

This chapter stipulates the procedures to be complied with by the ADA with respect to accepting, verifying, keying-in, filing and rejecting Transfer Of Securities Request Forms (FTF010s) and submission of these documents to Bursa Depository.

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

## **6.1    Accepting Transfer Of Securities Requests**

6.1.1    Receive the following for transfer of securities request:-

- a.    **Transfer Of Securities Request Form** (FTF010) (Appendix 65) duly completed in triplicate by the depositor
- 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.

6.1.2    Depositors are allowed to transfer more than one (1) securities using the same FTF010 but not exceeding the number of securities allowable under the “Particulars of Securities” column of the FTF010. This transfer of securities request must be effected to the same transferee and within the same category for transfer. In the case of “Change In Beneficial Ownership” category, the Approved Reasons For Transfer must be the same.

## **6.2    Verification Of Transfer Of Securities Requests**

- 6.2.1    Verify the signature on the FTF010 against the ADA's records of specimen signature(s).
- 6.2.2    Verify all the particulars on every FTF010 against the **Checklist For Verification Of Transfer Request** (Appendix 66).
- 6.2.3    Ensure transfer transaction falls under the **Approved Reasons For Transfer** and that it is supported by relevant documents, if any. See Appendix 67 for more details.

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

- 6.2.4    Ensure the "verified by" and "approved by" columns are completed by two (2) different Authorised Signatory(ies) of the ADA.
- 6.2.5    Reject the transfers if there is(are) error(s) or discrepancy(ies) or non-compliance with Appendix 66 and Appendix 67. Return the FTF010 and the supporting documents (if any) to the depositor.
- 6.2.6    However, for FTF010 that contained more than one (1) securities, reject only the affected transfer request that has error. Continue processing the remainder of the transfer requests indicated on the FTF010.
- 6.2.7    The affected transfer request with error or discrepancy at the "Particulars of Securities" column of the FTF010 must be cancelled and countersigned by the Authorised Signatory(ies) of the ADA with a rubber-stamp bearing the ADA's name affixed. For the rejected transfer request, return a photocopy of the FTF010 to the depositor.

**Postdated FTF010s are not allowed and backdated FTF010s are only acceptable up to 6 months from the transfer date.**

- 6.2.8    Affix the ADA's company rubber-stamp at the space marked "to be completed by ADA".
- 6.2.9    In the case of FTF010 that contained more than one (1) securities, every amendment made on the form except for transfer cancellation stated in item 6.2.7 must be countersigned by the depositor and the Authorised Signatory(ies)

of the ADA with a rubber-stamp bearing the ADA's name affixed. Do not use correcting fluid. Cancel the error and make the correction.

6.2.10 Any amendments made in the "for office use only" column in the form must be signed by the Authorised Signatory(ies) of the ADA with a rubber-stamp bearing the ADA's name affixed.

6.2.11 Where the amendments are signed by the depositor, verify the signature against the ADA's records of specimen signature(s).

### **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 securities to be transferred are now earmarked and may not be used for any other purposes.*

6.3.3 Ensure the "data entry by" column in FTF010 is completed by first (1st) level user.

**Note:** *The data entry personnel must not be the same person approving the request.*

6.3.4 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 FTF010 to the depositor immediately, stating the reason(s) for rejection.

6.3.5 However, for FTF010 that contained more than one (1) securities, reject only the affected transfer request that has error. Continue processing the remainder of the transfer requests indicated on the FTF010.

6.3.6 The affected transfer request with error or discrepancy at the "Particulars of Securities" column of the FTF010 must be cancelled and countersigned by the Authorised Signatory(ies) of the ADA with a rubber-stamp bearing the ADA's name affixed. For the rejected transfer request, return a photocopy of the FTF010 to the depositor.

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

6.3.8 Record the transfer reference number on the FTF010.

**Notes:**

- (i) *All accepted transfer requests lodged by a depositor before 3.00pm on any market day must be keyed-in to the CDS terminal before 4.00pm on the same market day.*
- (ii) *All transfer requests that have been successfully keyed into CDS by 4.00pm shall be either deleted or confirmed by the ADA by 4.30pm on the same day.*
- (iii) *Transfer requests lodged after 3.00pm must be keyed-in before 4.00pm on the following market 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, to key-in "B5" at the Approved Reason column and enter the word "Unlisted / Delisted" at the MCD Approval Ref. No column.*

#### **6.4 Verify Transfer Requests Keyed Into CDS Database**

- 6.4.1 After the transfer requests have been keyed into the CDS database, perform the following:-
- 6.4.1.1 Verify the FTF010s against Transfer Maintenance Screen or **Transfer Report** (Appendix 68) and ensure that the following details in FTF010s correspond with those in the Transfer Maintenance Screen or Transfer Report:-
- 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.
- 6.4.2 The Transfer Report, if applicable can be printed either by:-
- a. Specific account; or
  - b. All accounts.
- 6.4.3 Ensure that data has been keyed-in correctly. Make the necessary cancellation(s) if there is(are) any discrepancy(ies) or data entry error(s).
- 6.4.4 Print the **Transfer Cancellation Report** (Appendix 69) to verify the cancellation(s) made and ensure that the cancellation(s) made is(are) correct.
- 6.4.5 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).
- 6.4.6 Ensure each of the Transfer Report, if applicable is verified and signed on the same day by authorised signatory(ies) of the ADA.

