

Guidelines on Quality of Currency and Handling of Suspected Counterfeit Currency



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

Applicable to:
Members of the public
Revised on: 22 December 2022



Key Takeaways from the Guidelines on Quality of Currency and Handling of Suspected Counterfeit Currency (The Guidelines)

- 1 These Guidelines supersede the “Guidelines on Quality Standards for Malaysian Currency” issued by Bank Negara Malaysia (BNM) on 1 September 2006.
- 2 These Guidelines set out the
 - (a) criteria in determining the quality and integrity of currency in circulation;
 - (b) procedures for members of the public to exchange unfit currency at financial institutions; and
 - (c) procedures for handling and reporting suspected counterfeit currency in circulation.
- 3 It is critical that the quality of Malaysian currency in circulation be maintained at a desired level. Hence, unfit currency should be promptly identified and exchanged with new or fit currency.
- 4 Currency is considered fit for use or recirculation if it meets all the following criteria:
 - (a) genuine, not counterfeit;
 - (b) not defaced or unfit (for currency note);
 - (c) not tampered with or worn (for currency coin);
 - (d) has not been demonetised.
- 5 All counterfeit currencies are not legal tender as they are not issued by BNM. Thus, BNM will not give any value for any counterfeit currency.
- 6 Counterfeit currency note can be recognised by closer examination by applying the “FEEL, LOOK, TILT and CHECK” principles.
- 7 Members of the public who came into possession of suspected counterfeit currency is required to report and surrender it to Polis Diraja Malaysia (PDRM) as soon as possible.
- 8 A person carrying counterfeit currency who fails or refuses to provide information as requested by BNM, financial institutions or registered currency processors (RCPs) is committing an offence and, on conviction, is liable to a fine not exceeding RM20,000.

Disclaimer: This summary is intended for ease of understanding by the public.
Please refer to the full Guidelines for complete information.

Enquiries and correspondence on these Guidelines shall be directed to:

Director
Currency Management and Operations Department
Bank Negara Malaysia
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TABLE OF CONTENTS

PART A OVERVIEW

| | |
|------------------------------|---|
| Introduction | 4 |
| Applicability | 4 |
| Legal Provision | 4 |
| Effective Date | 4 |
| Interpretation | 5 |
| Related Legal Instrument | 5 |
| Guidelines Superseded | 5 |
| Enquiries and Correspondence | 5 |

PART B QUALITY OF CURRENCY IN CIRCULATION

| | |
|--|----|
| Introduction | 8 |
| Proper Handling of Currency | 8 |
| Fit Currency for Recirculation | 11 |
| Criteria of Defaced and Unfit Currency Note | 11 |
| Criteria of Tampered and Worn Currency Coin | 12 |
| Procedures for Exchange of Defaced, Tampered and Demonetised Currency with Financial Institutions (FI) | 13 |
| Dye-Stained Currency Note | 15 |

PART C HANDLING OF SUSPECTED COUNTERFEIT CURRENCY

| | |
|---|----|
| Introduction | 18 |
| Handling of Suspected Counterfeit Currency | 19 |
| Detecting a Counterfeit Currency Note | 20 |
| Detecting a Counterfeit Currency Coin | 25 |
| Suspected Counterfeit Currency Certified as Genuine | 25 |

| | |
|--|----|
| Appendix 1: Illustrations of Defaced Currency Note and Unfit Currency Note | 26 |
| Appendix 2: Illustrations of Tampered Currency Coin and Worn Currency Coin | 30 |

Part A

Overview

1. Introduction

- 1.1 Under the Currency Act 2020 (CA), Bank Negara Malaysia (BNM) is the sole authority to issue Malaysian currency note and currency coin and only currency note and currency coin issued by BNM are legal tender in Malaysia provided that it is not defaced or tampered with.
- 1.2 As the sole issuer of Malaysian currency, BNM—
 - (a) is responsible for preserving the quality and integrity of the currency in circulation;
 - (b) is responsible for promoting the reissuance or recirculation of the currency; and
 - (c) has the discretion to refund the value of currency which is imperfect, defaced or has been tampered with.
- 1.3 These Guidelines set out the—
 - (a) criteria in determining the quality and integrity of currency in circulation;
 - (b) procedures for members of the public to exchange unfit currency with financial institutions; and
 - (c) procedures for handling and reporting suspected counterfeit currency.

