

Title

Concept Paper – Charge Card Requirements

Effective Date

The consultation period for this concept paper ends on 8 March 2013

Applicability

All issuers and acquirers of charge card

Summary

This concept paper outlines specific requirements, minimum standards and risk management principles to be observed by charge card issuers and acquirers. Bank Negara Malaysia (The Bank) wishes to invite constructive feedback on this concept paper as well as on the proposed definition of credit card and charge card as defined on page 1 in the Concept paper. The industry is required to respond to the Bank latest by 8 March 2013 and to support each comment with a clear rationale, accompanying evidence or illustration, and proposed alternative.

Issuing Department

Islamic Banking and Takaful Department

[Guideline Info](#)

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements
-----------------	---	--

OVERVIEW	2
1. INTRODUCTION.....	2
2. LEGAL PROVISIONS.....	2
3. SCOPE	2
4. APPLICABILITY	2
5. DEFINITION.....	2
PART 1	4
A. ELIGIBILITY AND REPAYMENT REQUIREMENTS	4
6. MINIMUM AGE AND INCOME REQUIREMENTS	4
7. PLACEMENT OF FIXED DEPOSIT	4
8. GRACE PERIOD FOR PAYMENT	4
B. FEES AND CHARGES	4
9. GUIDING PRINCIPLE ON FEES AND CHARGES	4
C. DISCLOSURE AND TRANSPARENCY REQUIREMENTS	5
10. PRE-CONTRACTUAL STAGE.....	5
11. AT THE POINT OF ENTERING INTO A CONTRACT.....	6
12. DURING THE TERM OF THE CONTRACT	8
D. LIABILITY	11
13. SUPPLEMENTARY CARDHOLDER’S LIABILITY	11
14. LIABILITY FOR UNAUTHORISED TRANSACTIONS	11
E. MARKETING REQUIREMENTS	12
15. ADVERTISEMENT	12
16. MARKETING PRACTICES.....	13
17. UNSOLICITED CARD / CREDIT LIMIT INCREASE / CREDIT ADVANCE	15
F. OTHER REQUIREMENTS	16
18. DEBT COLLECTION	16
19. CUSTOMER INFORMATION	16
20. COMPLAINTS MANAGEMENT	17
21. USAGE OF CHARGE CARD FOR UNLAWFUL ACTIVITIES	18
PART 2	18
G. RISK MANAGEMENT, SPECIFIC REQUIREMENTS FOR NON-FINANCIAL INSTITUTION ISSUERS AND COMPLIANCE WITH OTHER REQUIREMENTS	18
22. EFFECTIVE MANAGEMENT OVERSIGHT	18
23. COMPREHENSIVE SECURITY POLICIES, PROCEDURES AND CONTROLS .	19

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements
-----------------	---	--

24.	ROBUST OPERATIONAL RELIABILITY AND BUSINESS CONTINUITY	22
25.	OUTSOURCING RISK MANAGEMENT.....	22
26.	CREDIT RISK MANAGEMENT	24
27.	LIQUIDITY RISK MANAGEMENT.....	27
28.	FRAUD RISK MANAGEMENT	27
29.	SPECIFIC REQUIREMENTS FOR ACQUIRERS.....	32
30.	SPECIFIC REQUIREMENTS FOR NON-FINANCIAL INSTITUTION ISSUERS..	34
31.	COMPLIANCE WITH OTHER REQUIREMENTS.....	34
APPENDICES		35

BNM/RH/CP 025-1	<ul style="list-style-type: none">• Payment Systems Policy Department• Consumer & Market Conduct Department	Concept Paper - Charge Card Requirements	Page 1/37
-----------------	--	--	-----------

This concept paper outlines specific requirements, minimum standards and risk management principles to be observed by charge card issuers and acquirers. Bank Negara Malaysia (the Bank) wishes to invite constructive feedback on this concept paper.

The Bank would also like to seek views from the industry on the proposed definition of credit card and charge card as follows:

'A credit or charge card is a payment instrument which indicates a line of credit or financing granted by an issuer which can be used to obtain cash advances, goods or services. Any amount utilised by the cardholder can either be settled partially or in full on or before a specified date subject to the terms specified by the issuer. Any amount left unsettled may be subject to interest, profit or other charges.'

Under this circumstance, both issuers and acquirers of charge card would have to comply with the Credit Card Guidelines. Industry should also highlight if they foresee any implementation issues with the proposed definition.

To facilitate the Bank's assessment, please support each comment with a clear rationale, accompanying evidence or illustration, and proposed alternative. The industry is required to respond to the Bank latest by 8 March 2013 addressed to:

Pengarah
Jabatan Dasar Sistem Pembayaran
Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur

BNM/RH/CP 025-1	<ul style="list-style-type: none">• Payment Systems Policy Department• Consumer & Market Conduct Department	Concept Paper - Charge Card Requirements	Page 2/37
-----------------	--	--	-----------

OVERVIEW

1. INTRODUCTION

1.1 These requirements aim to safeguard the integrity of the charge card system, thereby preserving consumer confidence and promoting its wider adoption in Malaysia.

2. LEGAL PROVISIONS

2.1 These requirements are issued pursuant to:

- Sections 5, 25 and 70 of the Payment Systems Act 2003 (PSA);
- Section 126 of the Banking and Financial Institutions Act 1989 (BAFIA);
- Section 126 of the Development Financial Institutions Act 2002 (DFIA).

3. SCOPE

3.1 Part 1 outlines specific requirements and minimum standards to be observed by charge card issuers and acquirers while Part 2 outlines the risk management principles and requirements for charge card issuers and acquirers and also specific requirements for non-financial institution issuers.

4. APPLICABILITY

4.1 These requirements are applicable to all charge card issuers and acquirers, excluding charge card issued by petrol companies to purchase petrol and petroleum products.

5. DEFINITION

5.1 For the purpose of these requirements, the following terms are defined as follows:

5.1.1 *Charge card* refers to a payment instrument which indicates a line of credit granted by the issuer to the cardholder and any amount of the credit utilised by the cardholder must be settled in full on or before a specified date, without any extended credit.

Note : Please refer to the proposal to combine the definition of credit card and charge card in page 1

BNM/RH/CP 025-1	<ul style="list-style-type: none">• Payment Systems Policy Department• Consumer & Market Conduct Department	Concept Paper - Charge Card Requirements	Page 3/37
-----------------	--	--	-----------

5.1.2 *Issuer* refers to:

- a. A financial institution which issues charge card; or
- b. A person who has obtained approval from Bank Negara Malaysia under section 25(1) of the Payment Systems Act 2003 to issue charge card.

5.1.3 *Acquirer* refers to any person that enters into a contractual relationship with the merchant for the purpose of accepting charge card for payment.

5.1.4 *Financial institution* refers to any person licensed under the BAFIA and IBA or prescribed under the DFIA.

5.1.5 *Financial group* refers to entities within the group of companies of the issuer (within Malaysia) which are involved in the promotion, sale, delivery and distribution of financial products and services.

