

KFH Malaysia Delegation of Authority Matrix

Revision approved by Special BOD dated 28 July 2020

D	Delegation of Authority Matrix for Retail Banking Credit			Reference to Policy	Limit Per Transaction (RM)	Branch Manager	Retail Credit - Underwriter	Head Retail Credit	Head of Retail Banking	Head Credit Review	Credit Committee			
<p>This Delegation of Authority Matrix covers Retail Banking Credit related matters and is to be referenced with the Retail Credit Policy, Credit Programmes and Product Procedures This document is spread over two pages. In the event of absences, the approving authorities are as follows: a) Head Retail Credit – relief officer to approve the application with no objection by Head Credit Review, RMD. b) Head Credit Review – to be concurred by Chief Risk Officer</p>					√ : Approve/ sign									
D.1	PERSONAL FINANCING AND CASHLINE	D.1.1	Approving authority STANDARD APPROVAL WITHIN PROGRAM (Inclusive of Approved and Refer Band)	Adopted from Retail Financing Programs	up to 100,000	-	√	-	-	-	-			
		D.1.2	Pricing Deviation below published rate/ offered rate	no policy new item since 2017, guided by Hurdle rates	up to 175,000	-	-	√	-	-	-			
D.2	AUTO FINANCING (CAR AND SUPERBIKE)	D.2.1	Approving authority STANDARD APPROVAL WITHIN PROGRAM (Inclusive of Approved and Refer Band)	Adopted from Retail Financing Programs	up to 250,000	-	-	√	-	No Objection	-			
					above 250,000	-	-	√	-	No Objection	√			
					D.2.2	Pricing Deviation below published rate/ offered rate	no policy new item since 2017, guided by Hurdle rates	up to 50 bps	-	-	-	√	-	-
					D.2.1	Approving authority STANDARD APPROVAL WITHIN PROGRAM (Inclusive of Approved and Refer Band)	Adopted from Retail Financing Programs	up to 150,000	√ (Branch Manager of Auto Center)	-	-	-	-	-
		up to 200,000	-	√				-	-	-	-			
up to 250,000	-	-	√	-				-	-					
up to 500,000	-	-	√	-				No Objection	-					
above 500,000	-	-	√	-	No Objection	√								
D.3	HOME AND PROPERTY FINANCING	D.3.1	Approving authority STANDARD APPROVAL WITHIN PROGRAM (Inclusive of Approved and Refer Band)	Adopted from Retail Financing Programs	up to 750,000	-	√	-	-	-	-			
					up to 1,500,000	-	-	√	-	-	-			
					up to 2,500,000	-	-	√	-	No Objection	-			
		above 2,500,000	-	-	√	-	No Objection	√						
D.3.2	Pricing Deviation below published rate/ offered rate	no policy new item since 2017, guided by Hurdle rates	up to 50 bps	-	-	-	√	-	-					
D.4	KFH CREDIT CARD-I	D.4.1	Approving authority STANDARD APPROVAL WITHIN PROGRAM (Inclusive of Approved and Refer Band)	Adopted from Retail Financing Programs	up to 70,000	-	√	-	-	-	-			
					up to 100,000	-	-	√	-	-	-			
					up to 200,000	-	-	√	-	No Objection	-			
					above 200,000	-	-	√	-	No Objection	√			
D.5	FULLY SECURED FINANCING	D.5.1	Approve new credit facility which are fully secured by Cash, International Commodity Murabaha (ICM) or Gold	Adopted from Retail Financing Programs	up to 1,000,000	-	√	-	-	-	-			
					up to 2,000,000	-	-	√	-	-	-			
					up to 5,000,000	-	-	√	-	No Objection	-			
					above 5,000,000	-	-	√	-	No Objection	√			
D.6	KFH CREDIT CARD-I (FULLY SECURED)	D.6.1	As per program. Card limit is secured against Time Deposit with KFH (TD Pledged)	Adopted from Retail Financing Programs	up to 50,000	√ (Branch Manager of Auto Center)	-	-	-	-	-			
					up to 100,000	-	-	-	-	-	-			
					up to 200,000	-	-	√	-	-	-			
					above 200,000	-	-	√	-	No Objection	-			

