



**Majlis Peguam
Bar Council Malaysia**

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**Circular No 136/2012
Dated 25 June 2012**

To Members of the Malaysian Bar

**Indah Water Konsortium Sdn Bhd's Bills in Sale and Purchase Agreement
in Property Sale Transaction**

Indah Water Konsortium Sdn Bhd ("IWK") has informed us of the following:

We believe that most SPAs in property sale transaction do not specifically state "Sewerage and / or IWK bill in the list of utility in the "outgoings" clause. Further, IWK is also not being notified on the changes of ownership in the properties. Based on our records, we continue to issue sewerage bills under the previous owner(s) name to the address of the property which has been transferred to the Purchaser(s), who is now the new owner of the property. This creates huge problems and issues as to who is to pay IWK bills, in whose name legal action is to be initiated, apportionment of liabilities, limitation period, etc.

To solve these issues, IWK seeks the following assistance from Members:

- (1) To insert additional wordings — "sewerage (Indah Water Konsortium Sdn Bhd) bills" — in the outgoing clause in Sale and Purchase Agreements; and
- (2) At the end of each sale and purchase transaction, the solicitors shall notify IWK in writing on the transfer of the ownership of the property and to provide the particulars of the new owner together with a copy of the Sale and Purchase Agreement.

For further details, refer to the attached copy of the notice we received from IWK.

For further inquiries, please do not hesitate to contact Chuah Ying Ying, Officer by telephone at 03-2050 2106, or by email to yingying@malaysianbar.org.my.

Thank you.

**Hj Abdul Murad b Che Chik
Chairperson
Conveyancing Practice Committee**



INTERNATIONAL MALAYSIA LAW CONFERENCE
26-28 September 2012
Kuala Lumpur Convention Centre, Malaysia
www.internationalmlc.com

**"ASIAN
PERSPECTIVES,
GLOBAL
VIEWPOINTS"**



Date: 25 May 2012

Our ref: LD/L0607/BC/2012/ZMA/PR

MALAYSIAN BAR COUNCIL

No. 13, 15 & 17

Leboh Pasar Besar

50400 Kuala Lumpur

BY POST / FAX
(FAX NO: 03-20261313)

ATTN: MR. LIM CHEE WEE

Dear Sirs,

**REQUEST FOR NOTIFICATION TO MEMBERS OF MALAYSIAN BAR COUNCIL
IN RELATION TO INDAH WATER KONSORTIUM SDN. BHD'S ("IWK") BILLS IN
SALE AND PURCHASE AGREEMENTS ("SPAs") IN PROPERTY SALE
TRANSACTIONS**

I'm writing to you to ask for your support and assistance in notifying members of the Malaysian Bar Council to include sewerage bills as a separate and distinct part in SPAs. As you know, IWK is wholly owned by the Federal Government through the Minister of Finance Incorporated and manages public sewerage systems in 86 local authority areas, except Johor Bahru, Pasir Gudang and Johor Tenggara as well as the states of Sabah, Sarawak and Kelantan. In the past 18 years, IWK has been both directly and indirectly involved in and contributed towards the evolution of sewerage management in Malaysia. With vast insights and knowledge of the overall sewerage industry gained over the years, IWK is well positioned to drive towards achieving a highly efficient sewerage industry.

Sewage treatment and management is essential to ensure the protection of public health, water resources and environment. As such, it is imperative that consumers pay their sewerage bills on time. Unlike other utility providers, IWK is not in a position to disconnect service for non payment. Although collection has improved over the years, we still have a huge amount of outstanding debt. Our hope is that the public appreciates our services and realises the importance of paying their sewerage bills on time. In the meantime, we are doing all we can in terms of debt recovery and public awareness.

We believe that most SPAs in property sale transactions do not specifically state "Sewerage and / or IWK bill in the list of utility in the "outgoings" clause. Further, IWK is also not being notified on the changes of ownership in the properties. Based on our records, we continue to issue sewerage bills under the previous owner(s) name to the address of the property which has been transferred to the Purchaser(s), who is now the new owner of the property. This creates huge problems and issues as to who is to pay IWK bills, in whose name legal action is to be initiated, apportionment of liabilities, limitation period, etc.

INDAH WATER KONSORTIUM SDN. BHD.
(211763-P)

(Wholly Owned By Minister of Finance Incorporated)

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REQUEST FOR NOTIFICATION TO MEMBERS OF MALAYSIAN BAR COUNCIL IN RELATION TO INDAH WATER KONSORTIUM SDN. BHD'S ("IWK") BILLS IN SALE AND PURCHASE AGREEMENTS ("SPAs") IN PROPERTY SALE TRANSACTIONS

In order to solve these problems and issues, we humbly request and seek your assistance to issue a notification to all the members of Malaysian Bar Council via notice / e-circular or any other form of notification on the following:-

1. To insert the following additional wordings - "sewerage (Indah Water Konsortium Sdn. Bhd.) bills" in the outgoings clause in the SPAs; and
2. At the end of each SPA transaction, the Vendor(s) / Purchaser(s) Solicitors to notify IWK in writing on the transfer of the ownership of the property, to enclose a copy of the relevant SPA and to provide the particulars of the new owner which shall include name, myKad number/ passport number, address of property and sewerage account number.

We highly appreciate your co-operation in the above matter and look forward for your positive response.

Thank you.

Yours faithfully,
INDAH WATER KONSORTIUM SDN BHD



DATIN ZAHEEDA MOHAMAD ARIFF
Head
Legal Department

Internal circulation:

1. YBhg Datuk Ir Abdul Kadir Mohd Din
Chief Executive Officer
2. Ir Mahesan Kandiah
Senior General Manager, Operations Division
3. Mr Jothsvaran Nadarajah
General Manager, Customer Relations Department