AML/CFT DATA & COMPLIANCE REPORT INFORMATION KIT

(UPDATED AS AT 14 OCTOBER 2022)

2022

AML/CFT DATA & COMPLIANCE REPORT INFORMATION KIT

This document is issued to guide reporting institutions to complete the DCR 2022 only. This document is not intended to replace any requirement of the the Anti-Money Laundering, Anti Terrorism Financing and Proceeds of Unlawful Activities Act 2001, any instruments issued under it including the Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions for Designated Non-Financial Businesses and Professions and Non-Bank Financial Institutions Policy Document.

Bank Negara Malaysia
1 September 2022

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INTRODUCTION

The purpose of this document is to guide reporting institutions (RIs) in completing the Data and Compliance Report (DCR) 2022.

DCR is one of supervisory tools adopted by Bank Negara Malaysia (BNM) as the Competent Authority appointed under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLA). DCR is issued pursuant to sections 8(3)(a), 16(6) and 25(2) of the AMLA read together with section 143(2) of the Financial Services Act 2013 and section 155(2) of the Islamic Financial Services Act 2013.

DCR became a regular reporting requirement beginning 2020 and is used to gauge reporting institutions' compliance to the AMLA and Anti-Money Laundering, Countering Terrorism Financing of Terrorism (AML/CFT) and Targeted Financial Sanctions (TFS) for Designated Non-Financial Businesses and Professions (DNFBPs) & Non-Bank Financial Institutions (NBFIs) (AML/CFT and TFS for DNFBPs and NBFIs) [hereinafter referred to as the "Policy Document"], and monitoring of money laundering and terrorism financing (ML/TF) risks. Similarly, DCR allows RIs to self-assess and understand their compliance to the AML/CFT requirements as well as to utilise similar information to assess their exposure to ML/TF risks i.e. institutional ML/TF risk assessment.

DCR is issued to RIs under the AMLA which have been specified by BNM to be subjected to the Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions for Designated Non-Financial Businesses and Professions & Non-Bank Financial Institutions (AML/CFT and TFS for DNFBPs and NBFIs) Policy Document. Please refer to the relevant AMLA subsidiary legislation and paragraphs 3.3 and 3.4 of the Policy Document on designation and gazetted activities of RIs.

Submission of DCR 2022 is **mandatory** and **an enforceable requirement** on all reporting institutions specified above.

Please refer to the Infographic and FAQs on the summary of submission requirements

APPLICABILITY: WHO MUST SUBMIT DCR 2022?

DCR 2022 is only applicable to the following sectors:

- **Accountants**
- **Company secretaries**
- **Registered estate agents**
- **Lawyers and notaries public**
- **Dealers in precious metals/stones**

Disclaimer:
All the abovementioned RIs are required to submit a DCR as part of the AML/CFT compliance obligations. Filling in the DCR does not tantamount to endorsement of the firm's businesses or products. Bank Negara Malaysia does not endorse, approve, register or license the businesses or products or services offered by any RIs.

DECLARATION

Note:
Declaration is on a firm basis and submission of DCR 2022 is not required.

Please fill in the declaration through the DNFBP portal by **30 November 2022** if **your firm** (not your customers) falls into any of the following categories:

i. Law firm, accounting firm or company secretarial firm who **do not provide** any of the listed Gazetted Activities in 2021 are required to declare non-provision of Gazetted Activities;

ii. Registered estate agency firm who do not provide any estate agency practice[1] in 2021 are required to declare non-provision of estate agency practice;

iii. The firm is no longer in operation, dormant, in the process of striking off, winding up or liquidation in 2021 or 2022; or

iv. The firm has no new and existing transaction or client for 2021, i.e. inactive firm, newly incorporated/ registered firm in 2021 or 2022, etc.

EXCEPTIONS

DCR 2022 **does NOT apply** to:

i. **Other DNFBP sectors not listed in the 'Applicability' section above;**

ii. Any RI which has been selected and informed for on-site examination for 2022; and

iii. Lawyers, accountants or company secretaries who are 'internal' professionals that are employees of other types of businesses, or professionals working with government agencies.

[1] as defined in the Valuers, Appraisers, Estate Agents and Property Managers Act 1981

SUBMISSION

For any enquiries on DCR 2022 please email dcr@bnm.gov.my

i. The submission period is until **30 November 2022, in the manner specified by BNM. Only completed DCRs will be accepted and processed by BNM for subsequent issuance of a report card to the RI.**

ii. Please be reminded that all DCR 2022 submissions are final and BNM will not entertain any requests to amend the DCR that has been submitted.

iii. No extension of timeline will be provided for DCR 2022.

iv. Information submitted by RIs in the DCR 2022 are confidential and will be used by BNM for supervisory purposes and risks assessments. RIs are required to attest at the end of the DCR2022 that all information provided is complete and accurate to the best of their knowledge

Note:
RIs are advised to use the DCR and its corresponding report card issued as self-assessment tools to help identify gaps and areas of improvements in complying with the AML/CFT requirements.

ADDITIONAL INFORMATION

Please submit **separate DCRs** for the following:

- a group of companies or multiple practising certificates holders doing different activities under AMLA (e.g. group of companies undertaking accounting and company secretarial business)
- firms or subsidiaries providing services from different sectors (e.g. accounting and company secretarial business)
- firms with same brand name but operating independently (e.g. law firms that have branch offices with the name of 'ABC & partners' but each operating independently)
- firms operating within a group law practice

RIs can download the PDF format of the DCR 2022 questions from the DNFBP portal

Note:
- ***The link features questions for all sectors. You may refer to questions that are relevant to your sectors, especially for Part B***
- *Before starting the DCR, it is recommended that the RI review the PDF copy and compile the information beforehand to assist in responding the DCR.*

WHO NEEDS TO SUBMIT DCR 2022?

WHICH SECTOR ARE YOU?

Sector group A:

- Lawyer/ Notaries Public
- Accountant
- Registered Estate Agent
- Company Secretary
- Dealer in Precious Metals/ Precious Stones

Sector group B:

- Casino
- Pawnbroker
- Moneylender
- Licensed Gaming Outlet
- Trust Company
- Factoring/ Leasing
- Non-Bank Financial Institution

Sector group B → **NOT REQUIRED TO SUBMIT DCR 2022**

Sector group A → Are you **ANY** of the following?

1. An internal company secretary, lawyer (i.e. legal officer), or accountant?
2. A firm that has been selected and informed of 2022 on-site examination?

YES → **NOT REQUIRED TO SUBMIT DCR 2022**

NO → Does your firm fulfil **ANY** of the following criteria for year 2021?

1. **Dormant/ striking off/ winding up/ liquidating**
2. **Non-provision of Gazetted Activities (GA)**
3. **Non-provision of estate agency practice**
4. **No new and existing transaction/ no client** for the entirety of 2021, i.e. inactive firms, newly incorporated/ registered firms in 2021/2022, etc.

YES → **DECLARE YOUR STATUS THROUGH THE DNFBP PORTAL**

NO → **SUBMIT DCR 2022**

Submission is **MANDATORY** for your firm

ATTENTION

- Submission is at **FIRM** level
- Submission period is from **1 September to 30 November 2022**
- **No further extension** will be provided

FAQS ON SUBMISSION REQUIREMENT

GENERAL SUBMISSION

1. **Is submission of the DCR mandatory?**
   Yes. Submission of the DCR is compulsory and is an enforceable requirement on all specified sector reporting institutions (RIs).

   Depending on your firm's situation, your firm should choose to **either** declare your status or submit DCR 2022, not both.

2. **My firm has just started operation in 2022. Am I required to submit DCR?**
   If your firm has no clients for 2021, your firm is only required to declare such status.

3. **My firm has ceased operation. Am I required to submit or declare for DCR 2022?**
   If your business or company is still legally exist, you need to declare the status of your business or company (either inactive or dormant) for DCR 2022.

   Only if your firm no longer has any legal existence (i.e. struck off, dissolved or terminated registration of business), then your firm is not required to submit nor declare for DCR 2022.

4. **Does my firm need to submit one DCR for each of my clients?**
   The DCR is filled and submitted based on your firm's business (as a "reporting institution" under the AMLA) and not your clients'. Each firm who is an RI needs to submit one DCR.

5. **Does my firm need to ensure all my clients who are also RIs to submit DCR?**
   No. The obligation to ensure that the DCR is submitted is on the RI and its own compliance officer.

6. **If an RI qualifies as small-sized, is the RI exempted from the submission of the DCR?**
   No, small-sized RIs are still subjected to the DCR submission.

   The simplification or exemption are only for selective AML/CFT requirements. This includes simplification on the conduct of employee screening and training and exemption of AML/CFT independent audit functions. Please refer to paragraph 11.1.1 of the Policy Document for more information on the exemptions and simplifications applicable to small-sized RIs.

7. **What are the consequences or penalty for failure to submit the DCR?**
   Enforcement action can be taken on RIs who fail to submit the DCR within the stipulated timeline. Please ensure that all information provided in the DCR is complete and accurate to the best of your firm's knowledge.