BNM/RH/CP 025-1	<ul style="list-style-type: none">• Payment Systems Policy Department• Consumer & Market Conduct Department	Concept Paper - Charge Card Requirements	Page 4/37
-----------------	--	--	-----------

PART 1

A. ELIGIBILITY AND REPAYMENT REQUIREMENTS

6. MINIMUM AGE AND INCOME REQUIREMENTS

- 6.1 To be a principal cardholder, a person should be at least 21 years old and earns at least a minimum income of RM24,000 per annum.
- 6.2 For retirees, the income requirement under paragraph 6.1 will not be applicable and issuers are required to assess their credit worthiness based on the criteria specified by the issuers.

7. PLACEMENT OF FIXED DEPOSIT

- 7.1 An issuer may issue charge cards to a person who is unable to prove his annual income, but meets the minimum age requirement, by requiring the applicant to place a fixed deposit of an amount equivalent to the credit limit granted to such person.
- 7.2 The fixed deposit shall be maintained for as long as the charge card facility is available.

8. GRACE PERIOD FOR PAYMENT

- 8.1 Issuer shall provide cardholders with a grace period of at least 4 days after the payment due date to cater for payment due dates falling on weekends or public holidays.

B. FEES AND CHARGES

9. GUIDING PRINCIPLE ON FEES AND CHARGES

- 9.1 In determining the type and quantum of fees and charges on charge cards, issuers are required to ensure compliance with the Guidelines on Imposition of Fees and Charges on Financial Products and Services.

BNM/RH/CP 025-1	• Payment Systems Policy Department • Consumer & Market Conduct Department	Concept Paper - Charge Card Requirements	Page 5/37
-----------------	---	--	--------------

C. DISCLOSURE AND TRANSPARENCY REQUIREMENTS

This section should be read together with the general policy requirements stipulated in the Guidelines on Product Transparency and Disclosure.

Disclosure is effective when product information is given to the cardholders at a time that is most relevant to enable the cardholders to make informed decisions at each of the three stages of the contractual process.

Issuers are required to provide a product disclosure sheet (as per the format provided in Appendix 2) containing key information for cardholders to make informed decisions. The product disclosure sheet should be provided before the cardholder signs up for the charge card, and at the point of entering into a contract, if there are material changes in the information. Issuers should also ensure that the product disclosure sheet is made available in Bahasa Malaysia, upon request.

10. PRE-CONTRACTUAL STAGE

10.1 Basic features

10.1.1 Issuers should inform cardholders of the basic features of the charge card.

10.2 Fees and other charges

10.2.1 Issuers should disclose **all** applicable fees and charges in relation to the charge card, the amount and frequency of payment, for example, annual fee on principal and supplementary cardholders and transaction fees for cash advances. The information must be provided in the product disclosure sheet.

10.3 Placement of collateral

10.3.1 Issuers should inform cardholders, who can meet the minimum eligibility requirements but are unable to provide documented evidence of income, of any requirement for collateral and / or any other associated terms.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 6/37
-----------------	---	--	--------------

10.4 Promotional items

10.4.1 Cardholders should be made aware of the conditions tied to any promotional item and the implications of not complying with such conditions, if any.

10.5 Disclosure by intermediary

10.5.1 Sales and marketing representatives of issuers contacting consumers must clearly identify the issuer they represent.

10.5.2 The sales and marketing representatives must describe the key terms and conditions of the charge card product being offered, in particular those imposing liabilities or obligations on cardholders.

11. AT THE POINT OF ENTERING INTO A CONTRACT

11.1 Terms and conditions

11.1.1 Issuers are required to make written terms and conditions for usage of the charge card readily available to cardholders. The document should contain a concise but clear description of the major terms and conditions which impose liabilities or obligations on cardholders (in respect of both principal and supplementary cards). Such terms should be described in plain language, which is easily understood by cardholders.

11.1.2 Issuers should advise cardholders to read and understand the terms and conditions before signing the agreement. Issuers should take reasonable steps to draw cardholders' attention to the terms that have implications on liability.

11.1.3 Issuers shall ensure that customer service staff are able to answer queries on the charge card terms and conditions. The hotlines for the customer service shall be published in the brochures, monthly statements, web pages and at the back of the charge card.

11.2 Terms of repayment

11.2.1 Issuers should inform cardholders that the outstanding balance for the charge card account must be paid in full by the payment due date, failing which no further credit will be granted.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 7/37
-----------------	---	--	--------------

11.2.2 Issuers must clearly disclose that a late payment or default charge may be imposed if cardholders fail to pay the outstanding balance in full by the payment due date. Cardholders should be informed of the quantum of the late payment or default charge.

11.3 Right to set-off

11.3.1 It should be made clearly transparent to cardholders if the card issuer has the right to set-off any credit balance in cardholders' deposit accounts against any debit balance in the charge card accounts.

11.4 Liability of principal and supplementary cardholders

11.4.1 Issuers should ensure that principal cardholders are made aware of their liability for the debts of all supplementary cardholders.

11.5 Cash advance

11.5.1 If a cash advance facility is available to cardholders, issuers should disclose the daily withdrawal limit and the relevant fees, including the amount of minimum charge.

11.6 Usage of charge card outside Malaysia

11.6.1 Cardholders should be informed of the relevant charges for retail transactions made outside Malaysia.

11.6.2 Cardholders should also be informed of the transaction fees and currency conversion fees applicable on the use of charge cards for making cash withdrawals overseas.

11.7 Cardholder responsibility

Issuers should highlight to cardholders at the point of entering into a contract, of their responsibilities to:

- a. abide by the terms and conditions for the use of card;
- b. safeguard the card and Personal Identification Number (PIN). Cardholders should be advised not to disclose the PIN or charge card details to anyone;
- c. report lost card / PIN without undue delay;
- d. use the card responsibly, including not using the card for unlawful activity; and

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 8/37
-----------------	---	--	-----------

e. check the monthly statement and report any discrepancy without undue delay.

11.8 Liability for unauthorised transactions

11.8.1 Cardholders should be warned, through clear and prominent notices, of any liability for losses arising from cardholders' failure to notify the issuers immediately after finding that the charge card is lost or stolen, or when the cardholders have been found to have acted fraudulently.

11.8.2 Issuers are expected to inform cardholders of the circumstances leading to liability for losses resulting from an unauthorised transaction. Cardholders should also be informed of the maximum liability for any unauthorised transaction(s).

11.8.3 Cardholders must be clearly informed of the circumstances in which their liability for loss may exceed the maximum liability for unauthorised transactions to minimise disputes.

11.9 Change of contact details

11.9.1 Cardholders should be informed of the importance of notifying the issuers of any change in contact details.

12. DURING THE TERM OF THE CONTRACT

12.1 Statement

12.1.1 Issuers should provide a monthly statement to cardholders indicating the outstanding balance, the amount credited and charged and the dates when those amounts were posted to the account.

12.1.2 The back page of the monthly statement should at the minimum, disclose the information in a standard table as set out in Appendix 1. This information should be clearly visible (i.e. should not be in light shade and less than 8-point font size).

12.1.3 The last statement of the year should provide information on the total amount transacted, total cash advances and total charges imposed to encourage prudent use of the charge card.

