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Pemegang Lesen Perniagaan Perkhidmatan Wang

Tuan/Puan

Requirements for Installation of Closed-Circuit Television (CCTV) System at Business Premises for the Conduct of Money Services Business (MSB)

This circular is issued pursuant to section 74 of the Money Services Business Act 2011 (MSBA), and supersedes paragraph 7.10 of the *“Guidelines on Risk Management and Internal Controls for Conduct of Money Services Business”* issued by Bank Negara Malaysia effective on 6 December 2012.

2. As part of the continuous efforts to enhance operational risk management and strengthen the protection of MSB operations against risks of being abused for money laundering, terrorism financing or other illicit purposes, with effect from 1 July 2019, all licensees are required to have in place a robust CCTV system within each of their business premises that carry out MSB. The business premises refer to the head office and branches that provide MSB services to the customers.

3. In ensuring the CCTV system installed is effective to enable proper surveillance and monitoring of the business operations, all licensees are required to set up a fit for purpose system with proper processes and controls, which shall at a minimum include the following:

(A) Placement of CCTV cameras

Licensees shall ensure that CCTV cameras are installed at appropriate locations, in a manner that the camera is able to clearly capture, monitor and record the relevant areas where MSB activities take place. This shall include the business counters, customer areas, safe/vault and other cash handling areas as well as the entrance/exit of the business premises. Licensees shall also ensure that all images captured and recorded by the CCTV cameras are visible and clear.

(B) Functions of CCTV system

- I) The CCTV system shall at a minimum be equipped with the following functions to:
 - i) view, replay and retrieve all information contained in the CCTV system; and
 - ii) enable information recorded in the CCTV system to be:
 - a) copied or exported from the above-mentioned system to any common external data storage devices, including external hard drive, pendrive, digital video disc (DVD) and compact disc (CD); and
 - b) played on common media players, including the Windows Media Player to allow viewing of the CCTV records on any electronic apparatus, such as computers or mobile devices.
- II) The CCTV system shall also be equipped with the relevant features and functions to enable licensees to implement control measures that will prevent such system from being manipulated or misused by any unauthorised parties.

(C) Maintenance of records

- I) Licensees shall maintain all information captured in the CCTV system for a minimum period of 60 days to enable an audit trail on the operations and conduct of MSB.
- II) To ensure credibility of the CCTV records, licensees shall also ensure the timing of CCTV recording is properly set, synchronised and is consistent with the time and date of the MSB activities that take place at the business premises.

(D) System administration and maintenance

- I) Licensees shall ensure that the CCTV system deployed is properly maintained and operates under good working condition to ensure effective surveillance and monitoring of their business operations. In relation to this, all licensees are required to operate their CCTV systems throughout business operating hours. Notwithstanding this, licensees are also expected to deploy the CCTV system as and when any activities relating to MSB are taking place within their business premises.

- II) In addition, licensees are required to ensure that:
 - i) adequate controls are in place to prevent unauthorised alterations of records and access by unauthorised parties, by limiting system access only to relevant personnel to ensure proper accountability for the assigned functions; and
 - ii) all activities relating to the maintenance and recalibration of the CCTV system, including system upgrading or reformatting are clearly recorded in the system's maintenance log and reported to the Chief Executive Officer.

- III) For the purpose of II (i) and (ii), all licensees shall allocate adequate resources and ensure that staff are sufficiently trained to administer and operate the CCTV system.

4. Licensees are required to ensure that all information in the CCTV system is made available upon request by the Bank.

5. Any non-compliance with the requirements in this circular will be subject to appropriate actions as provided under the MSBA.