GROUP OF COMPANIES / MULTIPLE PRACTISING CERTIFICATES

Given the different nature of business operations and customer profiles for each business activity, the DCR needs to be submitted separately for each company or practice areas. For instance:

Scenario	Submission Required
I am a Compliance Officer for a group of companies undertaking Gazetted Activities (GA) company secretarial and accounting services in separate entities (e.g. Firm A for company secretarial service, Firm B for accounting service). How many DCRs should I submit?	One DCR for each business activity/ entity
[For DPMS] My group of companies have several entities operating in the same chain of business (e.g. one manufacturer, one wholesaler firm and one retailer firm). How many DCRs should I submit?	One DCR for each firm
My firm is part of HQ with multiple branch offices. How should DCR be submitted?	For firms with multiple branch offices, submission is aggregated and by the head office only. However, if the branch office is operating independently from the head office and has its own compliance officer, then the branch office should respond to the DCR separately.
My group of companies have other RIs under the DNFBP sectors which are not required to submit DCR for 2022, do I need to submit or do any declaration for those RIs?	No. DCR 2022 is only applicable to the 5 DNFBP sectors. RIs of other DNFBP sectors are not required to submit a DCR nor declare their status for 2022.
My firm provides both GA and non-GA services (e.g., conveyancing and litigation services by the same legal firm). What should my firm do?	For firms providing both GA and non-GA services, your firm is required to submit ONE DCR form only. Your firm is not required to declare under non-provision of GA. For firms providing non-GA ONLY, your firm needs to declare your status under non-provision of GA.

GROUP OF COMPANIES / MULTIPLE PRACTISING CERTIFICATES

Scenario	Submission Required
My firm provides services under different sectors, e.g., accounting and company secretarial services or legal and company secretarial services. How many DCR should I submit, and which sector should I choose?	If the provision of services are under 1 firm, you may submit 1 DCR under the firm's core service. For example, 1. Accounting services is the main services provided, please submit DCR under the accounting sector. Information related to company secretarial services can be included as GA V in Part B. The same applies to legal sector. 2. Company secretarial services is the main services provided, please submit DCR under the company secretarial sector. Information related to accounting or legal services can be included as "other services" in Part B.

COMPLIANCE OFFICER (CO)

8. **Does my firm need to appoint a CO prior to submitting the DCR?**
   Yes, RIs need to appoint a CO before attempting to respond to the DCR.

   If you have yet to do so, please appoint your firm's CO and notify Bank Negara Malaysia (BNM) by filling an online form included in the portal or you may click here.

9. **What is CO number?**
   CO number is a unique number assigned to each Compliance Officer for communications with BNM on AML/CFT matters, including for reporting of STR. You will receive your CO number via the registered email after you have notified BNM on the appointment using the online form (or letter or manual form).

   Please ensure that you have entered the correct sector and email address in the online form. Please note that CO number is unique to the firm. If you are the CO for multiple firms, you will receive a dedicated CO number for each of the firms.

10. **If my firm has appointed CO and has notified the appointment to Bank Negara Malaysia previously, do we still need to fill up the CO Nomination Notification Form this year?**
    No, the CO number previously assigned to the CO of your firm is still valid and can be used to fill in the DCR 2022.

11. **I am a sole proprietor with no employee. Can I appoint myself as the CO?**
    Yes.

12. **If a firm has two COs representing different GA undertaken by the firm, should each of the CO submit his/her own DCR or both COs should issue only 1 DCR for the firm?**
    If the different GA fall under a single sector (e.g. both COs are lawyers carrying out GA of legal sector), only 1 DCR should be submitted by the firm.

13. **If my firm is only required to declare our status, do we need to appoint a CO?**
    No. Your firm does not have to appoint a CO.

Please refer to the AML/CFT microsite on Compliance Officer at the following link:
https://amlcft.bnm.gov.my/appointing-a-compliance-officer

GAZETTED ACTIVITIES (GA)

14. **Do we need to submit the DCR if we provide GA related service but do not hold money in the client's account?**
Yes, DCR submission is required if your firm provides GA, regardless of whether the firm holds or does not hold clients' money in the client accounts.

15. **My firm only commenced GA services in 2022. Do we need to submit DCR?**
As the DCR submission is for transactions or activities for the year of 2021, your firm is only required to declare non-provision of GA.

However, as your firm has started providing GA and becomes an RI, your firm needs to comply with the relevant AML/CFT requirements moving forward.

16. **What if my firm does not provide any GA, should my firm still submit the DCR?**
No, but your firm is required to declare non-provision of GA.

17. **[For Accountants] I am not a member of MIA, but my firm provides accounting services. Does my firm need to submit DCR?**
The DCR submission is on firm basis:
    - If the accounting firm provides any of the listed GAs, the firm is required to submit the DCR 2022.
    - However, if the accounting firm does not provide any of the listed GAs, the firm is required to declare non-provision of GA.
    - If the accounting firm does not have any accountants with practicing certificate from MIA, they are not RI, and hence are not required to submit the DCR 2022 nor declare non-provision of GA.

18. **[For Accountants] My firm provides auditing services only. Do we need to submit DCR?**
Accountants who provide audit service which does not fall within any of the 5 GAs are not RIs under the AMLA. As such, your firm is only required to declare non-provision of GA.

19. **[For registered estate agents] My firm provides valuation services only. Do we need to submit DCR?**
Only registered estate agents who provide estate agency practice as defined in the Valuers, Appraisers, Estate Agents and Property Managers Act 1981 are RIs under the AMLA.

Hence, if your firm only carries out valuation services but not any of the estate agency practices, then your firm is not an RI under the AMLA. As such, your firm is only required to declare non-provision of estate agency practice.

20. **[For registered estate agents] Are the real estate negotiators in my firm required to submit DCR?**
No. The submission is by the **registered estate agents**, at the firm level only.

FAQS ON PORTAL AND REGISTRATION

INVITATION CODE

1. **What is an invitation code?**
Invitation code is newly introduced for DCR 2022 as a measure to ensure that only nominated CO has access to the portal. For DCR 2022 submission, RIs are required to register as user in the DNFBP portal. Registration can only be done using this invitation code.

2. **Where can I get the invitation code?**
The invitation code will only be sent to the registered email of the CO after the appointment/ change of CO has been notified to BNM using the online form here.

   Please check the inbox, spam or junk mail of the registered email of the CO.

3. **Why have I not received the invitation code?**
It could be because your firm has not notified BNM on the appointment of your firm's CO. Please do so via the online form here.

   However, if your firm has already notified BNM on your CO but has yet to receive the invitation code, please email dcr@bnm.gov.my.

4. **Why is my invitation code invalid?**
It could be because you have redeemed your invitation code but did not complete the account registration process. Please email dcr@bnm.gov.my for assistance.

5. **I am the CO for many firms, I have received multiple invitation codes for each of the firm. Which invitation code should I use?**
Please use the latest invitation code that you received.

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REGISTRATION

6. **Where to register?**
The DNFBP portal link together with the invitation code is provided in the email sent to your firm's CO that was notified to BNM. Once you have entered the portal and keyed in the invitation code, click "Register" to register for access to DCR 2022. After creating a new username and password, you may continue to the DCR Dashboard to start filling up the DCR 2022 form.

   Please refer to the DCR Tutorial Videos for more information.

7. **What username and password should I use?**
You may choose any username or password that you like, as long as the password meets the required criteria. However, please take note that once you have chosen your username you will not be able to change it.

REGISTRATION

8. **I have forgotten my username and password. How can I retrieve it?**
   You may click "forgot password" in the sign in page. An email will be sent to the registered email of the CO (by default) to create a new password.

   However, there is no similar function for forgotten username. Please save the information of your username. To retrieve your username, please email dcr@bnm.gov.my.

9. **I am the CO for many firms, do I need to create new accounts for each firm?**
   No. You only need one invitation code to create one account. You may submit DCR for all the firms using one account. For this purpose, you may use any of the invitation codes provided.

10. **If I have submitted for DCR 2020/ 2021, do I still need to register for DCR 2022?**
    Yes. This is a new function added for DCR 2022. There was no username and password created for the previous DCRs.

PORTAL FEATURES

11. **Is it possible for us to save as draft in the DNFBP portal?**
    Yes. The updated DNFBP portal allows for saving of your drafts. Please ensure that you have clicked "Next & Save Draft" button in the DCR forms to save the answers on your current page.

12. **Can we print our drafts, submitted declaration form or submitted DCR form?**
    Yes. You may print your drafts or submitted DCR form using the "Print" button. However, please take note that once you have submitted you declaration form, you will not be able to print your answers. You may print the declaration form before clicking the "Submit" button.

13. **My account has been locked. How long does it take for my account to be unlocked?**
    Your account will be locked for 15 minutes, you will be able to login after that.

14. **Can we submit the DCR in excel/ PDF format or via email?**
    No. Submission for DCR 2022 can only be done through the DNFBP portal.

15. **Can the report card indicate the name of the firm?**
    No. However, there is a reference number in the report card that matches your firm's submission in the dashboard of the DNFBP portal.