12.1.4 For cardholders that opt to receive e-statements, issuers must ensure that the information on the e-statement is the same as the hardcopy statement.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 9/37
-----------------	---	--	--------------

12.1.5 Issuers should maintain on-going efforts to raise cardholders' awareness on measures to prevent charge card fraud, including the need to safeguard the card and PIN. The information may be communicated via the monthly statement.

12.2 Closure of account

12.2.1 Issuers should allow cardholders to close their charge card accounts at any time without being subjected to any fees and charges or a cumbersome account closure procedure.

12.2.2 In the event that there is a credit balance in the charge card account, issuers must refund such balance to the cardholder within **30** days from the date of receipt of a closure request.

12.3 Change to the terms and conditions

12.3.1 Should there be any change in the terms and conditions, issuers should provide at least 21 calendar days notice to cardholders before the new terms and conditions take effect. Communication could be done either through monthly statements or other effective means of bringing the changes to the attention of cardholders.

12.3.2 Any change in fees and charges applicable to the charge card account should be communicated to the cardholder at least 21 calendar days prior to the effective date of the change.

12.4 Intention to set-off

12.4.1 If the issuer has the right to set-off any credit balance in cardholders' deposit accounts against any outstanding balance in the charge card accounts, the cardholders should be informed at least 7 calendar days in advance on the issuers' intention to set-off a credit balance in the cardholders' deposit accounts against a debit balance in the charge card accounts.

12.4.2 Issuers may concurrently earmark the available funds in the cardholders' deposit accounts against the outstanding balance in the charge card accounts upon the issuance of the notice to the cardholders.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 10/37
-----------------	---	--	------------

12.5 Delinquent account

- 12.5.1 It should be transparent to cardholders that the issuers reserve the right to terminate the cardholders' charge cards in the event of non-payment of outstanding balance.
- 12.5.2 Issuers should ensure that cardholders are given sufficient reminders to update the charge card accounts and warnings of possible recovery actions if reminders to update the accounts are ignored.
- 12.5.3 Cardholders should be informed at least 7 calendar days in advance if the collection of debt for the account is to be outsourced to a third party debt collection agency. This notification time frame also applies to cardholders whose charge card accounts have been classified as non-performing loan (NPL) and are sold to a third party. In this regard, issuers should notify the affected cardholders of the sale of the charge card accounts within 7 calendar days of obtaining a vesting order from the Court.
- 12.5.4 Issuers should inform cardholders of the impact on the cardholders' rights and obligations after the accounts have been transferred to a third party debt collection agency or sold to a third party.
- 12.5.5 Under specific circumstances where cardholders are not contactable, issuers are considered to have fulfilled the obligations if such notice has been sent to the last known address of the cardholders within the above stipulated timeframe for notification.
- 12.5.6 Issuers should provide cardholders with the name and contact details of the appointed third party debt collection agency or the third party to whom the NPL has been sold.
- 12.5.7 Issuers should also inform cardholders of the services of Agensi Kaunseling Dan Pengurusan Kredit by inserting the note below in all reminders sent to cardholders (disclosure to be made in not less than 8-point font):

English version

"Agensi Kaunseling Dan Pengurusan Kredit has been established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education and debt restructuring for individuals. For enquiry, please call 1-800-88-2575".

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 11/37
-----------------	---	--	---------------

Bahasa Malaysia version

“Agensi Kaunseling Dan Pengurusan Kredit telah ditubuhkan oleh Bank Negara Malaysia untuk menyediakan perkhidmatan pengurusan kewangan, kaunseling kredit, pendidikan kewangan dan penstrukturan semula pinjaman secara percuma kepada individu. Untuk pertanyaan, sila hubungi talian 1-800-88-2575”.

D. LIABILITY

13. SUPPLEMENTARY CARDHOLDER’S LIABILITY

13.1 Issuers shall not hold the supplementary cardholder, jointly or severally liable for the debts of the principal cardholder or other supplementary cardholders.

14. LIABILITY FOR UNAUTHORISED TRANSACTIONS

14.1 Issuers shall provide an effective and convenient means by which a cardholder can notify the issuer of any lost, stolen or unauthorised use of his charge card and shall implement procedures for acknowledging receipt and verification of the notification of the lost, stolen or unauthorised use of charge card.

14.2 The cardholder’s maximum liability for unauthorised transactions as a consequence of a lost or stolen charge card shall be confined to a limit specified by issuers, which shall not exceed RM250, provided the cardholder has not acted fraudulently or has not failed to inform the issuers as soon as reasonably practicable after having found that his card is lost or stolen.

14.3 Where the amount imposed on the cardholder for unauthorised transactions due to lost or stolen charge cards is in excess of the maximum liability limit, the issuer has to prove that the cardholder has acted fraudulently or failed to inform the issuer as soon as reasonably practicable after having found that his charge card is lost or stolen.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 12/37
-----------------	---	--	---------------

- 14.4 Cardholders should not be held liable for any unauthorised transactions charged to the charge cards after the cardholder has notified issuers verbally or in writing, that his charge cards are lost or stolen. Issuers should have clear processes in place to register any notification of lost/stolen cards and take immediate action upon notification by the cardholder to prevent further use of the lost or stolen charge card.
- 14.5 Issuers should inform cardholders in the monthly billing statements of the cardholder's potential liability for unauthorised transactions if he has acted fraudulently or has failed to inform the issuer as soon as reasonably practicable upon discovery of the loss or theft of charge card.

E. MARKETING REQUIREMENTS

15. ADVERTISEMENT

- 15.1 Issuers shall ensure that advertisements and promotional materials on charge card products are clear, fair and not misleading.
- 15.2 Issuers should establish processes for an independent review of advertisement and promotion materials on charge card products, for instance by the Compliance Unit or Legal Unit to ensure that they are clear and not misleading.
- 15.3 For print media advertisement, the advertisement should clearly and conspicuously disclose material information about any charge card offer that is likely to affect cardholders' decisions. Legible font size should be used to bring cardholders' attention to any important information, such as relevant fees and charges and eligibility criteria to enjoy the benefits being offered.
- 15.4 Promotion materials should provide adequate information on the key terms and conditions of the charge card product. The materials should also contain information on the annual fee and any other applicable charges to facilitate comparisons by cardholders. The information must be presented in plain language and in legible font size.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 13/37
-----------------	---	--	------------

- 15.5 Issuers should state prominently any important terms and conditions associated with offers of free gifts, prizes, discounts or vouchers for the promotion of charge cards in print advertisements, or in the marketing materials for new cardholders, or together with the monthly statements for existing cardholders.
- 15.6 In advertising special features or promotions in print media, the applicable eligibility criteria to enjoy the privileges should be disclosed up-front with the announcement. The “applicable eligibility criteria” are those that are imperative to the advertised feature/promotion in addition to the basic terms and conditions of holding the cards. Issuers should not merely indicate in a footnote that “terms and conditions apply”.
- 15.7 Advertisements or other promotion materials should not describe any charge card feature as “free” or at “no cost” if other forms of charges will be imposed on cardholders.

