



Media Release

4 October 2018

AmBank appointed as cash management bank for PayNet's Direct Merchant Settlement services

Payments Network Malaysia Sdn Bhd (PayNet) has appointed AmBank (M) Berhad as the cash management bank for its Direct Merchant Settlement (DMS) services. DMS is made possible using AmBank's Electronic Invoice Presentment and Payment (EIPP) system.

With the implementation of DMS, FPX and MyDebit merchants' daily sales proceeds can now be paid directly, without passing through the acquirers' bank accounts; thereby reducing the merchants' risk exposure to acquirers. According to Peter Schiesser, Group Chief Executive Officer of PayNet, "PayNet conceptualised DMS to mitigate settlement risks arising from non-bank Acquirers participation in FPX and MyDebit. Our intent was to safeguard public confidence in our FPX and MyDebit eco-systems by ensuring that payments from customer purchases are directed to merchants correctly and on a timely basis."

Additionally, DMS has improved both PayNet and acquirers' risk monitoring through thresholds and alert mechanisms. Besides benefiting the merchant, PayNet will be able to complement the acquirers' own risk monitoring by setting daily merchant crediting thresholds and alert the acquirers should an abnormally large amount is detected. Over time, both PayNet and acquirers would be able to build a pattern of merchant payment proceeds, and unusual deviations from these patterns can be flagged for review and investigation.



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The official launch ceremony was held today at VE Hotel and Residence, Bangsar South with the presence of Dato' Sulaiman Mohd Tahir, Group Chief Executive Officer, AmBank Group, Peter Schiesser, Group Chief Executive Officer, PayNet, Raja Teh Maimunah Raja Abdul Aziz, Managing Director, Wholesale Banking Coverage, AmBank Group, Ho Chee Mun, Acting Head of Transaction Banking, AmBank Group along with the senior management of AmBank Group and PayNet.

"I would like to congratulate PayNet for introducing DMS which allows them to centrally manage TPA payments to merchants and at the same time enhances merchants' collections process. AmBank is delighted to have been appointed as the sole cash management bank for DMS," said Dato' Sulaiman.

"We are extremely pleased to collaborate with PayNet to successfully integrate AmBank's corporate banking solution with DMS to provide an efficient, cost-effective and highly automated cash management and transaction banking services," added Dato' Sulaiman.

The TPAs under the DMS programme are ManagePay Services Sdn Bhd, Mobility One Sdn Bhd, MOLPAY Sdn Bhd, Revenue Harvest Sdn Bhd, Revenue Solution Sdn Bhd, Ipay88 Sdn Bhd, GHL CardPay Sdn Bhd and GHL ePayments Sdn Bhd.



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About AmBank Group

AMMB Holdings Berhad is the holding company of AmBank Group and has been listed on the Main Market of Bursa Malaysia since 1988. It is the sixth-largest banking group by assets in Malaysia, with a market capitalisation of around RM11.6 billion and assets of RM137.9 billion at 31 March 2018.

AmBank Group is one of Malaysia's premier financial solutions groups with over 43 years of experience in supporting Malaysians in their economic development. AmBank Group offers a wide range of both conventional and Islamic financial solutions and services, including wholesale banking, retail banking, investment banking, underwriting of general insurance, life assurance and takaful, stock and share broking, futures broking, investment advisory and management services in assets, real estate investment trust and unit trusts.

The Australia and New Zealand Banking Group (ANZ) is the biggest shareholder in the AmBank Group with a 23.8% holding and provides support with Board and senior management representation, risk and financial governance, product offerings and new business developments. In the general insurance business, the Group has partnered with Insurance Australia Group Ltd (IAG). In the life assurance and family takaful businesses, the Group has a partnership with MetLife International Holdings Inc (MetLife). The Group benefits in terms of expertise transfer from IAG and MetLife.

For more information, please visit www.ambankgroup.com

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About Payment's Network Malaysia

Payments Network Malaysia Sdn Bhd is Malaysia's premier payments network and central infrastructure for financial markets. We innovate, build and operate world-class payment systems and financial market infrastructures that safely, reliably and efficiently enable the functioning and development of Malaysia's financial system as well as the economy as a whole. With Bank Negara Malaysia as PayNet's single largest shareholder and eleven major financial institutions as joint shareholders, PayNet also serves as a platform to harness the collaborative efforts of the Malaysian banking system to accelerate the adoption of electronic payments. For more information, please visit www.paynet.my

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