REPORTING CHECKLIST

Before starting the DCR, it is recommended that the reporting institution review and compile the following information or document beforehand to assist in responding to the DCR

PART A: Information on Reporting Institution

1. RI information (name, type/nature of business, registration/license number) ☐
2. RI contact information (email, phone number, address) ☐
3. Compliance Officer (CO) information
   - Co name and number ☐
4. RI size:
   - Number of all employees (for DPMS) ☐
   - Number of practising lawyers, accountants, company secretaries or real estate agents. ☐
   - Number of practising lawyers, accountants or company secretaries carrying out Gazetted Activities ☐
   - Number of real estate negotiators (for REAs) ☐
5. Membership of association(s) (if any) ☐

PART B: Business Information and Structure of RI

1. Transaction information for GA activities (where applicable), including total and breakdown (%) by type of product/services, for 2021
   - Revenue / Value of transactions (RM) ☐
   - Number of transactions ☐
   - Value of cash transactions (RM) ☐
2. Payment method by clients ☐
3. Delivery channel (face-to-face and non-face-to-face) ☐
4. Local and foreign branch information ☐

PART C: ML/TF Risk Assessment

1. Conduct of ML/TK risk assessments by RI
   - Process or guidance available (e.g. manual or standard operating procedure [SOP]) ☐
   - Frequency of review ☐
   - Risk ratings assigned to products, services, customers, etc. (if any) ☐
   - Risk drivers / risk issues identified (if any) ☐

REPORTING CHECKLIST

PART D: AML/CFT Programme

1. General Client Information
   - Total number of clients ☐
   - Breakdown of client by types (e.g. individual, legal person, legal arrangement, and politically exposed person, clients in any alert lists, sanctioned/ specified person/ entity, clients with investigation orders issued) ☐
   - Breakdown of client by nationality ☐
2. RI AML/CFT standard operating procedures (SOP) or implementation manual, specifying the processes, procedures or policy for/ on:
   - Customer Due Diligence or Know Your Customer ☐
   - Record keeping ☐
   - Screening of clients against sanctioned persons/ entities lists ☐
   - Risk profiling / risk rating for clients ☐
   - Enhanced Due Diligence for higher risk customers (if any) ☐
   - Ongoing Due Diligence (for repeat clients) ☐
   - Reporting suspicious transaction (STR) and other STR related information (i.e. number of STR submitted or internally generated STR) ☐
   - Storing clients' information and transactions records (electronic or manual) ☐
3. RI AML/CFT Compliance Programme (applicable to large-sized firms) in relation to:
   - AML/CFT Policy & Procedures for implementation of compliance programme ☐
   - Employee training on AML/CFT measures ☐
   - Screening of employee ☐
   - Competency and certification/training attended by Compliance Officer ☐
   - Independent AML/CFT audit (where relevant) ☐
4. Information on AML/CFT compliance system (if any) ☐

PART E: Information on Group Operations

1. RI with international affiliation / network / association ☐
2. RI operating within a group structure (e.g. parent-subsidiary, common shareholders, common management, common shares) ☐
3. Sharing of information across the group and purpose (if any) ☐

National AML CFT Compliance Programme
Comply To Protect

BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

GAZETTED ACTIVITIES

The following Gazetted Activities are applicable to lawyers/ notaries public, accountants (external) as stipulated under paragraph 3.3 of the Policy Document. Please note that examples cited below are **non-exhaustive**.

LAWYER/ NOTARIES PUBLIC ACCOUNTANT

GA I

Buying and selling of immovable property

Examples: (non-exhaustive)

- Advisory services related to buying and selling of real property
- Preparation of legal documents to facilitate buying and selling of immovable property
- Facilitating payments for buying and selling of immovable property

GA IV

Organising of contributions for the creation, operation or management of companies

Examples/ explanation: (non-exhaustive)

- Advisory services related to capital contribution or funding/ financing arrangement of companies, e.g., initial public offerings (IPOs) or issuance of bonds
- Preparation of agreement related to funding / financing arrangement, e.g., IPOs or issuance of bonds
- Advisory services related to tax/ tax planning, investments in securities and/or other assets

GA II

Managing of client's money, securities or other property

Examples/ explanation: (non-exhaustive)

- Hold or keep client monies/ funds/ assets in separate account (client/escrow account) and use the monies according to the client's instructions in conjunction with any of the specified GAs, e.g., holding of earnest deposit in firm's client account as stakeholder funds pending completion of property acquisition
- Administer and manage client assets in a separate account (client/escrow account), e.g., in relation to lawyer's role as a trustee for the administration of client's assets, tax payment to Inland Revenue Board on behalf of client.
- For lawyers, there could be circumstances of spill-over, in which the funds from litigation process may pass-through the client's account, and hence form part of the Gazetted Activities.

GA III

Managing of accounts including savings and securities accounts

Examples: (non-exhaustive)

- Managing of client's accounts including bank accounts or securities accounts, e.g., acting as authorised signatory on behalf of client to facilitate funds transfer/salary payment from client's bank account to third party/employees, power of attorney over accounts
- Make investments on behalf of clients in securities and/or other assets
- Book-keeping and the preparation of annual and periodic accounts

GA V

Creating, operating or managing of legal entities or arrangements and buying and selling of business entities

Examples: (non-exhaustive)

- Formation or setting up of companies/ entities, including the related advisory services
- Formation or setting up of trust arrangement, including the related advisory services and preparation of trust deed
- Provision of shell or shelf companies, including the related advisory services
- Company secretarial or administrative services for new or existing companies/ entities
- Provision of nominee director/ shareholder services
- Takeover, mergers and acquisition arrangement, including the related advisory services and preparation of Share Sale Agreement
- Insolvency/ receiver-managers/ bankruptcy, including the related advisory services

GAZETTED ACTIVITIES

The following Gazetted Activities are applicable to company secretaries (external) as stipulated under paragraph 3.3 of the Policy Document. Please note that examples cited below are **non-exhaustive**.

COMPANY SECRETARIES

GA I – Act as a formation agent of legal entities

Examples: (non-exhaustive)

- Register or incorporate new companies with Companies Commission of Malaysia (CCM) or other registrar, where relevant

GA II – Act as (or arrange for another person to act as) a director or secretary of a company, a partner of a partnership, or a similar position in relation to other legal entities

Examples: (non-exhaustive)

- Company secretarial services, including acting as director and the related advisory services
- Maintain statutory registers such as register of directors, register of members
- Administration of company related matters, e.g. file updates with CCM on changes of company name or address, issue of shares, changes in directors, shareholders, filing annual returns, making amendments to company constitution, drafting resolutions, organizing the company's board meetings and annual general meeting and prepare agendas and minutes, etc.

GA III – Provide a registered office, business address or accommodation, correspondence or administrative address for a company, a partnership, or any other legal entities or arrangement

Examples: (non-exhaustive)

- Provide or maintain a registered address for companies

GA IV – Act as (or arrange for another person to act as) a trustee of an express trust

Examples/ explanation: (non-exhaustive)

- Provide trustee services, including advisory, administration and management of trust

GA V – Act as (or arrange for another person to act as) a nominee shareholder for another person

Examples: (non-exhaustive)

- Arrange for person B to act as nominee shareholder for company JKW Sdn. Bhd. on behalf of person C, who is the actual owner of JKW Sdn. Bhd.

DCR REPORTING GUIDE

PART A: Information on Reporting Institution

Information in this part is based on current business information, unless stated otherwise.

Questions are applicable to all sectors unless otherwise specified

NO.	DCR QUESTION	GUIDANCE
A1 – A10	• Sector • Firm name and contact details • Type of business	Choose your sector and type of business correctly from the drop-down list. Your choice of sector would determine the questions that you will need to answer throughout the DCR. Complete the RI's (firm) full name and contact details based on current details. For question 4 in relation to firm identification, fill in **business or company registration number (BRIC) issued by Companies Commission of Malaysia (CCM) or firm registration number** issued by the authorities or your respective licensing authority or self-regulatory body. Please take note that the email address provided in question 5 will receive the DCR report card. Do check your spam or junk mail folder if it does not arrive in your inbox. If you did not receive the report card after completing the DCR submission, please contact **dcr@bnm.gov.my**
A11	Your firm's AML/CFT Compliance Officer (CO) number	Please fill in your CO number that has been provided to you. Appointment of CO is compulsory pursuant to section 19(4) of the AMLA and paragraph 11.5.13 of the Policy Document stipulates the requirement to notify BNM of the appointment. The roles of CO can be found here.

<table>
<tr><th>NO.</th><th>DCR QUESTION</th><th>GUIDANCE</th></tr>
<tr><td>A12</td><td>DEALER IN PRECIOUS METALS / PRECIOUS STONES (DPMS)

Number of employees in your firm</td><td>Number of employees in your firm should include any person within the firm who is employed full time or part time, under contract or permanent employment.

Procurement of part-time external manpower for one-off work assignments is not considered as employees.

Number of employees should be as of 31 December 2021.</td></tr>
<tr><td>A12A</td><td>LAWYER
ACCOUNTANT
COMPANY SECRETARY
REGISTERED ESTATE AGENT (REA)

Number of (whichever is applicable) in your firm
• lawyer
• practising accountant who is MIA member
• registered company secretary
• registered estate agent</td><td>Please fill in the total number of the following, regardless of whether they provide Gazetted Activities or not:
• lawyer, accountant, company secretary who is practising; or
• registered estate agent.

The total number should be as of 31 December 2021.

Question 12A(i) is only applicable to company secretary. Please provide the names and Practicing Certificate numbers for all the registered company secretaries mentioned in question 12A.

Example:
ABC Sdn. Bhd. has 5 registered company secretaries. In this case:
• For question 12A, please select ‘1-5’ from the selection provided.
• For question 12A(i), please list the names and Practicing Certificate numbers for each of the 5 company secretaries.