2. Applicability

- 2.1 These Guidelines are applicable to members of the public.

3. Legal Provision

- 3.1 These Guidelines are issued pursuant to sections 5, 7, 10, 13, 14, 16, 17, 37, 38, 40 and 62 of the CA.

4. Effective Date

- 4.1 These Guidelines come into effect on 22 December 2022.

5. Interpretation

- 5.1 The terms and expressions used in these Guidelines shall have the same meanings assigned to them in the CA unless otherwise defined.
- 5.2 For the purpose of these Guidelines -
- “carrier”** means any member of the public who is in possession of a counterfeit currency;
- “counterfeit currency”** means any forged or imitation of Malaysian currency note or currency coin;
- “currency coin”** means a coin issued by BNM including a commemorative coin;
- “currency note”** means a note issued by BNM including a commemorative note;
- “defaced currency note”** refers to the description in paragraphs 12.2 and 12.3 of these Guidelines;
- “demonetised currency”** means a currency note or currency coin which has ceased to be legal tender pursuant to section 13 of the CA;
- “financial institutions” or “FI”** means—
- (a) licensed banks under the Financial Services Act 2013;
 - (b) licensed Islamic banks under the Islamic Financial Services Act 2013; and
 - (c) prescribed institutions under the Development Financial Institutions Act 2002;
- “fit currency”** means a currency note or currency coin that meets the quality criteria and standards to be kept in circulation;
- “registered currency processor”** means any person registered to carry on currency processing business under subsection 26(1) of the CA;
- “tampered currency coin”** is as described in paragraphs 13.2 and 13.3 of these Guidelines; and
- “unfit currency”** means any currency note or currency coin which is imperfect, defaced or has been tampered with.

6. Related Legal Instrument

- 6.1 These Guidelines shall be read together with the “Guidelines on Exchange of Defaced Currency Notes, Tampered Currency Coins and Demonetised Currency at Financial Institutions” issued by BNM on 15 December 2020.

7. Guidelines Superseded

- 7.1 These Guidelines supersede the “Guidelines on Quality Standards for Malaysian Currency” issued by BNM on 1 September 2006.

8. Enquiries and Correspondence

- 8.1 All enquiries and correspondences relating to these Guidelines shall be addressed to—
- Director
 Currency Management and Operations Department
 Bank Negara Malaysia
 Jalan Dato’ Onn, 50480 Kuala Lumpur.
 Email: currency@bnm.gov.my

EXCELLENT

QUALITY

AVERAGE



Part B

Quality of Currency in Circulation

9. Introduction









- 9.1 It is critical that the quality of Malaysian currency in circulation must be maintained at a desired level. As currency deteriorates over time during circulation by fair wear and tear or otherwise, unfit currency should be promptly identified and exchanged with new or fit currency.
- 9.2 Currency note and currency coin of good condition can be easily checked for authenticity.

10. Proper Handling of Currency

- 10.1 In maintaining the quality of currency in circulation, members of the public is advised to handle currency properly.







- 10.1.1 Proper handling of polymer note

The RM1 and RM5 polymer note are durable and not easily torn, it does not absorb water, it is cleaner to handle and lasts longer. If the polymer note is handled properly, it can be used over a long period of time. For that, the following need to be observed–

| Proper handling of polymer note | Illustration |
|--|--|
| Do keep polymer note flat and store upright position in one's wallet. |  |
| Do clean polymer note if it is stained with dirt. |  |
| Do use paper bands when packing polymer note. |  |
| Do not fold polymer note repeatedly (e.g. as decoration) as it will leave permanent folding marks. |  |
| Do not crumple polymer note. |  |
| Do not staple, use sharp instruments or pins on polymer note. |  |
| Do not directly expose polymer note to high temperatures. |  |
| Do not use scissors and knives to unpack the polymer note. |  |

10.1.2 Proper handling of paper note

Paper note is made of cotton. The proper way of handling paper note is similar to the treatment for polymer note, as follows –

| Proper handling of paper note | Illustration |
|--|--|
| Do not fold paper note repeatedly (e.g. as decoration) as it will leave permanent folding marks. |  |
| Do not purposely crumple paper note. |  |
| Do not staple, use sharp instruments or pins on paper note. |  |
| Do not put paper note in water or bleach. |  |
| Do not scrape the holographic stripe on paper note. |  |
| Do not modify paper note. |  |

11. Fit Currency for Recirculation

- 11.1 Members of the public shall only use or recirculate currency note and currency coin that are fit for circulation as stated in these Guidelines. The fitness check may be carried out by visual inspection of the individual currency note or currency coin.
- 11.2 Members of the public are advised to exchange all unfit currencies with FIs.
- 11.3 Currency is considered **fit** for use or recirculation if it meets **all** the following criteria—
- a) genuine, not counterfeit;
 - b) not a defaced or unfit currency note;
 - c) not tampered or worn currency coin; and
 - d) not a demonetised currency.

