



Perbadanan Insurans Deposit Malaysia
Protecting Your Insurance And Deposits In Malaysia

GUIDELINES ON
TOTAL INSURED DEPOSITS AND PREMIUMS

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TABLE OF CONTENTS

SECTION 1: INTRODUCTION	1
BACKGROUND	1
SECTION 2: COVERAGE	2
SEPARATE PROTECTION LIMIT	3
JOINT ACCOUNTS	3
TRUST ACCOUNTS	3
SOLE PROPRIETORSHIPS, PARTNERSHIPS OR PROFESSIONAL PRACTICE	4
SECTION 3: TOTAL INSURED DEPOSITS: CALCULATION AND COMPLETION OF RETURNS ...	5
PART A: INSURABLE DEPOSITS	5
PART A (I): INSURABLE DEPOSITS.....	6
PART A (II): OTHER INSURABLE DEPOSITS	6
PART B: UNINSURABLE PORTION OF INSURABLE DEPOSITS	6
PART C: TOTAL INSURABLE DEPOSITS.....	8
PART D: AGGREGATED INSURABLE DEPOSIT BALANCES EXCEEDING RM250,000.....	8
SECTION 4: CALCULATION OF ANNUAL PREMIUM	11
MINIMUM ANNUAL PREMIUM AMOUNT	11
CONVENTIONAL DTMS CARRYING ON ISLAMIC BANKING BUSINESS.....	11
SECTION 5: SUBMISSION OF RETURN ON TOTAL INSURED DEPOSITS AND PAYMENT OF PREMIUM	14
SUBMISSION OF CERTIFIED RTID	14
REMITTANCE OF ANNUAL PREMIUM	14
FIRST PREMIUM	15
TABLE 1: FORMULA FOR TOTAL INSURED DEPOSITS.....	5
TABLE 2: FORMULA FOR TOTAL INSURABLE DEPOSITS	8
TABLE 3: FORMULA FOR INSURABLE DEPOSIT BALANCE	9
TABLE 4: FORMULA FOR TOTAL PREMIUM PAYABLE	11
TABLE 5: PIDM'S OPERATIONAL ACCOUNT NUMBER AND TRANSACTION CODE.....	15
APPENDIX I : SCOPE OF COVERAGE	16
APPENDIX II : INTERPRETATION OF ITEMS IN THE RETURN ON TOTAL INSURED DEPOSITS... 20	
APPENDIX III : ADJUSTMENTS FOR PAYMENT INSTRUCTIONS	23
APPENDIX IV : EXAMPLE OF THE CALCULATION OF THE AGGREGATED INSURABLE DEPOSIT BALANCES EXCEEDING RM250,000	26



SECTION 1: INTRODUCTION

BACKGROUND

- 1.1 Perbadanan Insurans Deposit Malaysia (“PIDM”), an independent statutory body having authority under the Malaysia Deposit Insurance Corporation Act 2011 (“PIDM Act”), manages and administers the Malaysian deposit insurance system. One of PIDM’s functions is to assess and collect premiums from deposit-taking members (“DTMs”) on an annual basis. The annual premium is calculated based on the amount of total insured deposits held by a DTM and the prescribed premium rate applicable to the DTM.
- 1.2 The Guidelines on Total Insured Deposits and Premiums (“Guidelines”) set out the requirements for DTMs in determining the total insured deposits, the submission of the Return on Total Insured Deposits (“RTID”), as well as the calculation and remittances of premium to PIDM.
- 1.3 These Guidelines shall supersede the Guidelines on Total Insured Deposits and Premiums issued on 31 January 2019.
- 1.4 These Guidelines are effective from the assessment year 2020.
- 1.5 Unless expressly stated otherwise, any information or document required to be submitted to PIDM under these Guidelines, including any letter, report, form, returns and action plan, shall be submitted online through PIDM’s portal. The original hard copy shall be kept by the DTMs.
- 1.6 A reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them.
- 1.7 PIDM may specify such other periods or dates for compliance with any of the provisions in these Guidelines, or for any act to be done, in such form and subject to such terms and conditions as PIDM thinks fit.
- 1.8 Enquiries relating to these Guidelines may be directed to tid@pidm.gov.my.