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D.7	FINANCING DOCUMENTS	D.7.1	Signing of customer financing Letter of Offer / Agreement as per approval	Respective Retail Financing Procedures	No Limit	Any 1 Signature			-	-	
D.8	END FINANCING EMPANELMENT	D.8.1	Approve / Suspend / Remove panel developers in the in-house Developer's list	Adopted from Credit Committee decision in 2014	up to 20,000,000 per project	-	-	√	-	No Objection	-
		D.8.2	Waiver of private caveat per project basis and Deviation from Standard Letter of Undertaking to Developer, subject to legal approval		above 20,000,000 per project	-	-	-	-	-	-
D.9	COLLECTION & RECOVERY	D.9.1	All matters relating to formulation of strategies and resolution/settlement of accounts i.e settlement agreements, compromise settlements, schemes of arrangements, restructuring, rescheduling, AKPK, moratorium, commencement of early payment including pre-payment of principal with recommendation by Retail Collection & Recovery for performing and non-performing accounts	Collection Policy/Procedures or SAM Policy	Up to 1,000,000	-	-	√	-	-	-
		D.9.2			Above 1,000,000	-	-	√	√	No Objection	-
D.10	TEMPORARY RELEASE OF TITLES	D.10.1	Release of land titles of the charged property for the following reasons (subject to KFH's existing charge remain subsisting): i) Sub-division/Amalgamation/ Change of conditions of title ii) Surrender and re-alienation of land iii) Conversion of land use iv) Extension of lease iv) Statutory requirements (such as road widening, drainage and TNB's sub-station) v) Transfer of ownership	No policy Operational matters	No Limit	-	-	√	-	No objection	-
D.11	TEMPORARY INCREASE IN LIMIT (as per limit per transaction)	D.11.1	<u>Credit Card Related</u> Temporary Increase in Credit Limit (subject to a maximum limit increase capped at 10% or RM10k, whichever is lower)	Credit Card Program	Up to 30 days	-	-	√	√	No Objection	-
		D.11.2			Up to 120 days	-	-	√	√	No Objection	√
D.12	CREDIT DEVIATION (Overriding of Declined Band)	D.12.1	Any deviation within a 5% cap over the previous month's approved amount.	Retail Financing Program	up to 5%	-	-	√	-	No Objection	-
		D.12.2	Any deviation exceeding the 5% cap over the previous month's approved amount		above 5%	-	-	√	-	No Objection	√