12. Criteria of Defaced and Unfit Currency Note

- 12.1 Any currency note which is **defaced or unfit** shall be withdrawn from circulation.
- 12.2 Currency note that has any of the following features shall be considered **defaced**—
- (a) currency note that has any word, sign, symbol, drawing, caricature or other things written, inscribed or shown on its surface;
 - (b) currency note which has been damaged or which appearance has changed, due to contact with water, oil, paint, ink, chemical or other substance;
 - (c) currency note with a hole, which is torn or has a missing portion;
 - (d) currency note which is burnt, faded or crumpled, or with excessive folding; or
 - (e) currency note which is constituted by joining two or more portions of a single currency note provided that all such portions may be established beyond all reasonable doubt to have been originally part of a single currency note.
- 12.3. Examples of **defaced currency notes** are as follows—
- (a) Ink wear
Ink wear on part or whole of the currency note. For example, if it has been washed or is subjected to abrasive chemical agent.
 - (b) Inscribed
Currency note containing words, signs, symbols and drawing inscribed deliberately on its surface.
 - (c) Tear
Tear of any size or direction of more than 5 mm on any part of the currency note.
 - (d) Hole
Currency note exhibiting at least one visible hole greater than 5 mm (staple and pinholes are acceptable).
 - (e) Repair
Parts of the same currency note joined together by tape or glue.
 - (f) Burnt
Damage caused by burning of any size or direction of more than 5 mm.

- (g) **Composed**
Currency note divided into several parts and only some are joined together or parts of different currency note are joined together.
- (h) **Missing security feature**
Any one or more security feature missing or is defective.
- (i) **Shrinkage**
Shrinkage of a polymer note due to excessive exposure to heat.
- (j) **Damage by termites**
Currency note that was damaged by termites.
- (k) **Dye-stained**
Currency note which are dye-stained due to—
 - (i) an accidental discharge; or
 - (ii) failed attempted robbery where the currency note was recovered in a controlled manner by the cash handlers.
 Details of dye-stained currency note are provided in paragraph 15 of these Guidelines.

12.4 Examples of **unfit currency notes** are as follows:

- (a) **Soiled**
General or localised spread of dirt or liquid on the surface of the currency note.
- (b) **Limpness**
Excessive folding that results in a breakdown of the structure and limpness of the currency note.
- (c) **Crumples**
 - (i) Crumples of a paper currency note or shrinkage of a polymer note; and
 - (ii) Multiple random folds across the entire currency note that significantly affect visual appearance of the currency note (including shrinkage of polymer note due to exposure to heat).
- (d) **Corner folds**
Permanent and irreparable corner folds leading to a reduction in length of more than 5 mm or a reduction in width of more than 5 mm.

12.5 Illustrations of defaced and unfit currency note are provided in **Appendix 1**.

13. Criteria of Tampered and Worn Currency Coin

13.1 Any currency coin which is **worn or tampered with** shall be withdrawn from circulation.

13.2 A currency coin shall be deemed **tampered with**—

- (a) if the currency coin is impaired, diminished or lightened otherwise than by fair wear and tear; or
- (b) if the currency coin is stamped, engraved or pierced, regardless whether the currency coin has been diminished or lightened.

13.3 Examples of **tampered** currency coins are as follows—

- (a) Hole
Currency coin exhibiting at least one visible hole on any part of its surface.
- (b) Dented
Currency coin damaged by hitting but not broken.
- (c) Broken
Currency coin fractured into pieces.
- (d) Cut
An opening of any length on the currency coin made by using a sharp tool, for example, a knife or a pair of scissors.
- (e) Burnt
Damage caused by burning which can result in discolouration and may alter the appearance of the currency coin.
- (f) Manufacturing defect
A markedly unusual or abnormal currency coin at the time of production.