16. MARKETING PRACTICES

- 16.1 Issuers should ensure that sales and marketing representatives (including telemarketing) are adequately trained and knowledgeable in the key features, benefits and risks of the charge card products.
- 16.2 Issuers should apply due care and diligence when preparing information for use by sales and marketing representatives so that the information is sufficient, accurate, appropriate and comprehensive in substance and form. This is to ensure that cardholders are adequately informed of the terms, benefits and material limitations of the card product or services being offered.
- 16.3 Sales and marketing representatives must identify themselves as well as the issuer they represent and act in a professional manner when approaching consumers to market charge card products. In particular, sales and marketing representatives should not adopt aggressive tactics to pressure or mislead consumers into signing up for a charge card and should avoid harassing consumers who are not interested. Sales and marketing representatives must not mislead consumers on any product and services offered or make any false commitment on behalf of issuers for any

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 14/37
-----------------	---	--	------------

facilities or services. Consumers must also be given adequate time to consider and to complete application forms without undue pressure.

- 16.4 Sales and marketing representatives should be required to provide the product disclosure sheet and highlight the following, at the minimum, to consumers to ensure that the consumers are provided with the relevant information before making a decision:
- a. Charges that will be imposed on the outstanding balance if the amount is not fully paid by the payment due date;
 - b. Fees and charges, such as annual fee, default charges for failure to pay the outstanding balance in full by the payment due date and transaction fee for cash advances;
 - c. Eligibility criteria to enjoy the privileges that are being promoted, such as rebates, free gifts, fee waivers; and
 - d. Cardholders' responsibilities.
- 16.5 Issuers should establish procedures and take reasonable steps to ensure that cardholders' expressed preference (e.g. not to be contacted on new product offers) are duly respected.
- 16.6 Telemarketing representatives must not contact cardholders at unreasonable hours (generally, between 9pm and 9am).
- 16.7 In remunerating or rewarding sales and marketing representatives, issuers should ensure that the reward system does not encourage or lead to inappropriate behaviour such as unethical sales and marketing practices that expose issuers to reputational risk. Issuers should avoid poorly designed reward systems that induce behaviours which focus on maximising sales without due regard to the interests of consumers who may be offered charge card products that are not suited to their needs or circumstances.
- 16.8 Reward systems for sales and marketing representatives should reflect the responsibility to treat customers fairly. Issuers should use a mix of quantitative and qualitative factors (e.g. customer service and complaints) to assess the performance of sales and marketing representatives.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 15/37
-----------------	---	--	------------

16.9 Issuers should put in place adequate verification procedures to confirm the identity of charge card applicants to prevent the use of stolen information (e.g. identity theft) for charge card applications. This should include contacting the applicants at random to confirm charge card applications and to verify that applicants are aware of all the applicable and relevant conditions. This process also serves as a means to evaluate the performance and representations made by sales and marketing representatives.

16.10 Cardholders should be given the opportunity to revoke charge card applications even after receiving the charge cards without any charge or unreasonable inconvenience, if it is established that sales and marketing agents had coerced the cardholders into applying and/or the cardholders were not given enough time to consider the applications.

17. UNSOLICITED CARD / CREDIT LIMIT INCREASE / CREDIT ADVANCE

17.1 Before sending any existing customers/cardholders an unsolicited charge card, or other offerings, issuers should conduct proper credit assessments and be reasonably satisfied based on robust affordability assessments, that the charge card facility will not expose the customer/cardholder to excessive financial burdens.

17.2 If an issuer sends an unsolicited charge card to a consumer or an existing customer, the issuer should not activate the card until the consumer or customer has communicated his acceptance of the card to the issuer either orally or in writing. Prior to this confirmation, the consumer or customer will not be liable for any form of charges, fees, payments and purchases with regard to the card. The consumer or customer should not be required to go through a cancellation procedure if he does not wish to accept and activate the card.

17.3 Issuers should not offer a credit advance (e.g. in the form of cheque payable to cardholders) unless the cardholders have expressly requested for it. All relevant charges for the credit advance should be clearly disclosed to the cardholders.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 16/37
-----------------	---	--	---------------

17.4 For any unsolicited offer to increase credit limits, the issuers should obtain cardholders' written or oral acceptance of the offer before activating the credit limit increase. Issuers should also include information on how cardholders may reduce their credit limits.

17.5 Issuers should not increase the credit limit if the cardholders have a history of poor credit performance or have difficulty meeting payment.

F. OTHER REQUIREMENTS

18. DEBT COLLECTION

18.1 Issuers are required to comply with the debt collection requirements as specified in the circular issued by Bank Negara Malaysia on "Fair Debt Collection Practices".

19. CUSTOMER INFORMATION

19.1 Issuers are not allowed to reveal or share any cardholders' information with third parties outside the financial group without obtaining the consent of the cardholders, unless legally permitted or approved by Bank Negara Malaysia.

19.2 Issuers wishing to share customer information with other companies within the financial group must inform cardholders to whom the information may be disclosed to and the purpose for such disclosure. Issuers shall not share the information of any cardholder who has objected to such disclosure for purposes of cross-selling.

19.3 Issuers wishing to share customer information (excluding information relating to the affairs or account of a customer) with third parties under strategic alliances for marketing and promotional purposes, must obtain the express consent of the cardholder through an "opt-in " provision for disclosure of information to the parties specified by the issuers.

19.4 Where personal information is given to the issuers' agents or representatives, issuers should ensure that such information is strictly for the purpose of performing

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 17/37
-----------------	---	--	------------

their function. Issuers should ensure that such information is treated with strict confidentiality and adequately safeguarded by the agents or representatives. In doing so, issuers should require the agents or representatives to sign a confidentiality agreement or undertaking, to comply with the secrecy provisions under the relevant legislation.

19.5 Issuers remain accountable to cardholders for any complaints arising out of the mishandling or abuse of customer information by the agents or representatives and must take reasonable steps to remedy any inconvenience or losses suffered by the cardholders as a result of such mishandling or abuse. Firm actions should also be taken against errant agents, including terminating the contract with the agency in the event that there has been a breach of confidentiality.

19.6 Issuers should put in place appropriate measures for disposal of unsuccessful application forms and ensure that confidentiality of cardholders' information is adequately safeguarded.

20. COMPLAINTS MANAGEMENT

20.1 Issuers are required to comply with the complaints management requirements as specified in the "Guidelines on Complaints Handling" issued by Bank Negara Malaysia.

20.2 Issuers remain accountable to cardholders for any complaints against its employees and representatives, including external agents, and should not disclaim responsibility for any agents' or representatives' misconduct.

20.3 In the event of a dispute over any transaction amount, the issuers should not require the cardholder to pay the disputed amount or impose any charges on such amount during the investigation period.

20.4 Issuers should provide cardholders with information on how complaints, including complaints against agents may be made and the contact details of the issuer's

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 18/37
-----------------	---	--	------------

complaints unit. In addition, contact details of BNM LINK and BNMTELELINK should be provided in the monthly charge card statement.

21. USAGE OF CHARGE CARD FOR UNLAWFUL ACTIVITIES

21.1 Issuers shall include in the terms and conditions a clause specifying that the charge cards are not to be used for any unlawful activities.¹ Issuers shall immediately terminate the charge card facility if the cardholder is found to have used the charge card for an unlawful activity.