SECTION 2: COVERAGE

- 2.1 PIDM Act provides that deposits which are eligible for protection include¹:
- (a) Islamic and conventional deposits placed with a DTM such as savings, demand and fixed deposits;
 - (b) Bank drafts, cheques or other similar instruments or instructions entered into a designated payment system; and
 - (c) Foreign currency deposits.
- 2.2 PIDM may approve any other financial instruments as being eligible for deposit insurance.
- 2.3 PIDM Act excludes the following deposit products from the deposit insurance system:
- (a) Deposits that are not payable in Malaysia;
 - (b) Money market deposits;
 - (c) Negotiable instruments of deposits and other bearer deposits;
 - (d) Repurchase agreements; and
 - (e) Any other liability or financial instruments as may be specified by PIDM.
- 2.4 The deposit insurance limit has been set at RM250,000 inclusive of principal and interest/return and will be applied in aggregate per depositor per DTM.
- 2.5 Where a depositor has more than one deposit accounts which are eligible for deposit insurance with a DTM, the aggregate of those deposits shall be insured up to RM250,000.
- 2.6 All deposit accounts held by the same depositor in different branches of the same DTM shall be added together and insured up to RM250,000.
- 2.7 Ringgit Malaysia (“RM”) deposits and foreign currency deposits held by a depositor with a DTM shall be aggregated and insured up to RM250,000.

¹ Subject to the Guidelines on Deposit Insurance Coverage for Deposits



- 2.8 For DTMs which carry on Islamic banking business in addition to its conventional banking business, the Islamic and conventional accounts are separately protected up to RM250,000.

SEPARATE PROTECTION LIMIT

- 2.9 Separate protection limits shall apply to the following categories of accounts:

- (a) Individual accounts;
- (b) Joint accounts;
- (c) Trusts accounts; and
- (d) Accounts of sole proprietorships, partnerships and professional practices.

JOINT ACCOUNTS

- 2.10 Deposits held jointly by a depositor with another are protected separately from the other types of deposit accounts provided that:

- (a) the deposit account is opened as a joint account;
- (b) the deposit is held in an insurable deposit account; and
- (c) sufficient details of the joint owners are disclosed in the records of the DTM.

- 2.11 Joint accounts held with different joint owners shall enjoy separate protection limit. However, if a depositor has several joint accounts with the same joint owners, these deposits shall be aggregated and insured up to RM250,000.

TRUST ACCOUNTS

- 2.12 Deposits in trust accounts (including client deposit accounts held by professional practices) are insured separately from other types of deposits provided that:

- (a) the deposit account is opened as a trust account;
- (b) the deposit is held in an insurable deposit account; and
- (c) sufficient details of each beneficiary are disclosed in the records of the DTM.

- 2.13 Trust accounts held by one trustee for different beneficiaries and trust accounts held by different trustees for the same beneficiary shall enjoy separate protection limit.



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---------------	---------------------	------------------	---------------

TITLE	Guidelines on Total Insured Deposits and Premiums
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- 2.14 Deposit accounts held by the same trustee for the same beneficiary shall be aggregated and deemed as one deposit.
- 2.15 Before 31 March of every assessment year, DTMs are required to notify each trustee acting for two or more beneficiaries of the requirements to disclose the information as specified under the Malaysia Deposit Insurance Corporation (Disclosure Requirements for Trust Accounts and Joint Accounts) Regulations 2012.
- 2.16 A trustee should, on opening of a trust account and thereafter, by 31 March of every assessment year, provide the required information to a DTM as specified under the Malaysia Deposit Insurance Corporation (Disclosure Requirements for Trust Accounts and Joint Accounts) Regulations 2012.
- 2.17 PIDM will not separately insure the deposits held in trust for any beneficiary if, in its opinion, the trust exist primarily for the purpose of obtaining or increasing the amount of deposits insured.

SOLE PROPRIETORSHIPS, PARTNERSHIPS OR PROFESSIONAL PRACTICE

- 2.18 For a depositor who operates a business as a sole proprietor or a partner of a partnership or carries on any professional practice, the deposits of such business or professional practice shall be separately protected from the deposits of the depositor as an individual or as a trustee or as a joint owner, provided that the information on such business ownership or professional practice is disclosed on the records of the DTM.
- 2.19 In the case of partnerships or professional practices, the maximum protection for such entities is RM250,000 collectively and not RM250,000 per partner.
- 2.20 The illustrations on the scope of coverage for different types of deposit accounts are provided in **Appendix 1** of these Guidelines.