13.4 Examples of **worn** currency coins are as follows:

- (a) Corroded
Damaged by chemical agents on part of or the entire surface.
- (b) Stained / Dirty
Change in colour of currency coin caused by wear and tear or dirt (e.g. a black currency coin).

13.5 Illustrations of worn and tampered currency coins are provided in **Appendix 2**.

14. Procedures for Exchange of Defaced, Tampered and Demonetised Currency with FI

14.1 Exchange of Defaced Currency Note

Members of the public may exchange defaced currency note with any FI in accordance with the following procedures—

- 14.1.1 handover/exchange the defaced currency note to FI;
- 14.1.2 furnish relevant information required by FI for the purpose of exchange of defaced currency note and provide consent for FI to submit defaced currency note by filing up form available at FI;
- 14.1.3 request for proofs of exchange with FI;

- 14.1.4 where the defaced currency note fulfils all the following conditions (referred to as **“Straight Forward Case”**), the FI shall exchange the full value of the defaced currency note **on the same day**:
- (i) the size of the defaced currency note is two third (2/3) or more of the original size;
 - (ii) the defaced currency note does not contain any marking on the portrait of the DYMM Seri Paduka Baginda Yang di-Pertuan Agong or writings depicting political slogans; and
 - (iii) the currency note is not defaced due to being used as a writing pad; or
- 14.1.5 where the defaced currency note does not fulfil all conditions stated in subparagraph (14.1.4) (referred to as **“Doubtful Cases”**), the FI shall refer the matter to BNM for assessment and the value will be refunded into the customer’s bank account after BNM has completed its assessment.

14.2 Exchange of Tampered Currency Coin

Members of the public may exchange tampered currency coin with any FI in accordance with the following procedures—

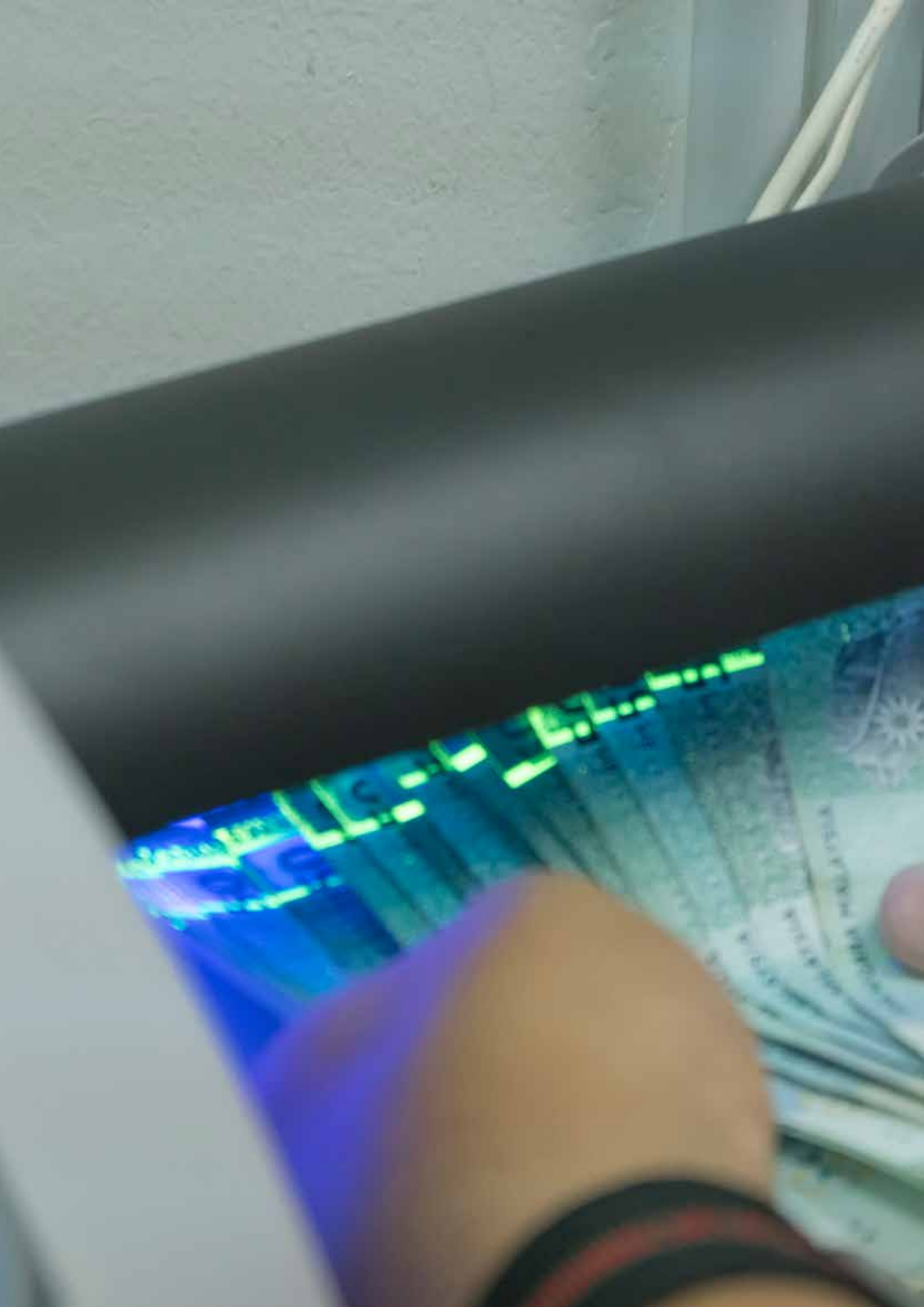
- 14.2.1 handover/exchange the tampered currency coin to FI;
- 14.2.2 furnish relevant information required by FI for the purpose of exchange of tampered currency coin and provide consent for FI to submit tampered coin by filing up form available at FI;
- 14.2.3 request for proofs of exchange with FI;
- 14.2.4 the tampered currency coin needs to be sent to BNM for further assessment and the value of such tampered currency coin will be refunded into the customer’s bank account after BNM has completed its assessment.