For firms with more than 10 company secretaries, please upload a PDF format file (maximum size 10MB) detailing the names and Practicing Certificate numbers of each company secretary.</td></tr>
</table>

NO.	DCR QUESTION	GUIDANCE
A12B	**LAWYER** **ACCOUNTANT** **COMPANY SECRETARY** Number of (whichever is applicable) that provides Gazetted Activities (GA) • lawyer • registered company secretary • practising accountant who is a MIA member	Please fill in the number of practising lawyer, company secretary or accountant who provides GA services. Please refer to **paragraph 3.3** of the Policy Document or page 11 and 12 of this Information Kit for reference and non-exhaustive examples of GAs. The total number should be as of **31 December 2021**.
A12B	**REA** Number of real estate negotiator (REN) attached to your firm for the year 2021	Please provide the exact number of RENs attached to your firm. The total number should be as of **31 December 2021**.
A13A-A13C	**DPMS** Nature of business and firms' business focus	Choose your firm's nature and focus of business from the options provided. For question 13A, please select all types of business that your firm is involved in. For question 13C, if your firm deals with both B2B (business-to-business) and B2C (business-to-consumer), please state the % of your business contribution from these dealing.

NO.	DCR QUESTION	GUIDANCE
A13A-A13C	**DPMS** Nature of business and firms' business focus (cont.)	**Note!** For answers in %, please provide in whole numbers i.e. from 0 to 100 only. Please ensure that the % total up to 100%. Round off to the nearest number, for example: • for 0.3% of business, please indicate as 1; • for 30.7% of business, please indicate as 31; • for 99.6% of business, please indicate as 99. **Example:** XYZ Jewellery mainly manufactures jewelleries for retail market. Occasionally or in some instances (around 10% of the sales), the firm also sells some of the jewelleries to consumer or referred individual clients. In this case: • For question 13A, you should select both manufacturer and jewellery retailer • For question 13C, you should input 90 for B2B and 10 for B2C.
A14	**DPMS** **REA** Is your firm a member of any industry associations?	If your firm is a member of any association within your sector, please select from the options provided. Multiple selection is allowed. If you select 'Others,' please specify the name of the association(s) in the column provided.

PART B: Business Information and Structure

Information in this part is based on the entire business / operations of your firm in 2021 in particular:

- Transaction information for GA activities (where applicable), including total and breakdown by type of product/services, for 2021
- Revenue / Value of transactions (RM)
- Number of transactions
- Value of cash transactions (RM)
- Payment method by clients
- Delivery channel (face-to-face and non-face-to-face)
- Local and foreign branch information

Questions are applicable to all sectors unless otherwise specified

NO.	DCR QUESTION	GUIDANCE
B1 - B1A	(All sectors, where applicable) **LAWYER** **ACCOUNTANT** **COMPANY SECRETARY** **DPMS** **REA** • Total revenue/fees • Breakdown of total revenue/ fees (for each product/ service)	Annual revenue or total fees received for ALL activities (including non-GA activities, where applicable) for the year 2021 based on the following: • Calendar year 1 January 2021 to 31 December 2021; or • Audited or non-audited financial accounts for financial year 2021 For revenue, please include services which commenced **OR** still worked on between 1 January 2021 to 31 December 2021 regardless of whether the said services were completed in OR after the said period. Please select the closest choice to your firm's total revenue from the range provided. **Note!** For answers in %, please provide in whole numbers i.e. from 0 to 100 only. Please ensure that the % total up to 100%. Round off to the nearest number, for example: • for 0.3% of business, please indicate as 1; • for 30.7% of business, please indicate as 31; • for 99.6% of business, please indicate as 99. Fill in 0 (zero) if there is no revenue for the particular product or service.

<table>
<tr><th>NO.</th><th>DCR QUESTION</th><th>GUIDANCE</th></tr>
<tr><td></td><td></td><td>Example:
Accounting Firm XYZ Sdn. Bhd. conducts GA III and GA V activities only with no nominee services provided. GA III and GA V contributed to 29.5% and 70.2% of the total revenue, respectively.

Thus, question 1A should be filled in as follows:
<table>
<tr><td>GA I</td><td>0</td></tr>
<tr><td>GA II</td><td>0</td></tr>
<tr><td>GA III</td><td>30</td></tr>
<tr><td>GA IV</td><td>0</td></tr>
<tr><td>GA V (exclude nominee services)</td><td>70</td></tr>
<tr><td>Nominee services</td><td>0</td></tr>
<tr><td>Non- GA</td><td>0</td></tr>
</table></td></tr>
<tr><td>B2-
B2A</td><td>Total number of transactions
Breakdown of number of transactions (for each product/service)</td><td>Transactions for each sector refers to the following:
<table>
<tr><td>Accountant</td><td>Number of letter of engagements (LOE) issued or still attended to in 2021 for GA activities only</td></tr>
<tr><td>Company Secretary</td><td>Number of bills or invoices issued in 2021 for GA activities only</td></tr>
<tr><td>Lawyer</td><td>Number of file/ case/ matter newly opened or attended to in 2021 for GA activities only</td></tr>
<tr><td>DPMS & REA</td><td>Number of invoices issued in 2021</td></tr>
</table>
The breakdown of number of transactions for each product or services are to be in percentage (%) form.</td></tr>
</table>

NO.	DCR QUESTION	GUIDANCE
		For law firms, all related services rendered for the same deal/ case/ matter are considered as one (1) transaction. **Example:** The services rendered for the purchase of a property and all related payments made should be considered as one (1) single transaction (i.e., preparation of SPA, preparation of loan agreement, charge to bank and other ancillary services). For a file/ deal/ matter that involves more than one GA, law firm may report all related services rendered or transactions facilitated under the core transaction. **Example:** For a transaction of sale and purchase of a property: • GA 1 – buying and selling of immovable property), if the money was deposited by the client into the law firm's client account as stakeholder pending the completion of the transaction • (GA 2 – managing of client's money, securities or other property), law firm may report such transaction and client under GA 1 only. The breakdown of number of transactions for each product or services are to be in percentage (%) form. **Note!** For answers in %, please provide in whole numbers i.e. from 0 to 100 only. Please ensure that the % total up to 100%. Round off to the nearest number, for example: • for 0.3% of business, please indicate as 1; • for 30.7% of business, please indicate as 31; • for 99.6% of business, please indicate as 99. Fill in 0 (zero) if there is no transactions for the particular product or service.

<table>
<tr><th>NO.</th><th>DCR QUESTION</th><th>GUIDANCE</th></tr>
<tr><td>B2-
B2A</td><td>• Total number of transactions
• Breakdown of number of transactions (for each product/service) (cont.)</td><td>Example:
Company Secretarial Firm ABC Sdn. Bhd. assists in the formation of companies, provide company secretarial services and some nominee services. The number of bills or invoices issued relating to these services are 19.7%, 70.3% and 10% respectively.

Thus, question 2A should be filled in as follows:
<table><tr><td>Incorporation of local entities</td><td>20</td></tr><tr><td>Assist in incorporation of entities outside of Malaysia</td><td>0</td></tr><tr><td>Provide secretarial services and/or registered office, business address or accommodation, correspondence or administrative address for a company, a partnership, or any other legal entities or arrangement</td><td>70</td></tr><tr><td>Act as (or arrange for another person to act as) a trustee of an express trust</td><td>0</td></tr><tr><td>Nominee director/shareholder services</td><td>10</td></tr><tr><td>Other services</td><td>0</td></tr></table></td></tr>
</table>

<table>
<tr><th>NO.</th><th>DCR QUESTION</th><th>GUIDANCE</th></tr>
<tr><td>B2B-B2C</td><td>REA
• Total number of transactions
• Breakdown of number of transactions (for each product/service) (cont.)</td><td>• For question 2B, the breakdown will be based on the residential or non-residential property that your firm facilitated in 2021. Non-residential property includes development land, agriculture, industrial, commercial properties, and others.
• Question 2C is on the breakdown of value of properties that your firm facilitates. Please select the appropriate range.

Example:
REA firm DEF Sdn. Bhd. facilitates around 95% of residential properties, the value of most properties facilitated are roughly RM450,000. Only 5% are non-residential properties and mostly of value above RM1 million. In this case:

• For question 2B, please fill in as follows:<table><tr><td>Residential</td><td>95</td></tr><tr><td>Non-Residential</td><td>5</td></tr></table>
• For question 2C, please fill in as follows:<table><tr><td>RM300k- <RM500k</td><td>95</td></tr><tr><td>Above RM1million</td><td>5</td></tr></table></td></tr>
<tr><td>B2B-B2C</td><td>LAWYER
• Total value of transactions (in RM)
• Breakdown of total value of transactions (for each product / service)</td><td>Value of transaction refers to the value of deals or services facilitated or attended by the law firm in 2021 for GA activities. This excludes legal fees and other reimbursement such as stamp duty, registration fees, etc.

For example, for a sale and purchase of a property, the value of the transaction would be the purchase price of the property.

