



## NOTICE

### COMPLIANCE WITH THE PAYMENT SYSTEMS ACT 2003 (ACT 627)

The Malaysian Communications and Multimedia Commission (MCMC) wishes to remind all licensees that in addition to compliance with the Communications and Multimedia Act 1998 (CMA) licensees must also ensure compliance with all other applicable laws and regulations in Malaysia and be mindful of the requirements of any concurrent regulator and/or lawful authority.

On 1 November 2003 the Payment Systems Act 2003 (PSA) came into force putting in place the legal and regulatory framework necessary to ensure the efficient functioning and stability of payment systems in Malaysia.

Administered by Bank Negara Malaysia (BNM), the PSA covers both operators of payment systems and issuers of payment instruments. An operator of a payment system will be required to submit documents to BNM and will be able to commence operations after receiving a *notification* from the same. Only the issuance of payment instruments designated under the Act would require the prior *approval* from the BNM.

PSA has a wide scope of application. The way in which payment systems and payment instruments are defined gives it a reach which extends beyond financial entities, potentially including service providers under the CMA. For example, services offered by way of pre-paid cards and commercial transactions using the mobile phone may fall within the scope of the PSA regime.

In view of the above the Malaysian Communications and Multimedia Commission (MCMC) urges all service providers to closely review their product offerings so as to comply with the requirements of the PSA where applicable. Where there is any doubt, licensees are advised to seek the assistance of BNM for formal clarification.

Information on the PSA is available on BNM's website [www.bnm.gov.my](http://www.bnm.gov.my). Any queries on the PSA can be addressed to:

The Director  
Payment Systems Department  
Bank Negara Malaysia  
Jalan Dato' Onn  
50480 Kuala Lumpur

Tel : +603-2698 8044  
Fax : +603-2698 3799

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