PART 2

G. RISK MANAGEMENT, SPECIFIC REQUIREMENTS FOR NON-FINANCIAL INSTITUTION ISSUERS AND COMPLIANCE WITH OTHER REQUIREMENTS

The rapid pace of technological innovations has changed the scope, complexity and magnitude of risks that issuers and acquirers face in carrying out the charge card business. Issuers and acquirers are expected to have adequate processes and controls in place to manage and respond to such risks, including credit, operational and liquidity risks associated with charge card business.

22. EFFECTIVE MANAGEMENT OVERSIGHT

22.1 The Board of Directors and senior management of issuers and acquirers shall establish effective management oversight over the risks associated with their charge card operations, which include, among others, the following:

22.1.1 Establishment of a comprehensive risk management process and internal controls for managing and monitoring risks associated with their charge card operations.

22.1.2 Establishment of processes for the review, approval and implementation of appropriate policies and procedures governing the charge card operations to ensure the risks in their charge card operations are adequately mitigated.

22.1.3 Oversight of the development and continued maintenance of the security

¹ For example, illegal online betting.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 19/37
-----------------	---	--	------------

infrastructure that safeguards their charge card systems and data from internal and external threats.

22.1.4 Audit by an independent party should be required and undertaken with reasonable frequency to ascertain and detect weaknesses in the entire card process in a timely manner.

22.1.5 Establishment of a comprehensive and ongoing due diligence and oversight process to manage outsourced arrangements and other third-party dependencies supporting the charge card operations.

22.2 The Board of Directors and senior management of issuers and acquirers shall also ensure that a strong management information system (MIS) is in place to support decision making, analysis and risk management.

23. COMPREHENSIVE SECURITY POLICIES, PROCEDURES AND CONTROLS

Issuers and acquirers shall implement and enforce relevant policies and procedures to ensure confidentiality, integrity and availability of data as well as to ensure the system and network infrastructure are safe and secure.

23.1 Robust security controls such as firewall, intrusion detection and prevention systems, etc shall be put in place to secure the system and network infrastructure while penetration tests shall be performed regularly.

23.2 Procedural and administrative controls on critical processes shall be put in place. Critical processes include, but are not limited to, the following:

23.2.1 PIN generation and printing

PIN generation and printing processes are tasks that should be performed in a highly secure environment. In this regard, the following shall, at the minimum, be observed:

- a. Usage of hardware-based PIN generation and verification.
- b. Generated PINs shall be protected from being accessed or viewed by unauthorised persons.
- c. The process of generating the PIN has to be strictly controlled. PIN generation and printing area should be strictly restricted to authorised personnel only.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 20/37
-----------------	---	--	------------

- d. Regeneration of same PIN for same card / account shall be prohibited.
- e. At least one independent party (which may be personnel independent of the process) shall be present to observe and check that the processes are in accordance to accepted procedures.

23.2.2 Personalisation² process

- a. Personalisation process shall be performed in a secure environment. Access to personalisation machine, reader and data shall be strictly restricted.
- b. Data used for personalisation shall be classified as confidential information and issuers shall ensure confidentiality and safety of the data that has been sent, stored and processed. These data shall be deleted upon completion of the process.
- c. Sensitive keys used to perform personalisation shall be kept in a secure manner. Adequate policy and procedures to govern the management of such keys shall be put in place.
- d. Periodic card inventory reconciliation and audit shall be performed on blank cards.
- e. Card personalisation centre shall ensure that the following controls are in place:
 - i. Adequate physical and logical security controls.
 - ii. Segregation of duties and dual control.
 - iii. Network security control.

When the card personalisation process is outsourced, controls shall be in place to ensure that data sent for personalisation to outsourced parties are secured. The issuers must monitor the outsourced vendor to ensure that the above requirements are met.

23.3 Effective segregation of functions on handling of charge card and PIN shall be observed at all stages of processing, particularly the following:

23.3.1 Card processing (e.g. embossing and encoding processes) and PIN

² A process of injecting/encoding customer data into the blank card's chip/magstripe; and embossing the cards with customer's details e.g. name, expiry date, etc.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 21/37
-----------------	---	--	------------

generation functions.

23.3.2 Physical management of card and PIN including mailing (if applicable).

23.4 Effective dual control over critical functions shall be implemented. Critical functions include the following:

23.4.1 Setting and maintaining all system parameters.

23.4.2 PIN generation processes and handling of secret keys or codes and other unique security features.

23.4.3 Handling and safekeeping of blank cards.

23.4.4 Handling of returned and undelivered charge card.

23.5 Necessary measures shall be taken to ensure the confidentiality of charge card data and information.

23.5.1 Confidential data and sensitive information shall be protected from unauthorised viewing or modification during transmission and storage.

23.5.2 Sensitive information shall be encrypted end to end during transmission over the network.

23.5.3 Minimal account information shall be printed on sales draft to minimise the risk of misuse of information to conduct fraudulent “card-not-present” transactions.

23.5.4 Storage of sensitive authentication data, e.g. magnetic stripe data, PIN and validation code (e.g. three digit numbers on charge card used to verify card-not-present transactions) should not be allowed as this information may be used by fraudsters to generate fake charge card and create fraudulent transactions.

23.5.5 Confidential data and sensitive information shall only be accessible and managed by authorised parties.

23.6 Proper identification and authentication method (e.g. passwords and PINs) shall be adopted to avoid unauthorised usage of charge card as well as unauthorised access to system, network and data. For more robust security, the following shall be adopted at the minimum:

23.6.1 PIN shall be at least six digits in length. Password shall be alphanumeric and at least six characters in length. Where possible, the use of strong

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 22/37
-----------------	---	--	------------

PIN/password shall be adopted.

23.6.2 Maximum PIN/password tries shall be limited to three on an accumulated basis.

23.6.3 PIN shall not be stored permanently in any format or media. Passwords should be securely maintained.

23.6.4 If the PIN/password is computer-generated and is not chosen by the cardholder, mandatory PIN/password change shall be adopted before the first transaction is permitted.

23.6.5 Cardholders shall be allowed to change the PIN/password at any time.

23.7 Disposal of charge card related materials/assets, such as damaged or returned cards, reports, embossing machines, etc., shall be performed in a controlled environment.

24. ROBUST OPERATIONAL RELIABILITY AND BUSINESS CONTINUITY

A high level of system availability is required to maintain public confidence. Issuers and acquirers should ensure that they have the resources and capacity in terms of hardware, software and other operating capabilities to deliver consistently reliable and secure services.

24.1 Measures to ensure operational reliability include, but are not limited to, the following:

24.1.1 Strong internal controls for system and personnel administration.

24.1.2 Comprehensive and well-documented operational and technical procedures to ensure operational reliability.

24.1.3 Sufficient capacity of the system to support business requirements.

24.1.4 A robust business continuity and disaster recovery plan, including a highly reliable backup system.

25. OUTSOURCING RISK MANAGEMENT

Outsourcing does not reduce the fundamental risk associated with charge card operations. Neither does it absolve the issuers and acquirers from their responsibilities of having to

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 23/37
-----------------	---	--	------------

manage the risks of their charge card operations. As such, issuers and acquirers that outsource any part of their charge card operations shall observe the minimum requirements set out below.