Please provide your answers in numbers only without decimals e.g. 500177</td></tr>
</table>

NO.	DCR QUESTION	GUIDANCE
B3	How do clients make payment to your firm (breakdown in %)?	This refers to the methods of payment used by your clients in 2021. Please fill in the breakdown in % for each method of payment for GA activities, where applicable, as follows: • Cash (including physical cash notes payment and cash payment deposited into the cash deposit machine (CDM)/ over the counter into RI's account). **For DPMS**, for this category, cash excludes gold. • Cheque • Telegraphic Transfer (TT)/ Bank Transfer into firm's account • Debit Card/ Credit Card • E-Wallet/ e-money • Gold (only applicable to **DPMS** only) If there are other methods than what is listed above, please specify in the column provided. **Note!** For answers in %, please provide in whole numbers i.e. from 0 to 100 only. Please ensure that the % total up to 100%. Round off to the nearest number, for example: • for 0.3% of business, please indicate as 1; • for 30.7% of business, please indicate as 31; • for 99.6% of business, please indicate as 99. Fill in 0 (zero) if there is no payment is made through the particular method.

<table>
<tr><th>NO.</th><th>DCR QUESTION</th><th>GUIDANCE</th></tr>
<tr>
<td>B4</td>
<td>Total value (in RM) of all cash transactions (inward and outward payments).</td>
<td>
Please select the appropriate range from the dropdown.
Cash transactions cover both inward and outward payments. Cash transactions include (please see paragraph 6.2 of the Policy Document):

bank notes and coins to the RI or into a bank account of the RI (via counter or CDM);
bearer negotiable instruments including traveller's cheques, vouchers and others but exclude bank drafts, cheques, and electronic transfers; and/ or
precious metals and/or precious stones, including gold trade-ins.

Cash transactions for GA activities, where applicable, should exclude operational expenses such as payroll, bills, finance expenses and dividend payment.
For purchase of property, money released from bank loans straight into the firm's or vendor's accounts for initial or subsequent payments is not considered as cash transaction.
Inward and outward cash payments should be aggregated.
Example:
<table>
<tr><td>Cash received by the firm
(inward payment)</td><td>RM500,000</td></tr>
<tr><td>Cash paid by the firm
(outward payment)</td><td>RM10,000</td></tr>
</table>
Therefore, total cash transaction of the firm is RM510,000.
As such, please select the following answer option:
<table>
<tr><td>RM500,000 - < RM1 mil</td></tr>
</table>
</td>
</tr>
</table>

<table>
<tr><th>NO.</th><th>DCR QUESTION</th><th>GUIDANCE</th></tr>
<tr><td>B4A</td><td>

LAWYER

DPMS

Breakdown of cash transactions

</td><td>

For question 4A, please provide the breakdown in % for all **CASH transactions** based on the range listed below:

- RM4,999 and below;
- RM5,000 – RM9,999;
- RM10,000 – RM24,999;
- RM25,000 – RM49,999;
- RM50,000 – RM74,999;
- RM75,000 – RM99,999; and
- RM100,000 and above.

Note!
For answers in %, please provide in whole numbers i.e. from 0 to 100 only. Please ensure that the % total up to 100%.

Round off to the nearest number, for example:

- for 0.3% of business, please indicate as 1;
- for 30.7% of business, please indicate as 31;
- for 99.6% of business, please indicate as 99.

Fill in 0 (zero) if there is no cash transaction for that particular range.

Example:
DPMS firm LMN Jewellery has 100 cash transactions, 80% are below RM4,800 and 20% are within the range of RM15,000- RM20,000.

Based on the above, please fill in question 4A as follows

RM4,999 and below	80
RM5,000 – RM9,999	0
RM10,000 – RM24,999	20
RM25,000 – RM49,999	0
RM50,000 – RM74,999	0
RM75,000 – RM99,999	0
RM100,000 and above	0

</td></tr>
</table>

NO.	DCR QUESTION	GUIDANCE
B5-B5A	**LAWYER** **ACCOUNTANT** **COMPANY SECRETARY** **REGISTERED ESTATE AGENT (REA)** Does your firm assist for overseas transaction?	Question 5 refers to overseas transactions facilitated on behalf of domestic clients. This includes the following: (non-exhaustive) • assist/ facilitate clients to purchase properties outside of Malaysia (lawyers, REA) • assist / facilitate clients to incorporate companies outside of Malaysia Question 5A relates to assisting foreign clients (residing or based in overseas) for any services / transactions in Malaysia, for example: • assist/ facilitate clients residing overseas for services in Malaysia, but execution of agreement/ transaction is being conducted outside of Malaysia, assisted by RI abroad. • act as nominees for foreign firms who want to incorporate locally in Malaysia.
B6	Does your firm have any clients who you do not meet at all throughout the business relationship (i.e. non-face-to-face clients)?	Non-face-to-face means that you do not engage physically or virtually (e.g. through online meetings or video conference) with the clients at all during on-boarding and throughout the business relationship, such as through mobile apps or online transaction. Examples of non-face-to-face interactions include, (but are not limited to), phone call, mobile applications, or website/ e-commerce platform. Video call is considered face-to-face. If for question 6 you have answered ‘Yes’, question B6A requires firm to determine by % the total number of clients engaged through non-face-to-face methods.

<table>
<tr><th>NO.</th><th>DCR QUESTION</th><th>GUIDANCE</th></tr>
<tr><td>B6</td><td>Does your firm have any clients who you do not meet at all throughout the business relationship (i.e. non-face-to-face clients)?
(cont.)</td><td>Note!
For answers in %, please provide in whole numbers i.e. from 0 to 100 only. Please ensure that the % total up to 100%.

Round off to the nearest number, for example:
for 0.3% of business, please indicate as 1;
for 30.7% of business, please indicate as 31;
for 99.6% of business, please indicate as 99.
Fill in 0 (zero) if the range is not applicable.

Example:
DPMS firm LMN Jewellery has sold jewelleries via an e-commerce platform. The total customers from this platform accounts to only 9.6% of the total customers.

Please fill in question 5A as follows:
<table><tr><td>≤ 20% of total customers</td><td>10</td></tr><tr><td>> 20% - 50% of total customers</td><td>0</td></tr><tr><td>> 50% of total customers</td><td>0</td></tr></table></td></tr>
<tr><td>B7-B8</td><td>Does your firm have any local/ international branch(es)?</td><td>If your answer is ‘Yes,’ please fill in the number of branches and the location as follows, if any:
by postcode for local i.e domestic branch(es)
by country name for international branch(es)</td></tr>
<tr><td>B9</td><td>Other comments</td><td>You may provide additional comments or information regarding your firm.</td></tr>
</table>

PART C: AML/CFT Risk Assessment

Information in this part is based on current process, practice, or assessment of the firm, unless otherwise stated.

The ML/TF risk assessment is an exercise to identify, assess and understand the ML/TF risks faced by your firm, by considering the following risk factors:

- customer risk
- product /services risk
- geographical location
- delivery channels

Questions are applicable to all sectors unless otherwise specified

NO.	DCR QUESTION	GUIDANCE
C1 - C1A	Has your firm conducted any ML/TF risk assessments on its own business?	If your firm has undertaken any sort of ML/TF risk assessments, please select the appropriate answer from the dropdown menu/ list. If you have answered 'Yes' in question 1, then proceed to answer on the frequency of the risk assessment in question 2. If you have answered 'No', please indicate why it was not conducted in question 1A and that is the end of Part C, and you may proceed to Part D.
C2	How often does your firm conduct/review the ML/TF risk assessment on your own business?	Please select the relevant frequency of the ML/TF risk assessment conducted by your firm from the selection.
C3A-C3B	If your firm had undertaken ML/TF risk assessments, what is the ML and TF risk rating level for each risk factor?	If your firm had done ML/TF risk assessments, please select the corresponding ML and TF risk rating level (i.e., Low, Medium, High) for each risk factor. There are four types of risks to be considered by RIs (and examples of each factor): i. **Customer risk** Firm's exposure to different types of clients including their nationality, exposure to politically exposed person (PEP) clients, occupation for individual clients or nature of business for corporate clients, or other risk factors.

NO.	DCR QUESTION	GUIDANCE
		ii. **Product and services risk** • Nature and complexity of the products/ services offered by the firm • For example, whether products are easily transferable/ not easily traceable/ exchanged/ high value, services allow payment from third-party/ unknown parties, able to conceal beneficial ownership, services that include creation/ setting up of complex legal structures, etc. iii. **Transaction/ Delivery Channel risk** • Whether is there any product/ service offered via non-face-to-face channels by your firm as they are more susceptible to ML/TF as compared to face-to-face channels • Cash intensity of the business (i.e. whether your firm conducts a lot of cash transactions) • Method of payment which may be more susceptible to ML/TF risks iv. **Geographical risk** Geographical location of the RIs' holding company, head office, branches, subsidiaries, and agents, if any. If your firm's assessments do not consider any of the above specified risk factors, please choose 'Not Assessed' from the selection.
C4	What are the main ML/TF risk drivers that your firm has identified?	If your firm has identified the main or key risk drivers or areas during the risk assessment process. This may be peculiar to your firm or certain types of clients or products or transactions which your firm face. You may include a brief explanation of them in this question. **Example: (non-exhaustive)** • high cash exposures • complex product or services structure • large client base • international network • involvement of offshore centres etc.

PART D: AML/CFT Programme

Questions in this part are based on your firm's current process, practice on client or transactions relating to (i)activities regulated under the AMLA; or (ii)meets the Customer Due Diligence (CDD) threshold specified for DPMS. Responses would determine the understanding and/ or compliance of the RI on the AML/CFT requirements.