14.3 Exchange of Demonetised Currency

- 14.3.1 BNM may publish a notice indicating its intention to demonetise currency note or currency coin pursuant to section 13 of the CA. Upon expiry of the notice, any currency that has been demonetised shall cease to be legal tender. However, BNM shall be liable for the face value of such currency.
- 14.3.2 Members of the public may exchange demonetised currency with any FI in accordance with the following procedures—
 - (a) handover/exchange the demonetised currency to FI;
 - (b) furnish relevant information required by FI for the purpose of exchange of demonetised currency and provide consent for FI to submit demonetised currency by filing up relevant form available at FI;
 - (c) request for proofs of exchange with FI;
 - (d) the demonetised currency needs to be sent to BNM for further assessment and the value of such demonetised currency will be refunded into the customer’s bank account after BNM has completed its assessment.

15. Dye-Stained Currency Note

- 15.1 One measure that was introduced to strengthen security of Auto-teller Machine (ATM), Cash Deposit Machine (CDM) and Cash Recycler Machine (CRM) was the use of Currency Protection Device (CPD) using Ink Staining Technology (IST).
- 15.2 CPD will emit a bright coloured dye ink (using either smoke and/or liquid dye or any other agent) to stain currency notes in the event the ATM/CDM/CRM are attacked.
- 15.3 Currency notes that have been stained with dye ink due to the activation of CPD can be categorised as follows:
 - (a) Controlled dye-stained currency notes – currency notes which are dye-stained due to an accidental discharge or during attempted robbery and recovered in a controlled manner by the FIs and cash-in-transit company (CITs); and
 - (b) Uncontrolled dye-stained currency notes – dye-stained currency notes which are carted away by robbers and passed into circulation and into the hands of members of the public.
- 15.4 BNM will not give any value for “uncontrolled dye-stained currency notes” including those which have been discoloured, washed, or burnt in an attempt to remove the dye-stain.
- 15.5 Members of the public must not accept dye-stained currency notes as the currency notes are likely to have been stolen. Members of the public should report any information regarding stolen currency notes immediately to the police.
- 15.6 In the event any “uncontrolled dye-stained currency notes” are presented to the FIs by members of the public as deposits or payments, the FIs shall not accept the currency notes and member of public shall refer to BNM Head Office or the nearest BNM Offices such “uncontrolled dye-stained currency notes” for assessment.