25.1 Prior to entering into any outsourcing arrangement, the following should, at the minimum, be considered:

25.1.1 Availability of sufficient expertise within the issuer/acquirer to oversee and manage the outsourcing relationship.

25.1.2 Scope and critical nature of services/operations to be outsourced.

25.2 Issuers and acquirers should also perform appropriate due diligence review of the integrity, competency and financial viability of the outsourcing service provider before the arrangements are formalised.

25.3 The outsourcing agreement should be comprehensive and include the following:

25.3.1 Clearly defined roles, responsibilities and obligations of the service provider.

25.3.2 Clear provisions for Bank Negara Malaysia to enter the premises of the service provider to conduct examination and investigation with regard to the services outsourced, should the need arise.

25.3.3 Conditions under which the outsourcing arrangement may be terminated.

25.4 Although the operational activities of charge card are outsourced, reporting and monitoring mechanisms should be put in place by issuers and acquirers to ensure that the integrity and quality of work conducted by the outsourced service provider is maintained.

25.5 Regular due diligence should be conducted on the outsourcing service provider and periodically reviewed to ensure the suitability and performance of the service providers.

25.6 Periodic independent internal and/or external audits should be conducted on the outsourced operations with at least the same scope as if the operations had been conducted in-house.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 24/37
-----------------	---	--	------------

26. CREDIT RISK MANAGEMENT

Credit risk poses a significant risk to the charge card business. An issuer has an exposure to a cardholder when the issuer reimburses an acquirer for a transaction on behalf of the cardholder or when the cardholder obtains cash advances from his charge card account. Therefore it is important that the issuers put in place necessary measures to manage credit risk.

26.1 Issuers shall plan and formulate appropriate business strategies including marketing strategies that are consistent with the issuers' credit risk appetite for the charge card product. The strategy should consider and identify the following:

26.1.1 Target market and acquisition channels, including the nature and level of risk to be assumed.

26.1.2 Adequacy of risk management, infrastructure and operational support to implement the business strategy.

26.2 Robust policies and procedures should be put in place. These policies and procedures should be reviewed regularly and, at the minimum, should include the following:

26.2.1 Assessment of charge card applications as well as determination of appropriate credit limit. Issuers shall utilise the Central Credit Reference Information System (CCRIS) and other sources of credit information for the purpose of verifying the applicant's credit worthiness in the credit assessment process.

a. Repayment capacity should be considered in assessing the application, assigning initial credit limit or increasing existing credit limit.

b. Issuers should avoid granting additional cards or higher credit limit to cardholders who are already experiencing repayment difficulties on their existing cards.

26.2.2 Underwriting standards for products and customer segments covering eligibility criteria, maximum credit limit, minimum documentation requirement, exposure to certain customer segments (e.g. maximum exposure to certain income group where the inherent risk is higher) and others.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 25/37
-----------------	---	--	------------

- 26.2.3 Parameters for approval and monitoring exceptional cases (e.g. applications which are approved with deviations from established criteria).
- 26.2.4 Processes for the verification of documents and credit checking.
- 26.2.5 Account management covering renewal, assigning temporary increase in credit limit, issuance of supplementary cards, etc.
- 26.2.6 Management of delinquent accounts covering the classification of problem accounts, provisioning and write-off, controls on rescheduled accounts and collection actions.

26.3 Issuers should have in place a robust credit risk measurement tool or system which supports underwriting, continuous monitoring and the recovery process.

26.3.1 Issuers may use credit risk measurement tools such as scorecards or segmentation method or a combination of both methods to measure credit risk. Issuers may develop application, behavioural, collection scorecards or segment or pool their exposures by product type and delinquency rate.

26.3.2 The development of such tools should take into consideration relevant information on customer risk characteristics (e.g. customer demographics) and transaction characteristics (e.g. type of card) as well as account performance based on a sufficient length of historical data.

26.3.3 Issuers should periodically assess the performance of tools developed to ensure they remain appropriate. Policies on remedial actions to be taken such as re-development of a tool should be in place, where the performance of these tools becomes unacceptable.

26.4 Issuers need to develop and implement comprehensive policies and procedures supported by robust systems infrastructure to monitor their charge card portfolios, both on an individual and portfolio basis.

Individual credit analysis

26.4.1 Issuers should continuously monitor the account performance and credit behaviour of cardholders.

26.4.2 Systems should be able to monitor individual credits on an aggregate basis taking into account holding of multiple charge card as well as exposures to the same customer across other portfolios.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 26/37
-----------------	---	--	------------

26.4.3 Monitoring procedures need to define criteria for identifying, managing and reporting problem credits and credits where there are indications of deterioration in credit quality, to ensure that they are subject to more frequent monitoring as well as possible recovery or remedial actions.

Portfolio analysis

26.4.4 Issuers should have a process to review the asset quality of their charge card exposures on a portfolio basis. The review should be performed independently, i.e. separated from the business functions. Issuers should conduct more granular analysis of their charge card portfolios by segmenting the portfolio (e.g. by types of cards, marketing programme, co-branding arrangement, credit behaviour, vintage etc). At the minimum, the review should cover the following:

- a. Credit limit utilisation.
- b. Delinquency analysis.
- c. Provisioning and write-off levels.

26.4.5 Issuers should also take into account the impact of stressed conditions on the charge card portfolio. The stress testing framework should commensurate with the nature and profile of the charge card issuers' business activities. At the minimum, charge card issuers should adhere to the following requirements to ensure the stress testing is meaningful:

- a. All material risks and spill over effects of stress events on the charge card portfolio should be taken into account.
- b. The magnitude of the shocks should be large enough to stress the charge card portfolio and should be larger than a regular/cyclical variation.
- c. Stress tests conducted should include at least a scenario that is based on an exceptional but plausible event.
- d. Stress tests should consider latest economic developments and outlook.
- e. The stress event should exist for a prolonged period of time.
- f. The time horizon used to capture or reflect the impact of the stress test should cover a period relevant to the portfolio.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 27/37
-----------------	---	--	---------------

g. Issuers need to consider and appropriately factor in the interlinkages between credit and other risks inherent in charge card business.

26.4.6 Issuers should have in place clear policies on triggers for remedial actions and types of actions to be taken upon the deterioration of the charge card portfolios. For example, an indication of deterioration in a portfolio segment emanating from a particular marketing strategy should result in a timely review of that strategy.

26.4.7 Results of the portfolio review should be periodically reported to senior management and the Board.

26.5 Issuers should have comprehensive policies and procedures to effectively manage delinquent accounts which should, at the minimum, cover classification of delinquent accounts, provisioning and write off requirements, workout solutions (including cardholders' eligibility for the workout solutions) and management of collections.

26.6 Issuers should be guided by relevant accounting standards and regulatory requirements when classifying their problem credits as well as when determining the level of provisions and write-offs.