NO.	DCR QUESTION	GUIDANCE
D1	Provide the total number of clients of your firm	Please fill in the total whole number of clients of your firm for Gazetted Activities (where applicable) in 2021. **For DPMS**, please select 'Yes' or 'No' if your firm has any clients that transact in cash of RM50,000 and above. • If 'Yes', please indicate the total clients that transacted in cash for RM50,000 and above • If 'No', please indicate if your firm collects information on client's identity and if your firm does collect information, please choose the reasons for it from the selection. You may then proceed to question 11.
D1A-D1C	Provide the breakdown (%) of total number of clients for each category, where applicable.	For question 1A, please fill in the breakdown by % of clients for each of the following category (if any). Individual • Sole proprietors, partnerships, limited liability partnerships • Government-linked companies (GLC)/ state owned corporations (SOC) • Non-profit organisations (NPO) • Societies, foundations & associations • Legal arrangements Example of legal arrangement include express trust such as private trust, charitable trust, religious trust, etc. *(Note: Legal arrangement does not include nominee shareholders/ director)* If the clients fall into more than one category provided, please only indicate under the one category which provides a better differentiation for the client.

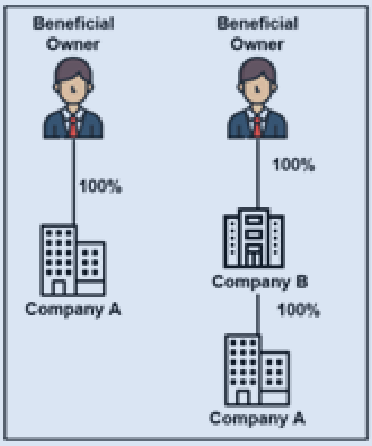
NO.	DCR QUESTION	GUIDANCE
D1A-D1C	Provide the breakdown (%) of total number of clients for each category, where applicable. (cont.)	**Note!** For answers in %, please provide in whole numbers i.e. from 0 to 100 only. Please ensure that the % total up to 100%. Round off to the nearest number, for example: • for 0.3% of business, please indicate as 1; • for 30.7% of business, please indicate as 31; • for 99.6% of business, please indicate as 99. Fill in 0 (zero) if the category is not applicable. **Example:** Accounting Firm XYZ Sdn. Bhd. provided Gazetted Activities to 1,000 clients in 2021, with the following breakdown: 500 sole proprietorships 200 limited liability partnerships 300 companies, of which 10 are GLCs • For question 1, please fill in '1000' • For question 1A, please fill in the % breakdown as follows: Individuals: 0 Sole proprietorships, partnerships, limited liability partnerships, companies: 99 GLC, SOC: 1 NPO: 0 Societies, foundation, association: 0 Legal arrangements: 0 For question 1B, please fill in breakdown by % of clients by nationality i.e % of Malaysian and non-Malaysian. • Companies **incorporated in Malaysia** with foreign shareholders (or foreign beneficial owners) are considered as Malaysian client.

NO.	DCR QUESTION	GUIDANCE
D1A-D1C	Provide the breakdown (%) of total number of clients for each category, where applicable. (cont.)	• Companies **incorporated outside of Malaysia** and/or operating and/or registered (as foreign company) in Malaysia are considered as non-Malaysian client. • If your firm has non-Malaysian clients, please proceed to question 1C and select the countries of all the non-Malaysian clients.
CUSTOMER DUE DILIGENCE		
D2A-D2B	Information collected (for identification) and verification (through document/ electronic data) of **individual clients, person conducting transaction and beneficial owners**	*This question is dependent on whether you have indicated a certain percentage of individual clients in question 1A.* CDD is the process of **identifying** and **verifying** (using reliable and independent documentation including electronic data) the identity of your clients, persons conducting the transaction (PCT) as well as beneficial owners (BO). For more information, please refer to the infographic on CDD which can be accessed here. Please also refer to the requirement on CDD in paragraph 14 of the Policy Document, which can be accessed here. For question 2A, please select from the list all relevant information that your firm obtains / collects to identify your individual clients, PCT or BO. • You may select more than one answer. • Please specify if you obtain or collect other information that are not listed For question 2B, please select from the list the type of information, electronic data or documents (if any) that you use to **verify** the identity of your clients, PCT or BO. • You may select more than one answer. • Please specify if you rely on any other documents that are not listed

NO.	DCR QUESTION	GUIDANCE
D3A-D3C	Information collected and verification of **corporate clients** (including foreign corporate clients)	*This question is dependent on whether you have indicated a certain percentage of corporate clients in question 1A.* For question 3A, please select from the list, all relevant information that your firm obtains / collects to **identify** your corporate clients. • You may select more than one answer. • Please specify if you obtain or collect other information that are not listed For question 3B, please select from the list the type of information, electronic data or documents (if any) that you use to **verify** the identity of your corporate clients. • You may select more than one answer. • Please specify if you rely on any other documents that are not listed. For question 3C, please select from the list the type of information, electronic data or ·documents (if any) that you use to verify the identity of your foreign corporate clients. • You may select more than one answer. • Please specify if you rely on any other documents that are not listed.
D4-D4B	Identification and information collected on **beneficial owner of corporate clients**	*This question is dependent on whether you have indicated a certain percentage of corporate clients in question 1A.* **Beneficial owner** refers to any natural person(s) who **ultimately owns** or **controls** a client and/or the natural person on whose behalf a transaction is being conducted. It also includes those persons who exercise ultimate effective control over a legal person or arrangement.

NO.	DCR QUESTION	GUIDANCE
D4-D4B	Identification and information collected on beneficial owner of corporate clients (cont.)	As provided in paragraph 14.10.6 of the Policy Document, RIs should identify the beneficial owners of legal persons through the steps provided in the Policy Document (an example is provided below).

For example:



[left diagram] Direct ownership

[right diagram] Indirect ownership. if Company A is legally owned by Company B (according to its corporate registration information), the beneficial owners are the natural persons behind the Company B (or behind the ultimate holding company in the chain of ownership).

For more information, please refer to the Guidance on Beneficial Ownership which can be accessed here.

For question 4, please select 'Yes' or 'No' if your firm **identify** who is the individual or beneficial owner that directly or indirectly owns or control the business/entity
- If 'Yes', please proceed to questions 4A & 4B
- If 'No', please proceed to the next relevant question

For question 4A, please select from the list on how your firm check/ obtain information to verify the identity of the beneficial owner of your corporate clients.
- You may select more than one answer.

For question 4B, please select 'Yes', 'No' or 'Partially', if your firm verify all layers of corporate shareholding of your corporate clients to know who is the ultimate beneficial owner.

NO.	DCR QUESTION	GUIDANCE
D5A	Information collected and verification of **legal arrangement clients**	*This question is dependent on whether you have indicated a certain percentage of legal arrangement clients in question 1A.* For question 5A, please select from the list all relevant information that your firm obtains/ collects to **identify** your legal arrangement clients. • You may select more than one answer. • Please specify if you obtain or collect other information that are not listed For question 5B, please select from the list the type of information, electronic data or documents (if any) that you use to **verify** the identity of your legal arrangement clients. • You may select more than one answer. • Please specify if you rely on any other documents that are not listed For question 5C, please select from the list the type of information, electronic data or documents (if any) that you use to **verify** the identity of your foreign legal arrangement clients. • You may select more than one answer. • Please specify if you rely on any other documents that are not listed
D6-D6A	Has your firm conducted delayed verification?	RIs can delay verification only when ML/TF risk is assessed as low, and verification is not possible at the point of establishing the business relationship. You may refer to paragraphs 14.10.20 to 14.10.24 of the Policy Document for more details on delayed verification.

NO.	DCR QUESTION	GUIDANCE
D6-D6A	Has your firm conducted delayed verification? (cont.)	Please select 'Yes' or 'No'. If your firm has conducted delayed verification previously, you are required to provide the time taken to complete the delayed verification in question 6A. Please select the answer which is most relevant to your firm's practice. For professional services & REAs, delayed verification relates to the following: • After offer is made • After transaction begin For DPMS delayed verification is after payment is made and receipt is issued.
D7	Has your firm relied on CDD conducted by other reporting institutions (RIs)?	If 'Yes', please specify the sector of the third party RI and explain the arrangement. RIs are allowed to rely on other RIs or third parties for purposes of CDD, as provided under paragraph 16 of the Policy Document. These other RIs or third parties refer to RIs that are supervised by a relevant competent authority and meets the requirements under paragraph 16 of the Policy Document. This includes RIs such as banks, insurance companies, company secretaries, foreign banks, etc. **This does not include outsourcing or agency relationships.**

NO.	DCR QUESTION	GUIDANCE
SANCTIONS SCREENING		
D8-D8C	What are the sanctions lists maintained by your firm?	Maintaining sanctions lists and screening of all new and existing clients against these lists are part of the AML/CFT requirements. For question 8, please choose the relevant sanctions list that your firm maintains. • You may select more than one answer. • If you do not maintain any of the lists, select 'None of the above'. Question 8A asks how your firm screens your clients against the sanctions lists. Please choose the most relevant answer based on your firm's practice. Your firm may use/subscribe to external screening platform in conducting screening on your clients. In question 8B, please indicate if your firm has any client or potential client who are sanctioned individuals or entities. • If 'Yes', please specify the number of sanctioned individuals or entities that your firm has and proceed to question 8B(i). • If 'No', please proceed to question 8C. In question 8B(i), please select the relevant process/procedures in place, in the event of any match from the sanctions lists that you maintain, or when dealing with sanctioned individuals or entities (as indicated in question 8B). • You may select more than one answer. In question 8C, please select the most relevant answer on whether your firm puts in place relevant process and procedures when dealing with confirmed sanctioned client/ potential client who is on the sanctions list. You may refer to the Policy Document for links to the relevant sanctions lists.