Part C

Handling of Suspected Counterfeit Currency

16. Introduction

- 16.1. All counterfeit currency are not legal tender as they are not issued by BNM. Thus, BNM will not give any value for any counterfeit currency.
- 16.2. Members of the public shall not keep in his possession, use or recirculate via any person or by any means, any suspected counterfeit currency discovered from circulation.
- 16.3. Any person knowingly uses counterfeit currency as genuine or possess it with intention to use it as genuine, commits an offence under the Penal Code.
- 16.4. Under section 37 of the CA, BNM, a registered currency processor and any FI shall detain any currency note or currency coin presented which it has reason to believe to be counterfeit.
- 16.5. BNM, the registered currency processor and FI has the right to record the personal information of the carrier of counterfeit currency pursuant to section 38(1) of the CA and the carrier shall provide the information requested.
- 16.6. Any person who fails or refuses to provide the information commits an offence and on conviction, is liable to a fine not exceeding twenty thousand ringgit (RM20,000).





17. Handling of Suspected Counterfeit Currency

- 17.1. Members of the public who came into possession of suspected counterfeit currency is required to report and surrender it to Polis Diraja Malaysia (PDRM) as soon as possible as it is a criminal matter.
- 17.2. In handling and reporting suspected counterfeit currency, members of the public are required to adhere to the following steps:
- (a) where the suspected counterfeit currency is discovered during **over the counter** transactions with FI, members of the public are required to—
 - i. handle the suspected counterfeit currency as little as possible and do not stamp, write on, cut or alter the suspected counterfeit currency in any manner;
 - ii. surrender the suspected counterfeit currency to the FI's cashiers. The suspected counterfeit currency will be kept in a sealed envelope by FI for onward submission to PDRM;
 - iii. fill up the Handover of Suspected Counterfeit Currency Note Form provided by FI;
 - iv. provide a photocopy of identity card (NRIC), passport or any other identification document to FI for record purpose; and
 - v. keep a copy of the form as proof that the suspected counterfeit Malaysian currency has been surrendered to FI for onward submission to PDRM.
 - (b) where the suspected counterfeit currency is discovered by members of the public **from circulation**, members of the public are required to—
 - i. handle the suspected counterfeit currency as little as possible and do not stamp, write on or modify the suspected counterfeit currency in any manner;
 - ii. not use or recirculate the suspected counterfeit currency;
 - iii. keep the suspected counterfeit currency in an envelope or plastic cover;
 - iv. record any details available related to the discovery of the suspected counterfeit Malaysian currency including the carrier's personal details (name, NRIC, address and phone number), location, date, time, and any other information available; and
 - v. lodge a police report at the nearest police station and surrender the suspected counterfeit currency to PDRM as soon as possible.






18. Detecting a Counterfeit Currency Note

18.1. Counterfeit currency note (paper currency) can be recognised by closer examination by applying the “FEEL, LOOK, TILT and CHECK” principles as follows:



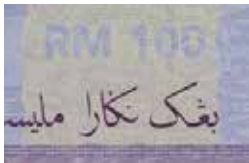

(a) “Feel” Principle:

| Security Features | Genuine | Counterfeit |
|--|--|--|
| <p>Feel the quality of paper</p>  | <p>Currency note is printed on very high quality paper manufactured from cotton.</p> <p>It has a unique feel, crisp sound and slightly rough in the heavily printed areas.</p> | <p>The paper used appears to be of poor quality, and common commercial type of paper.</p> <p>No unique feel or crisp sound as it is produced using normal paper.</p> |
| <p>Feel the intaglio printing</p>  <p><i>Portrait of the first SPB Yang di-Pertuan Agong</i></p>  <p><i>Intaglio text printing</i></p>  <p><i>Braille printing</i></p> | <p>Intaglio print is a raised printing effect produced by applying layers of tactile inks using specialised printing machine on various parts of the obverse and reverse sides of the currency note.</p> | <p>Does not have the raised printing effect since the printer used to produce is a common commercial type of printer.</p> |