- 6.4.7 Hand over the following to second (2nd) level user:-
- a. Duly signed transfer report, if applicable
  - b. FTF010s and relevant supporting documents (if any).

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

- 6.5.1 Verify the FTF010s against Transfer Confirmation/Cancellation Maintenance Screen or Transfer Report and ensure that the following details in FTF010s correspond with those in the Transfer Confirmation/Cancellation Maintenance Screen or Transfer Report:-
- 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.
- 6.5.2 Ensure that data has been keyed-in correctly.
- 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 to verify the cancellation(s) made and ensure that the cancellations(s) made is(are) correct.
- 6.5.5 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.
- 6.5.6 If the transfer transaction(s) is (are) free from error(s), the second (2nd) level user is to sign at the “approved by” column of the FTF010.
- 6.5.7 Before the ADA 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 fee, ADAs 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.*

- 6.5.8 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 ADA's authorised personnel. This task is only assigned to senior authorised personnel at the principal office of the ADA.*

- 6.5.9 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.*

- 6.5.10 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 70) that will be generated automatically.

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

*This report can also be printed at the ADA'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.*

- 6.5.11 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.

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

6.5.13 The ADA is to print and provide the depositor the tax invoice 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 ADA 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.**

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

## **6.6    Acknowledge Receipt Of Transfer Requests**

- 6.6.1    Return the **Depositor copy** of the FTF010 to the depositors as acknowledgement only after the transfer reference number has been generated and recorded on the FTF010.
  
- 6.6.2.    The ADA must maintain proper records of all transfer fees received.

## **6.7    Generate Unattended Transfer Report**

- 6.7.1    Print the **Unattended Transfer Report** (Appendix 71) 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 ADA.

**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 72) that can be printed by the ADA the next market day.*

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

- 6.8.1 FTF010 **is not required** to be completed for transfers from the Principal or Wholly-owned Nominee account(s) of the ADA.
- 6.8.2 ADA'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 ADA'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 ADA.

## **6.9 Inter Branch Transactions With Regards To Transfer Requests**

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

- 6.9.1 Ensure that the depositor is present in person to perform the CDS transaction request(s).
- 6.9.2 Verify the signature of the depositor on the FTF010 against the ADA's records of specimen signature(s).
- 6.9.3 Reject the request if the signature differs.
- 6.9.4 Ensure that all FTF010s are stamped with the rubber-stamp bearing the words "IBT" and the branch code where the transaction was executed. The rubber-stamp is to be stamped on the top right hand corner of each of the FTF010.
- 6.9.5 Ensure that ADA copies of the FTF010 bearing the IBT rubber-stamp are properly filed.
- 6.9.6 All other transfer procedures detailed in this chapter are also applicable for inter branch transactions with respect to transfer requests.

**Note:** *In the case of a depositor who is physically present at an ADA office to perform IBT related transactions involving transfer of securities and the ADA concerned is unable to perform the update into CDS due to unforeseen circumstances, then the ADA concerned can forward this request to another of its branch office. As such, the depositor's physical presence will not be required at that ADA's branch office that will performing the update into CDS.*

**6.10 Transmitting Transfer Confirmation Report To Bursa Depository**

6.10.1 ADAs 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 ADAs are required to press the “Submit” button to transmit the report to Bursa Depository.
- d. ADAs 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    Sorting And Packing Of Forms**

6.11.1    Sort and pack the **Bursa Depository copy** of the FTF010 in the following order:-

- a.        One package for each transfer date
- b.        Within the transfer date, by transferors' account numbers in sequence of ascending order
- c.        Within each transferor's CDS account number, by stock code and within the stock code, by transfer reference number as appearing in the Transfer Confirmation Report.

***Note:**    Item (c) above is not applicable for FTF010 that contained more than one (1) securities.*

6.11.2    Each package must be accompanied with a Covering Letter addressed to Bursa Depository stating the transaction date and number of FTF010s contained in the said package.

6.11.3    The Covering Letter must be signed by the authorised signatory(ies) of the ADA.



**6.12 Submission Of Transfer Requests To Bursa Depository**

- 6.12.1    KlangValley's ADA and ADA's branches must submit Bursa Depository's copies of the FTF010s to Bursa Depository by the first (1st) market day of the following week or such other day as instructed by Bursa Depository.
  
- 6.12.2    ADA and ADA's branches located outside KlangValley must submit Bursa Depository's copies of the FTF010s to Bursa Depository by the second (2nd) market day of the following week or such other day as instructed by Bursa Depository.

**6.13 ADA Returning Rejected Transfer Requests To The Depositor**

- 6.13.1 Rejected FTF010s 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 FTF010s together with supporting documents (if any). The photocopy of FTF010 if the rejected transfer request is sharing the same FTF010 with the other transfer requests that have been accepted.
- 6.13.2 Obtain acknowledgement of receipt by the depositor on the second copy of the Rejection Letter.
- 6.13.3 File the acknowledgement letter together with the Transfer Cancellation Report.

## **6.14 Filing Of Documents**

6.14.1    File the following documents:-

- a.        ADA copy of FTF010
- b.        Supporting documents (if any)
- c.        Copy of the Transfer Report (if applicable)
- 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.