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D	Delegation of Authority Matrix for Retail Banking Product & Branch Operations		Reference to Policy	Branch Manager	L2	L1	CEO	Executive Committee	Board Committee	Board	
This Delegation of Authority Matrix covers Retail Banking Product & Branch Operations related matters and is to be referenced with the Operations policies and procedures. This document is spread over one page. Staff delegated to cover absences to have full authority. This DOA should be read together with the Retail Credit Policy and Credit Programme.				L1 : Refers to the Head of Division/Department that reports directly to the CEO L2 : Refers to staff who reports to L1 group							
D.13	FRAUD LOSSES CAUSED BY FRAUD/ UNAUTHORISED TRANSACTIONS	D.13.1	Refund in the event of unauthorised / disputed transaction(s) due to lost or stolen cards / system errors (with confirmation from Fraud Management Unit and/or Operation)	No policy. Originally created for credit card. Further expand to other products and services	-	up to RM10,000 per case	up to RM25,000 per case	Inform	EXCOM Approves above RM25,000 per case	-	-
D.14	REFUND AND DISPUTED TRANSACTIONS	D.14.1	Refund in the event of disputed transaction(s) due to system / transactions errors (All product and services)	No policy. Originally created for credit card. Further expand to other products and services	up to RM1,000 per case	up to RM10,000 per case	up to RM25,000 per case	Inform	EXCOM Approves above RM25,000 per case	-	-
D.15	WRITE-OFF LOSSES CAUSED BY NEGLIGENCE OF STAFF, PROCESS/ SYSTEM FAILURE AND OTHER EXTERNAL FACTORS	D.15.1	Operational losses: cash shortages incurred by the Branch Operations staff, Cash In Transit (CIT) detection by BNM; product and services related fees, charges & profit calculations.	Clause 6.2.5- Procedure - Handling Cash Differences (QMS/RCB/PRO/34/05/HOD) Procedure Cash In Transit (QMS/BOD/PRO/23/05/CIT) Fees and Charges Procedure Vault Management (QMS/RCB/PRO/243/10/VM)	up to RM1,000 per case	up to RM10,000 per case	up to RM25,000 per case	Inform	EXCOM Approves above RM25,000 per case	-	-
D.16	WRITE-OFF CASH OVERAGE/ EXCESS	D.16.1	Arising from over the counter transactions and/ or SST balancing per daily closing and detection by BNM during Cash In Transit (CIT)	Procedure - Handling Cash Differences (QMS/RCB/PRO/34/05/HOD) Procedure Cash In Transit (QMS/BOD/PRO/23/05/CIT) Procedure - Operations of Self Service Terminal (SST) at branch (QMS/RCB/PRO/285/12/OSST)	up to RM500 per case	up to RM5,000 per case	up to RM10,000 per case	above RM10,000 per case	-	-	-
D.17	WRITE-OFF REMAINING BALANCES	D.17.1	<u>Financing products</u> Related to remaining balances for deceased cases after Takaful proceeds for financing cases. Above RM25,000 follows legal action. <u>Credit Card</u> Any unforeseen cases apart from the fraud losses, refund, disputed transaction, write-off losses.	No policy. Financing product was created for deceased cases and further expand to other product eg credit card.	up to RM1,000 per case	up to RM10,000 per case	up to RM25,000 per case	Inform	-	-	-
D.18	WAIVER OF PRODUCTS & SERVICES FEES, PENALTIES, FINANCIAL CHARGES & LATE CHARGES	D.18.1	Waiver of Charges / Fees / Penalties (per transaction)	Fees and Charges Table	up to RM100 - Manager Customer Service and Branch Manager up to RM300 - Head of Branch Support	Up to RM500 per case	Up to RM1,000 per case	Above RM1,000 per case	-	-	-
D.19	SIGNING OF DOCUMENTS	D.19.1	Daily sales / redemption booking instructions to fund houses / EPF for wealth management transactions, audit confirmation, other operational confirmation	KFH Unit Trust Operational Procedure (QMS/BOD/PRO/128/08/UTI) Procedure - Cash Management (CSB/BSS/PRO/2016/039/CASHMG) Procedure Vault Management (QMS/RCB/PRO/243/10/VM)	Dual signatories required - Manager Customer Service and Branch Manager	-	-	-	-	-	-
		D.19.2	Approval for branch cash holding exceeded the approved cash holding limit due to deposit from customers pending repatriation to BNM / other branches, subject to insurance coverage		-	Approval to sign	Inform	-	-	-	-
		D.19.3	Request the Takaful Operator for temporary increase in takaful coverage due to increase in cash holding		-	Approval to sign	Inform	-	-	-	-
D.20	BUSINESS PARTNERS	D.20	Authority for approving agreements with business partners	N/A			Propose	Approves			

D	Delegation of Authority Matrix for Retail Banking Operations (One signature from each level required)		Reference to Policy	Limit Per Transaction (RM)	Manager Customer Service	Branch Manager	Head of Branch Operations & SSTs Support	Head of Retail Business	Head of Retail Banking	Head of Finance
This Delegation of Authority Matrix covers Retail Banking Operations related matters and is to be referenced with the Operations policy and procedures. This document is spread over one page. Staff delegated to cover absences to have full authority.										
D.21	BRANCH OFFLINE MODE	D.21.1	Approval for Cash Withdrawals during Branch Offline Mode when systems are down, subject to availability of previous End of day balances report upon CMT invocation	up to 5,000	B	-	-	-	-	-
		D.21.2		up to 20,000	-	B	-	-	-	-
		D.21.3		up to 50,000	B	B	B	-	-	-
		D.21.4		up to 250,000	B	B	B	B	A	-
		D.21.5		above 250,000	B	B	-	B	A (Inform CEO)	A