to ensure that there are no unattended transfers that have yet to be attended.

6.7.3   If any unattended transfers appear in this report, either confirm or cancel the transfers before the system cut-off time.

6.7.4   Print the final Unattended Transfer Report to ensure that there are no unattended transfers.

6.7.5   The report is to be verified and signed by the authorised signatory(ies) of the ADM.

Note: *All unattended transfer transactions will be deleted during End-Of-Day (EOD) processing at Bursa Depository.*

*These unattended transfers that are deleted during EOD will be reflected in the **Transfer Deleted At EOD Report** (Appendix 57) that can be printed by the ADM the next market day.*

6.8   **Transfers From Principal Or Wholly-Owned Nominee Account(s) Of The ADM**

6.8.1   Transfer Of Securities Request Form (FTF010) **is not required** to be completed for transfers from the Principal or Wholly-owned Nominee account(s) of the ADM.

6.8.2   ADM's authorised signatory(ies) as per the Board Resolution is(are) required to sign the declaration clause, "**We hereby affirm and declare that the information represented in this report on whether the transfer falls under Category A (no change in beneficial ownership) or Category B (change in beneficial ownership) and the reason thereto is true**" that is reflected on the Transfer Confirmation Report. This is to confirm that the transfer transactions initiated by the ADM's Principal or Wholly-owned Nominee account(s) are in accordance to the approved reasons for transfer.

6.8.3   All other transfer procedures detailed in this chapter (if relevant) are also applicable for transfers from the Principal or Wholly-owned Nominee account(s) of the ADM.

6.9   <u>**Inter Branch Transactions With Regards To Transfer Requests**</u>

Inter Branch Transactions are transactions initiated at the branch office of an ADM.

6.9.1   All transfer procedures detailed in this chapter are also applicable for inter branch transactions with respect to transfer requests.

6.10   Transmitting Transfer Confirmation Report To Bursa Depository

6.10.1   ADMs are to submit the Transfer Confirmation Report accompanied with the relevant declaration on a weekly basis. This report will be submitted on the first market day of the following week by initiating the following processes in CDS:-

a.   Submit the Transfer Confirmation report for the whole of previous week transactions via a reporting task namely Weekly Transfer Confirmation Report (TF153RC). Submit this report by indicating on start date as the first market day of the previous week and on end day as the last market day of the previous week

b.   Proceed to the Declaration Module and select the Transfer Confirmation Report and press the "Search" button. View the report to ensure it is the correct report containing the transactions for the whole of previous week

c.   Click the "Submit To Bursa" button upon confirming the contents of the report is correct. The Declaration clause will appear and ADMs are required to press the "Submit" button to transmit the report to Bursa Depository

d.   ADMs are allowed to enquire on their submission of report to Bursa Depository via the Submitted Transfer Confirmation Report Enquiry.

Note: *No signature is required for the declaration appearing on this report that is being submitted electronically to Bursa Depository.*

6.11 ADM Returning Rejected Transfer Requests To The Depositor

6.11.1   Rejected transfer request document and supporting documents (if any) to be returned to the depositor(s) latest by the next market day and:-

a.   Prepare a Rejection of Transfer Request Letter in duplicate stating the reason(s) for rejection

b.   Attach the rejected transfer request document together with the supporting documents (if any).

6.11.2   Obtain acknowledgement of receipt by the depositor on the second copy of the Rejection Letter.

6.11.3   File the acknowledgement letter together with the Transfer Cancellation Report.

6.12   Filing Of Documents

6.12.1   File the following documents:-

   a.   Transfer request document

   b.   Supporting documents (if any)

   c.   The duly signed copy of Transfer Report

   d.   The duly signed copy of Transfer Confirmation Report

   e.   Final Unattended Transfer Report

   f.   Transfer Deleted At EOD Report

   g.   Rejection Letter to depositor.

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