(b) "Look" Principle:

| Security Features | Genuine | Counterfeit |
|--|--|--|
| <p>Hold it up against the light and look at the currency note</p>  <p><i>Watermark portrait</i></p>  <p><i>Security thread embedded in the paper and hibiscus flower</i></p>  <p><i>Perfect see through features</i></p> | <p>Carry a watermark portrait of DYMM Seri Paduka Baginda Yang di-Pertuan Agong, security thread (embedded into paper), and perfect see-through features.</p> <p>The watermark portrait has three-dimensional effect and appears soft and shady without sharp outlines. At the bottom of the portrait, a denomination number is clearly visible.</p> <p>Security thread that is intermittent will appear as a continuous straight line.</p> <p>See-through features, printed partially on both sides of the currency notes will form a perfectly registered pattern.</p> | <p>Does not carry the security features that are normally embedded into the paper during paper making process.</p> <p>The watermark is not visible. If any, it will appear like a drawing.</p>  <p>Security thread will not appear as a continuous straight line because it is simulated and rather blurry, and can be easily scrapped off.</p> <p>See-through features does not form a perfectly registered pattern on the counterfeit note.</p>  |

(c) "Tilt" Principle:



| Security Features | Genuine | Counterfeit |
|--|---|--|
| <p>Security thread</p>  <p><i>Security thread</i></p> | <p>Security thread with movable hibiscus flower motif that is sharp and clear.</p> | <p>Security thread is simulated, the hibiscus flower motif is stationary and blurry.</p>  |
| <p>Iridescent stripe</p>   <p><i>RM100 revealed in iridescent stripe</i></p> | <p>When changing the angle of view by shifting the currency note, a hidden image of denomination number will be revealed.</p> | <p>There is no latent image of denomination or some simulation of image has been attempted.</p> |

(d) "Check" Principle:





| Security Features | Genuine | Counterfeit |
|--|--|--|
| <p>Look under magnifying glass</p>  <p><i>Micro lettering for RM100</i></p> | <p>Presence of micro lettering on the obverse and reverse sides of all currency note, printed using specialised printing machine.</p> <p>The micro lettering on a genuine currency note is sharp and easy to read.</p> | <p>Absence of micro lettering as a result of using common commercial type of printer.</p>  <p>This feature is normally simulated using dots and the text is not readable.</p> |
| <p>Look using ultra-violet (UV) light</p>  <p><i>Fluorescent elements</i></p>  <p><i>Phosphorescence square</i></p>  <p><i>Security fibres</i></p> | <p>Fluorescent elements, phosphorescence square and security fibres (for RM10, RM20, RM50 and RM100) on the obverse and reverse sides will glow in different colours.</p> | <p>Under UV light, the invisible security fibres and phosphorescence square are completely missing.</p> <p>The paper of the counterfeit is UV bright, where it glows under UV lights.</p>  |

18.2. Counterfeit currency note (polymer currency) can be recognised by closer examination of the “FEEL, LOOK, TILT and CHECK” principles as follows:


(a) “Feel” Principle:

| Security Features | Genuine | Counterfeit |
|---|--|---|
| <p>Feel the quality of polymer notes</p>  | <p>Polymer note is printed on a very high quality polymer substrate.</p> | <p>Materials used are mostly common commercial type of paper and not polymer substrate.</p> |
| <p>Feel the intaglio printing</p>  <p><i>Portrait of the first SPB Yang di-Pertuan Agong</i></p> | <p>Intaglio print is a raised printing effect produced by applying layers of tactile inks on various parts of the obverse and reverse sides of the note.</p> | <p>Does not have the raised printing effect since the printer used to produce is common commercial type of printer.</p> |




(b) “Look” Principle:

| Security Features | Genuine | Counterfeit |
|---|--|---|
| <p>Hold it up against the light and look at the currency note</p>  <p><i>Clear window</i></p>  <p><i>Shadow image</i></p>  <p><i>Non-transparent window</i></p>  <p><i>Perfect see-through register</i></p> | <p>Look at the currency note against white light and observe:</p> <ol style="list-style-type: none"> the transparent window containing embossed numeral '5' for RM5 and numeral '1' for RM1; complete shadow image of hornbill motif for RM5 and 'Songket' motif for RM1; crescent and star printed in white from the back; and complete formation of numeral '5' for RM5 and numeral '1' for RM1. | <p>The shadow image and numeral '1' and '5' is not visible. If any, it can appear like a drawing.</p> <p>See-through features does not perfectly register with the pattern on the reverse side of the counterfeit note.</p> |

(c) "Tilt" Principle:




| Security Features | Genuine | Counterfeit |
|--|--|---|
| Colour-shifting patch  | Colour-shifting patch 'Sulur Kacang' motif changes from green to purple. | The patch is simulated and rather blur. |