27. LIQUIDITY RISK MANAGEMENT

Issuers are exposed to liquidity risk as issuers are obliged to settle payments with acquirers for transactions made by their cardholders within a short period of time, regardless of when payments are received from cardholders.

27.1 Issuers shall establish adequate liquidity management systems and controls to ensure sufficient liquidity to meet their obligations. Among the controls include:

- a. Conducting liquidity gap analysis to measure potential liquidity shortfalls.
- b. Conducting stress testing to identify and measure potential funding shortfalls.

28. FRAUD RISK MANAGEMENT

Issuers and acquirers need to be vigilant of the evolving typologies of fraud and monitor such developments on an on-going basis.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 28/37
-----------------	---	--	------------

28.1 Issuers and acquirers shall deploy effective and efficient fraud detection and monitoring mechanism.

28.1.1 The fraud detection and monitoring of transactions should be conducted on an on-line real time basis.

28.1.2 The fraud detection and monitoring mechanism should be able to capture high risk transactions and trigger unusual transactions.

a. Issuers shall put in place criteria for high risk transactions and merchants to facilitate early detection of fraud.

b. Issuers shall put in place procedures to facilitate early detection of unusual transaction pattern or trend that could be indicative of fraud and take necessary action to block/delay these transactions for further investigation.

28.2 Issuers and acquirers shall establish comprehensive fraud investigation, analysis and reporting procedures.

28.2.1 Issuers and acquirers shall conduct regular analysis to understand the fraud trend and modus operandi.

28.2.2 Adequate risk management processes, systems and controls shall be in place, and where necessary, strengthened, to mitigate fraud risk taking into account new developments in fraud trends and material changes in the business strategy which may increase exposure to potential fraud risk.

28.2.3 Fraud incidents shall be reported to senior management and the Board on a regular basis. Reporting to Bank Negara Malaysia shall be in accordance to the fraud reporting requirement imposed by Bank Negara Malaysia from time to time.

Fraud prevention mechanism

Fraud may take place during the course of the different cycles of the entire charge card value chain, i.e. card application, card delivery, card activation, change of cardholder's contact details as well as when the card is in the possession or being used by the cardholder.

Minimum Fraud Mitigation Measures for Card Application, Delivery and Activation

28.3 The following shall be observed at the point of collecting card applications from

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 29/37
-----------------	---	--	------------

applicants:

28.3.1 Issuers shall ensure the confidentiality of the data and information provided by the applicant. Necessary measures should be put in place to ensure that the information provided by the applicant would not be misused by the persons authorised by the issuer to collect the application(s).

28.3.2 Issuers or any persons acting on behalf of the issuers to collect card applications are prohibited from photocopying the applicants' other charge cards. This is because card security features which are used for cardholder authentication are available on the card itself such as card number, Card Verification Value (CVV) and expiry date of the card.

28.4 The following controls shall be taken into consideration when processing card applications:

28.4.1 The identity of the applicant should be verified to ensure that the applicant exists and is the person applying for the card.

28.4.2 Key information provided by the applicant should be verified for accuracy.

28.4.3 Issuers should ensure the confidentiality of the data and information provided by the applicant.

28.5 Issuers are prohibited from sending out live cards to its cardholders. Stringent activation procedures, which shall include proper verification process that cannot be easily bypassed by fraudsters including its own employees, should be implemented unless the cards are personally collected by the cardholder from the issuers' premises and subjected to proper verification process.

Requirements when Changing Cardholder's Contact Details

28.6 To mitigate the risk of account takeover, issuers shall put in place measures to verify any request it received for change of address and shipment of new or replacement card or PIN. Some examples of best practices that the issuers may consider include:

28.6.1 Allow request only if it is made in person at the issuer's premises.

28.6.2 Allow request through secured electronic mode (e.g. electronic banking) but subject to further verification before updating the contact details.

28.6.3 Send written correspondence to the previous address for verification before

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 30/37
-----------------	---	--	------------

shipping any card or PIN to the new address.

Implementation of “Chip and PIN” technology

28.7 In line with efforts to enhance the security features of charge card, all issuers and acquirers are required to enable chip and PIN verification for charge card transactions at point-of-sale terminals (POS) and cash advance withdrawals at automated teller machines (ATMs).

Implementation of strong authentication method for non face-to-face transactions

28.8 Non face-to-face transactions, i.e. card-not-present transactions, especially online payments, are currently the main modus operandi for fraud globally. This is due to the vulnerability posed by this type of transaction whereby cardholders need not be personally present to have the transaction completed.

28.9 Issuers and acquirers are required to implement measures to authenticate cardholders for online transactions. Issuers are required to adopt strong authentication method, such as dynamic password/PIN, multi-factor authentication (e.g. mobile PKI), etc., to mitigate the risk of unauthorised use of cards for online transactions.

Implementation of transaction alerts

28.10 Issuers are required to implement transaction alerts via short message service (SMS) to their cardholders, unless cardholders opt to receive transaction alerts via other channel such as e-mail. This shall be applicable to the following:

- 28.10.1 Purchase transactions at POS.
- 28.10.2 Online transactions.
- 28.10.3 Withdrawal/Cash advance transactions.
- 28.10.4 Mail and telephone order transactions.

28.11 Issuers are required to take into consideration the following minimum criteria to trigger transaction alerts:

- 28.11.1 Transaction type, e.g. transaction at high risk merchants³.
- 28.11.2 Transaction location, e.g. transaction in high risk countries⁴.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 31/37
-----------------	---	--	------------

28.11.3 Transaction amount, e.g. transaction exceeding certain amount.

28.11.4 Transaction velocity, e.g. transaction exceeding certain number per day.

28.11.5 First time use of new card.

28.12 Issuers **are required** to send transaction alerts in the event any of the following trigger is met:

28.12.1 Transactions exceeding a specified threshold amount. In this regard, issuers are required to set a threshold amount to trigger an alert. Issuers should also allow cardholders to set their own preferred threshold amount for the transaction alert. If cardholders do not set the preferred threshold amount, issuers are required to send transaction alerts based on the default threshold amount set by the issuer.

28.12.2 First time use of new card.

28.12.3 All card-not-present transactions.

- a. Issuers are not required to send transaction alerts for auto-debit transactions. However, issuers should take the necessary steps to ensure the auto-debit transaction is a genuine transaction and disputes, if any, are handled appropriately so that cardholders are sufficiently safeguarded.

28.13 By default, the alert should be sent for transactions meeting the specified criteria, except where the cardholders opt not to receive any SMS alerts. In this regard, issuers should ensure that the cardholders:

28.13.1 understand the risks associated with their decision; and

28.13.2 submit such request in writing.

28.14 To ensure the *effectiveness* of the alerts, issuers should ensure that the contact numbers of their cardholders are kept up-to-date. As such, issuers should highlight to their cardholders the criticality of providing updated contact numbers to them.

28.15 To mitigate abuse, issuers shall not provide a contact number as part of the message in the SMS alert. Instead, issuers should advise cardholders to contact

³ Minimum list of high risk merchants will be specified by the industry.

⁴ Minimum list of high risk countries will be specified by the industry.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 32/37
-----------------	---	--	------------

their card centre and use the contact number indicated at the back of their charge cards.