NO.	DCR QUESTION	GUIDANCE
CUSTOMER RISK PROFILING		
D9-D9F	Does your firm assess the ML/TF risk of your clients?	Risk profiling of clients is conducted during customer on-boarding. Please choose 'Yes' or 'No' if your firm conducts customer risk profiling. If 'No', proceed to question 9A to answer on why the risk profiling of clients was not conducted. You may choose more than one answer from the selection. If 'Yes', proceed to answer questions 9B, 9C, 9D, 9E, and 9F. • Question 9B relates to the type of process used when conducting risk profiling on clients. ➡ Assessment form may refer to manual form developed by your firm internally or use of template provided in the Policy Document. ➡ Client risk profiling model/ system may include usage of any in house or off-the-shelves models or excel to assist automated risk profiling of clients. ➡ Informal assessment may include assessment or decision by senior management/ partner/ owner on the ML/TF risks of the clients. However, these assessments are often not documented. ➡ Please select the most accurate answer relevant to your firm's practice. • Question 9C relates to the risk factors considered when rating your clients: ➡ Please choose from the selection provided (customer risk, products and services risk, transaction risk/ delivery channel, geographical risk). Please refer to guidance under question C3A-C3B on examples for each of these factors. ➡ You may choose more than one answer.

NO.	DCR QUESTION	GUIDANCE
D9-D9F	Please specify if there are other types of clients that your firm is exposed to	• Question 9D relates to the type of clients from the following category that your firm is exposed to: **Domestic politically exposed persons (PEP)** **Foreign PEP** **Clients who are listed under the alert list issued by authorities** **Clients with investigation orders** ➡ Please refer to the definition provided in the Policy Document for 'politically exposed persons'. While there is no definitive list provided for PEPs, RIs are to develop its own list based on the definition provided. ➡ Please choose from the selection provided for each category mentioned above: Yes, < 10% of my firm's total clients Yes, 10% - < 20% of my firm's total clients Yes, ≥ 20% of my firm's total clients ➡ Please specify if there are other types of clients that your firm is exposed to. • Question 9E determines whether your firm asks for more information before accepting higher ML/TF risks clients. ➡ Please select 'Yes', 'No' or 'Not Applicable' • Question 9F relates to whether approval from senior management/owner/partner is obtained before accepting higher ML/TF risks clients. ➡ Please select 'Yes', 'No' or 'Not Applicable'

NO.	DCR QUESTION	GUIDANCE
ON-GOING DUE DILIGENCE		
D10-D10A	Does your firm monitor and review clients' transactions and update clients' information?	Choose 'Yes' or 'No' if your firm monitor and review clients' transactions, or update clients' information throughout the business relationship. This includes updating CDD documents, data or information of clients.
RECORD KEEPING		
D11 – D11B	Does your firm keep copies of **all transaction records** of clients?	Question 11 relates to whether copies of documents used during the identification and verification process of clients are kept by your firm. Question 11A relates to whether your firm keep copies of **all transaction records** of your clients. These include receipts, agreements and invoices. For questions 11 and 11A, please choose 'Yes', 'No' or 'Partially', based on your firm's practice. If the records are kept, proceed to question 11B on the period of records being kept. Please select the answer that is most relevant to your firm's practice.
MANAGEMENT INFORMATION SYSTEM		
D12 - D12A	Does your firm have a management information system (MIS), either electronic or manual?	MIS refers to any system used by your firm to store clients' information and transactions records. Please choose the most relevant answer from the selection in question 12. MIS does not necessarily have to be digitalised or computerised. MIS can be in a manual form as long as MIS adopted by the firm is capable of aggregating client's transactions from multiple accounts/files and/or across all branches. And more importantly, can pick up any anomalies in the transactions.

NO.	DCR QUESTION	GUIDANCE
D12 - D12A	Does your firm have a management information system (MIS), either electronic or manual? (cont.)	Question 12A relates to whether your firm's MIS can do the above, please select 'Yes', 'No' or 'Partially'. **Examples of an electronic MIS:** • In-house/ off-the-shelves accounting/ centralised data management system. • Excel or any database software. **Example of a manual MIS:** • Hardcopy files and centralised filing system.
SUSPICIOUS TRANSACTION REPORTS (STR)		
D13 – D13B	Existence of identified relevant triggers, conditions or scenario (also called red flags) to help indicate that a transaction is suspicious?	To detect suspicious transactions, does your firm, either documented or not documented, have any scenarios or criteria (red flags) to identify whether a client or a transaction may be suspicious? Please select the relevant answers for your firm in question 13. If 'Yes', proceed to question 13A on whether the identified red flags are provided to all the staff/employees of the firm. Do note that you can also refer and obtain the common or sector-specific red flags in the Policy Document, as a guidance in identifying your firm's red flags. (See Appendix 15 of the Policy Document). Suspicious transactions should be reported to BNM whenever the RI suspects that the transaction (including attempted or proposed), regardless of the amount: • appears unusual; • has no clear economic purpose; • appears illegal; • involves proceeds from an unlawful activity or instrumentalities of an offence; or • indicates that the client is involved in ML/TF.

NO.	DCR QUESTION	GUIDANCE
D13 – D13B	Existence of identified relevant triggers, conditions or scenario (also called red flags) to help indicate that a transaction is suspicious? (cont.)	(See requirements in section 14(1) of the AMLA and Paragraph 19 of the Policy Document) In question 13B, firms are required to indicate whether there are procedures in place in relation to submission of STR to BNM. Please select 'Yes' or 'No'. The procedures refer to: • procedures to channel internal STR from employee to the CO; • duration of time for the CO to review the internal STR; and • duration of time for the CO to submit an STR to BNM, upon confirmation of suspicion.
D14 - D14B	Has your firm reported any STRs to BNM?	For question 14, please indicate who decides to submit STR to BNM for your firm, either through mail, email or FINS (Financial Intelligence System) platform. For question 14A, please select 'Yes' or 'No', if your firm has reported any STR to BNM in 2021. For question 14B, BNM would like to understand further on the possible challenges faced by the RIs in reporting STR to BNM. Please provide the reason that is most relevant to your firm. You may select more than one option.

NO.	DCR QUESTION	GUIDANCE
COMPLIANCE OFFICER (CO) FUNCTION		
D15 – D15B	• AML/CFT Training • AML/CFT Certification	Please choose all applicable answers from the selection provided on the following: • **Attended any AML/CFT training** ➡ e.g. webinars organised by: • BNM; • licensing authority (e.g. Companies Commission of Malaysia); • self-regulatory bodies (e.g. Bar Council Malaysia or Malaysian Institute of Accountants);or • industry associations (e.g. MAICSA, FGJAM (Federation of Goldsmith and Jewellers Association of Malaysia) etc). ➡ conferences or forums relating to AML/CFT matters, etc); or • **Obtained any AML/CFT certification** ➡ for example, • Certified Anti-Money Laundering Specialist from the Association of Certified Anti-Money Laundering Specialist (ACAMS) • Certified Anti-Money Laundering & Counter Financing of Terrorism Compliance Officer (CAMCO) from the AICB (Asian Institute of Chartered Bank) • or any other programme Do note that obtaining certification is a best practice, which is encouraged and not a mandatory requirement under the Policy Document.

NO.	DCR QUESTION	GUIDANCE

AML/CFT COMPLIANCE PROGRAMME

GENERAL INFORMATION

AML/CFT Compliance Programme consists of several requirements as follows:

Question 16-19
Only applicable for LARGE-SIZED RIs

Policies, Procedures and Controls
(paragraph 11.2 of the Policy Document)

Employee Training & Awareness Programme
(paragraph 11.8 of the Policy Document)

Employee Screening Procedures
(paragraph 11.7 of the Policy Document)

Independent Audit Function
(paragraph 11.9 of the Policy Document)

Proceed to Question 20
For SMALL-SIZED RIs

- Please refer to the Policy Document for full details on AML/CFT compliance programme.
- Select what is relevant to the practice of your firm.
- Small-sized RIs are subject to the application of simplification or exemption of Compliance Programme requirements, pursuant to paragraph 11.1 of the Policy Document.

POLICIES, PROCEDURES & CONTROLS

NO.	DCR QUESTION	GUIDANCE
D16 - D16C	**LARGE-SIZED FIRMS** Does your firm have written AML/CFT policies, procedures and controls?	In question 16, please indicate if your firm has established written AML/CFT policies, procedures and controls. • If 'Yes', proceed to questions 16A,16B and 16C. • If 'No', proceed to question 17. For question 16A, please indicate whether the policies are approved by your Senior Management and Board of Directors or senior partners (in the case of partnership). • Select either 'Yes', 'Partially' or 'No' that best reflects your firm's practice. For question 16B please indicate whether the written policies are kept up-to-date with the regulatory requirements. • Select either 'Yes' or 'No' that best reflects your firm's practice.