(d) "Check" Principle:

| Security Features | Genuine | Counterfeit |
|--|--|--|
| Look under magnifying glass  <i>Micro lettering for RM5</i> | Presence of micro lettering on the obverse and reverse sides of all currency note, printed using specialised printing machine. The micro lettering on a genuine currency note is sharp and easy to read. | Absence of micro lettering as a result of using common commercial type of printer. This feature is normally simulated using dots and the text is not readable. Micro lettering of the words "BNMRM5" for RM5 and other denomination as well i.e. RM1 on the counterfeit note are not present, only dots are printed to simulate this feature. |
| Look using ultra-violet (UV) light  <i>Fluorescent elements</i>  <i>Phosphorescence square</i> | Invisible fluorescent elements representing various elements of the background on the obverse and reverse will glow in different colours i.e. image hornbill and numeral 'BNM5' for RM5 and image of 'Wau Bulan' and numeral 'BNM1' for RM1. | Under UV light the invisible phosphorescence square is completely missing in the counterfeit note. The paper of the counterfeit is UV bright, meaning that it glows under UV lights. |

19. Detecting a Counterfeit Currency Coin

19.1. Counterfeit currency coin can be recognised by closer examination as follows:

| Security Features | Genuine Currency Coin |
|--|---|
| Numeral of '50' and 'sen'  | Latent image of the numeral '50' and the word 'SEN' can be seen when the currency coin is tilted. |
| Micro-lines  | Embossed effect of very fine lines arranged closed to each other in parallel. |
| Edge design  | Indented and milled edges are evenly spaced. |
| Dots lines  | Straight line formed by close arrangement of small dots. |
| Rimmed edge  <div style="display: flex; flex-direction: column; align-items: flex-start; margin-left: 10px;"> <div>50 sen (plain edge)</div> <div>20 sen (coarse edge)</div> <div>10 Sen (milled edge)</div> <div>5 sen (plain)</div> </div> | Different rimmed edge design of every denomination is visible with closer look. |

20. Suspected Counterfeit Currency Certified as Genuine


- 20.1. Suspected counterfeit currency which are certified as genuine after investigation will be returned to the reporting FI by PDRM. Respective FIs shall immediately notify and return the genuine currency to the person from whom the currency was detained.
- 20.2. Pursuant to section 40(2) of the CA, no person shall be entitled to recover any compensation for any loss suffered due to the detention of currency note or currency coin which is suspected to be counterfeit.

Appendix 1

Illustrations of Defaced Currency Note:

| Item | Illustration | Features |
|------|--|-----------|
| a |  | Inscribed |
| b |  | Inkwear |
| c |  | Tear |
| d |  | Holes |
| e |  | Repairs |

| Item | Illustration | Features |
|------|--|---------------------------|
| f |  | Burnt |
| g |  | Composed |
| h |  | Missing security features |
| i |  | Shrinkage |
| j |  | Damage by termites |





| Item | Illustration | Features |
|------|--|-------------|
| k |  | Dye-stained |



Illustrations of Unfit Currency Note:

| Item | Illustration | Features |
|------|--|--------------|
| a |  | Soiling |
| b |  | Limpness |
| c |  | Crumples |
| d |  | Corner folds |

Appendix 2

Illustrations of Tampered Currency Coin:

| Item | Illustration | Features |
|------|---|----------|
| a |  | Hole(s) |
| b |  | Dented |
| c |  | Broken |
| d |  | Cut |

| Item | Illustration | Features |
|------|--|----------------------|
| e |  Four coins are shown in a 2x2 grid. The top-left and bottom-right coins are 50 sen, and the top-right and bottom-left coins are 20 sen. All coins show significant darkening and loss of metallic luster, characteristic of being burnt. | Burnt |
| f |  Two 10 sen coins are shown side-by-side. The left coin has a large, irregular dark spot on its surface. The right coin has a large, irregular dark spot on its surface, also characteristic of manufacturing defects. | Manufacturing defect |

Illustrations of Worn Currency Coin:

| Item | Illustration | Features |
|------|--|---------------|
| a |  Five coins are shown in a 2x3 grid. The top row has three coins, and the bottom row has two coins. The coins show significant corrosion, with dark, irregular patches and a loss of metallic luster. | Corroded |
| b |  Four coins are shown in a 2x2 grid. The coins show significant staining and discoloration, with dark, irregular patches and a loss of metallic luster. | Stained/dirty |