28.16 Issuers shall not transfer the cost of sending SMS alerts to their cardholders.

28.17 Issuers may stop sending transaction alert for purchase transactions at POS and withdrawal/cash advance transactions after full implementation of chip and PIN technology, and for online transactions after adoption of strong authentication method.

Exchange of information and dissemination

28.18 Sharing of information regarding fraud experiences and modus operandi is encouraged among issuers and acquirers as this will enhance efforts to combat fraud.

28.19 Issuers and acquirers should also be resourceful in gathering relevant information from the industry, their overseas counterparts, the card associations, etc. Having first hand information will assist them to strengthen their defence against fraudsters.

28.20 Close cooperation with law enforcers and regulators should also be established.

29. SPECIFIC REQUIREMENTS FOR ACQUIRERS

Acquirers should be diligent in their acquiring business to ensure that they are not being used by the merchants as a means to easily obtain funds through illegal means, fraudulent acts or cheating. Controls should be put in place both prior to engaging the merchant and on an ongoing basis.

29.1 Acquirers should establish the criteria for merchant selection and recruitment, and establish policies and procedures for ongoing monitoring of their merchant accounts, which should include risk criteria for merchants.

Merchant recruitment

29.2 Acquirers shall establish prudent underwriting criteria and procedures for approving

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 33/37
-----------------	---	--	------------

new merchants. The criteria for assessing new merchants should also cover financial strength and reputation (e.g. has not been declared a bankrupt, has a clean fraud track record, has not been blacklisted by other acquirers etc.).

29.3 Acquirers should ensure that the merchant has a legitimate business and is not involved in or otherwise associated with any illegal activities or schemes, including business activities that are meant to deceive consumers, such as schemes like “scratch and win”, “get-rich-quick”, etc.

29.4 If a third party merchant recruitment agent is engaged, acquirers shall ensure proper controls are in place to ensure that the third party merchant recruitment agent complies with relevant requirements issued by Bank Negara Malaysia.

Merchant monitoring and audit

29.5 Acquirers should monitor the trend in chargebacks and merchant’s capacity to repay these chargebacks and act accordingly to mitigate any risks associated with engaging such merchants.

29.6 Acquirers shall take appropriate risk management measures on their high risk merchants, including conducting more frequent audit/checks on the merchant and more stringent monitoring of transactions that pass through the merchant.

29.7 The relationship with merchants with confirmed fraudulent or illegal activity should be immediately terminated. Whenever the merchant has been terminated or blacklisted due to fraud-related matters by one of the acquirers, other acquirers shall be vigilant and gather relevant information and evidence on the conduct of the said merchant.

29.8 Acquirers shall conduct continuous due diligence on their merchants to ensure that merchants are not involved in any fraudulent or illegal activity and maintain a “watch list” of suspected collusive merchants, if any. The activities of these merchants shall be closely monitored and investigated. Once identified as collusive, acquirers shall immediately terminate their acquiring relationship with the merchant.

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 34/37
-----------------	---	--	------------

29.9 Acquirers shall conduct periodic audits on the merchants to ensure that merchants adhere to card acceptance and authorisation procedures to minimise chargeback and disputes.

30. SPECIFIC REQUIREMENTS FOR NON-FINANCIAL INSTITUTION ISSUERS

30.1 Non-financial institutions may only issue charge card after approval pursuant to section 25(1) of the PSA has been obtained. Approval may be granted if the following eligibility criteria are met:

30.1.1 Local incorporation

- a. Locally incorporated and have been operating in Malaysia for at least five years; or
- b. Forms a joint venture with a domestic financial institution where the domestic financial institution has to hold at least 51% equity in the joint venture company.

30.1.2 Core business is consumer financing.

30.1.3 Strong financial standing with systems capability and technical know-how in charge card operations.

30.1.4 Able to provide value-added benefits to the industry and consumers.

30.1.5 Holding company (if applicable) shall provide initial and continued funding.

30.2 Non-financial issuer shall maintain a capital ratio of at least 16% at all times.

31. COMPLIANCE WITH OTHER REQUIREMENTS

31.1 Issuers shall comply with the Guidelines on Responsible Financing and other relevant guidelines or requirements issued by Bank Negara Malaysia from time to time.

APPENDICES

Appendix 1: Minimum Disclosure in monthly statement

Fees and charges	<ul style="list-style-type: none"> ▪ Cash advance fees ▪ Replacement of card ▪ Overseas transactions ▪ Other charges
Default charges	<ul style="list-style-type: none"> ▪ Charges and its computation
Statement on liability for unauthorised transactions	
Information on customer service contact details and BNMTELELINK	

Appendix 2: Product Disclosure Sheet – Charge Card

<p>PRODUCT DISCLOSURE SHEET</p> <p>Read this Product Disclosure Sheet before you decide to take out the <Name of Product>. Be sure to also read the general terms and conditions.</p>	<p><Name of Financial Service Provider></p> <p><Name of Product></p> <p><Date></p>
<p>1. What is this product about?</p>	
<p>This is a charge card with a preset limit that can be used to make payments for goods and services at participating merchants either, locally or internationally.</p>	
<p>2. What are my obligations?</p>	
<ul style="list-style-type: none"> • Outstanding balance must be settled in full by due date. 	
<p>3. What are the fees and charges I have to pay?</p>	
<ul style="list-style-type: none"> • Annual fee • Joining fee; if any • Cash advance fee • Card replacement fee • Overseas transaction conversion fee • Sales draft retrieval fee • Additional statement request fee • Other fees and charges 	
<p>4. What if I fail to fulfil my obligations?</p>	
<ul style="list-style-type: none"> • Default charges: X% per month (or X% per annum) on outstanding balance or a minimum of RMX. • Right to set-off: We have/do not have the right to set-off any credit balance in your account maintained with us against any outstanding balance in this <i>charge card</i> account. • Liability for unauthorised transactions. <p><i>(To highlight other key terms and conditions.)</i></p>	
<p>5. What are the major risks?</p>	
<ul style="list-style-type: none"> • You are required to settle the full amount by the due date. If you do not settle the full amount by the payment due date, a late payment or default charge will be imposed on your charge card account. • If you have problems paying for your charge card balances, contact us early to discuss repayment 	

BNM/RH/CP 025-1	<ul style="list-style-type: none"> • Payment Systems Policy Department • Consumer & Market Conduct Department 	Concept Paper - Charge Card Requirements	Page 37/37
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alternatives.

- You should notify us immediately after having found that your charge card is lost or stolen.

6. What do I need to do if there are changes to my contact details?

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

7. Where can I get further information?

Should you require additional information on charge cards, please refer to the *bankinginfo* booklet on 'Charge Cards', available at all our branches and the www.bankinginfo.com.my website.

If you have any enquiries, please contact us at:

ABC Bank Berhad
51, Jalan Sultan Ismail
50122 Kuala Lumpur
Tel:
Fax:
E-mail:

8. Other charge card products available

- Abc
- xyz

IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR CHARGE CARD BALANCES.

The information provided in this disclosure sheet is valid as at or until dd/mm/yy.