NO.	DCR QUESTION	GUIDANCE
D16 - D16C	**LARGE-SIZED FIRMS** Does your firm have a written AML/CFT policy, procedures and controls? (cont.)	Question 16C proceeds to ask whether the AML/CFT policies are provided to all the staff/employees. • Please select the answer that best reflects your firm's practice.
EMPLOYEE TRAINING & AWARENESS PROGRAMME		
D17 – D17B	**LARGE-SIZED FIRMS** Does your firm conduct training and awareness programmes for the employees on the firm's AML/CFT practices and measures?	Select 'Yes' if your firm has provided training and awareness programmes for your employees in relation to your firm's AML/CFT practices and measures and proceed to questions 17A and 17B. If 'No', please proceed to question 18. In question 17A, please select the relevant method of training that your firm provides to your employees based on the options provided. You may select more than one option. In question 17B, please indicate the type of AML/CFT training that is provided to your employees based on the options provided.

NO.	DCR QUESTION	GUIDANCE
EMPLOYEE SCREENING PROCEDURES		
D18 – D18C	**LARGE-SIZED FIRMS** Does your firm conduct employee screening or background checks on your employees?	Please choose the type of employee screening (background check on employees) that your firm conducts. You may select more than one option. If you have selected 'Do not conduct any background check', proceed to question 19. If your firm conducts any form of background checks on the employees, there are 3 further questions that needs to be filled in as follows: i. Question 18A is on whether the background check is conducted on all employees. • Please select 'Yes, all employees' or 'No, only selected employees', based on your firm's practice. ii. Question 18B is on when the background check is conducted. • Please choose the most relevant answer from the selection provided. • You may select more than one answer. iii. Question 18C is on how the background check is conducted. • Please choose the most relevant answer from the selection provided. • You may select more than one answer. These checks assist RIs to assess their employees' risks to ML/TF, fraud and bribery to ensure that they do not abuse their position or be vulnerable or used as a conduit to facilitate ML/TF activities.

NO.	DCR QUESTION	GUIDANCE
INDEPENDENT AUDIT FUNCTION		
D19 – D19C	**LARGE-SIZED FIRMS** Does your firm conduct regular AML/CFT independent audits (frequency to be determined by the Board/SM/senior partners) to determine compliance and effectiveness of AML/CFT measures employed by your firm?	Select 'Yes' if your firm conducts regular independent audits on AML/CFT measures to determine the effectiveness and compliance with AMLA and the Policy Document. If 'No', please proceed to question 20. If your firm conducts independent audits, there are 3 further questions that needs to be filled in as follows: i. Question 19A relates to the frequency of the independent audit. • Please choose the most relevant answer from the selection provided. ii. Question 19B relates to who conducts the independent audit. • Please choose the most relevant answer from the selection provided. iii. Question 19C relates to the scope of independent audit. • Please choose the most relevant answer from the selection provided. • You may select more than one answer.

NO.	DCR QUESTION	GUIDANCE
OTHERS		
D20	**COMPLIANCE SYSTEM** Does your firm employ any compliance system to aid the firm's compliance to AML/CFT requirements?	Please answer 'Yes' or 'No'. A compliance system/ process refers to an infrastructure that supports the implementation of key AML/CFT requirements. This could be in the form of centralisation of clients' data and transactions, risk rating assignment, screening in relation to targeted financial sanctions (TFS), matching of politically exposed person (PEP) lists etc. Please note that employment of an automated compliance system is not a compulsory requirement. RIs may employ any system, manual or otherwise commensurate with their size and complexity, for effectiveness of its compliance programme. In answering this, you may consider any of the following statements: • Whether the system/ process adopted commensurate with the total number of clients and complexity of products. • Whether the system/ process adopted allows the firm to detect irregularities/ any suspicious activity. • Whether the system/ process adopted is capable to centralise information across all branches, systems and agents.
D20A	**COMPLIANCE SYSTEM** Generally, does your firm have any specific investment/ expenses/ resources for AML/CFT compliance purpose?	Please answer 'Yes' or 'No'. If 'Yes', please specify. These investments/ expenses can include the cost of procuring a system, providing training to staff and preparation of documentation for due diligence processes, or adjustment to processes. The answer provided on investment/ expenses/ resources is not confined to monetary value, and can include man hours, additional resources, etc

NO.	DCR QUESTION	GUIDANCE
D21	Are there any other information/ comments relating to AML/CFT requirements/ implementation within your firm that you wish to provide?	You may provide any feedback in relation to the AML/CFT requirements or implementation, including any specific areas of the AML/CFT requirements that your firm finds particularly challenging to implement. This is important feedback for BNM, Companies Commission of Malaysia and relevant self-regulatory bodies to focus on especially the identification of areas that requires the most support in assisting your firm or sector to comply. Please provide answers that best reflects your firm's views and experience.

PART E: Group Operations

In line with the expanded expectation under Financial Action Task Force (FATF) Recommendation 18 and 23 on the application of group-wide programmes by DNFBPs, questions under Part E have been included as data collection for impact analysis on the extended expectations concerning the types of group structures and the implications on the respective sectors, to support policy decision making, including possible amendments to the Policy Document. Responses will not affect the ratings on the report card.

Questions are applicable to all sectors unless otherwise specified

NO.	DCR QUESTION	GUIDANCE
E1-E1A	Does your firm have any formal international affiliation/ network/ association? **LAWYER** **ACCOUNTANT** **COMPANY SECRETARY** **REA**	International affiliation/network/association refers to formal arrangements with international firms to acquire a wider client reach. For example, collaboration between international law offices. This arrangement does not necessarily have to bind affiliated firms to refer cases to each other. This, however, does not constitute a branch and head office relationship. If 'Yes', please indicate the number of such arrangements that your firm has in question 1A. If 'No', please proceed to question 2.
E2	Does your firm operate in any of the following structures, where applicable?	Please choose from the selection provided. You may select more than one answer. The selection of structures is as follows: (a) Part of a formal group structure, i.e. with parent/ subsidiary-branch structure, sister company and related structure. (b) Has common shareholder(s) or partner(s) with some DNFBP entities/companies. (c) Has common management with some DNFBP entities/ companies - There is a group governing or managing body, each entity works based on a group-wide business strategy and/or a business model. - Group level reporting e.g. directors and other senior management.

NO.	DCR QUESTION	GUIDANCE
E2	Does your firm operate in any of the following structures, where applicable? (cont.)	➡ Group audit or reporting function overseeing implementation of common/group policies and procedures. ➡ Arrangements exist requiring 2 or more entities/ offices to implement and operate to common policies and procedures. ➡ Where responsibility for developing group policies and procedures rests with one entity in the group/network/franchise. (d) Shares common compliance control/ group-wide policies and procedures with some DNFBP entities/companies. ➡ This is not limited to AML/CFT matters. ➡ Existing group-wide policies, compliance and audit functions. ➡ Where an entity is obliged to periodically report to another connected individual/entity on compliance and/or risk management matters. ➡ Periodic central administration/compliance costs being charged to the local entity by a connected individual/entity. • None of the above. For more information, please refer to the Financial Action Task Force explanatory material which can be accessed here.

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<tr><th>NO.</th><th>DCR QUESTION</th><th>GUIDANCE</th></tr>
<tr>
<td>E2A-
E2A(i)</td>
<td>If ‘Yes’ for being part of a formal group structure in 2(a), is your firm the only RI under the AMLA within the group?</td>
<td>

Please select ‘Yes’ or ‘No’.

There are many RIs, both in the financial and non-financial sectors. Please refer to diagram below for RIs under the AMLA:

If ‘No’, please select the sectors of the RI under the AMLA that are within the same group for sub-question 2A(i). You may choose more than one answer.

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<tr>
<td>E2B-
E2B(ii)</td>
<td>If ‘Yes’ for any of structures the in 2(a)-(d), does your firm share any client’s information with the group?</td>
<td>

Sharing of information includes sharing of CDD information, history of transactions with the firm, any checks done on the clients, etc.

Please select ‘Yes’ or ‘No’.

If ‘Yes’, please proceed to question 2B(i) on the purpose of sharing client’s information.

- Please choose the relevant answers from the selection provided.
- You may choose more than one answer.

If you have selected “for marketing or introduction of business” in question 2B(i), please proceed to question 2B(ii) on how CDD is conducted on these clients.

- Please choose the relevant answers from the selection provided.
- Please specify if other methods are conducted.

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NO.	DCR QUESTION	GUIDANCE
E2C	If 'Yes' for 2(d) on sharing of common compliance control/ group-wide policies and procedures with some DNFBP entities, does the sharing include AML/CFT matters?	AML/CFT matters may include policies and procedures on CDD, STR, group-wide definition of higher risk clients, usage of databases, group-wide independent audit and compliance function, etc. Please select 'Yes' or 'No'.
E2D	Is any of the entities above located outside of Malaysia?	These entities can be both RI and non-RI in their respective countries. Please select 'Yes' or 'No'.
E3	Is there any other information/comment relating to the above structure or arrangements that you wish to provide?	Please provide any other information that was not captured in the questions asked or answers provided in Part E.

End of Document