SECTION 3: TOTAL INSURED DEPOSITS: CALCULATION AND COMPLETION OF RETURNS

3.1 The total insured deposits shall be the basis for determining the amount of annual premium payable by a DTM in each assessment year.

3.2 The total insured deposits is calculated as follows:

Table 1: Formula for total insured deposits

Total insured deposits	=	Total insurable* deposits	-	Aggregated insurable deposit balance exceeding RM250,000
*Total insurable deposits = Insurable Deposits – Uninsurable Portion of Insurable Deposits				

3.3 The total insured deposits for Islamic and conventional deposits shall be calculated and reported separately, in the Return on Total Insured Deposits (“RTID”). DTMs are required to use the pre-formatted RTID templates provided by PIDM for reporting of the total insured deposits.

3.4 The RM and foreign currency (in RM equivalent) deposits shall be disclosed separately in the RTID.

3.5 The information provided in the RTID shall be based on a DTM’s deposit information as at **31 December** of the preceding assessment year.

3.6 The RTID is divided into four parts and the reporting requirements for each of the parts are elaborated below.

PART A: INSURABLE DEPOSITS

3.7 The insurable deposit to be reported is derived from the summation of the following:

- (a) the specific items extracted from a DTM’s statistical reporting on the ‘Statement of Financial Position’ (Domestic) to Bank Negara Malaysia; and
- (b) any other deposits which are insurable but were not included as part of the reporting under the ‘deposits accepted’ in the ‘Statement of Financial Position’ (Domestic).

- 3.8 A DTM is required to ensure that all deposit products that PIDM has certified as insurable deposits are included in Part A of the RTID.

PART A(I) : INSURABLE DEPOSITS

- 3.9 For Part A(I) of the RTID, a DTM is required to report insurable deposits based on the specific items extracted from the DTM's statistical reporting on the 'Statement of Financial Position' (Domestic) to Bank Negara Malaysia. The items to be reported in the RTID and the interpretation of the items are provided in **Appendix II**.
- 3.10 DTMs are required to ensure that the amounts for each of the items reported in Part A(I) of the RTID match the amounts in the 'Statement of Financial Position' (Domestic).
- 3.11 Deposits provided by customers as a security or collateral for Islamic or conventional financing facilities shall form part of a DTM's insurable deposits if such deposits are treated as 'deposits accepted' in the 'Statement of Financial Position' (Domestic).

PART A(II) : OTHER INSURABLE DEPOSITS

- 3.12 Under Part A (II), DTMs are required to report any other deposits which are insurable but were not included as part of the reporting under the 'deposits accepted' in the 'Statement of Financial Position' (Domestic).
- 3.13 Unclaimed moneys that have yet to be lodged with the Registrar of Unclaimed Moneys shall form part of a DTM's insurable deposits and if the unclaimed moneys do not form part of the reporting under 'deposits accepted' within the 'Statement of Financial Position' (Domestic), DTMs shall report the unclaimed moneys in Part A(II).

PART B: UNINSURABLE PORTION OF INSURABLE DEPOSITS

- 3.14 The uninsurable portion of insurable deposits refers to deposits that do not meet PIDM's insurability criteria, such as deposits for the purpose of placement in interbank money market, deposits not certified as insured deposits by PIDM, etc. The uninsurable portion has to be excluded for the purpose of calculating the total insurable deposits.

- 3.15 Items that will require adjustments under the ‘Uninsurable portion of Insurable Deposits’ of Part B of the RTID are specified below.

Deposits for the purpose of Placement in the Interbank Money Market

- 3.16 If any of the deposit accounts were opened or maintained expressly for the purpose of placement in the Interbank Money Market (including Islamic Interbank Money Market), such deposits would not qualify as insurable deposits. A DTM is required to report such deposit accounts under the respective deposit types in Part B of the RTID.

Deposits not certified as insurable deposits

- 3.17 Deposit accounts that do not meet PIDM’s insurability criteria, such as gold investment accounts or conventional non-principal guaranteed investments linked to derivatives, will not qualify as insurable deposits. If such items were included as part of the reporting in Part A of the RTID, a DTM is required to report such items under the respective deposit types in Part B of the RTID.

Interest/Profit Payable

- 3.18 The interest or profit payable reported in Part A(I) of the RTID has to be adjusted to exclude portions of the interest or profit payable that are not related to insurable deposits. DTMs are required to report the interest or profit payable that are not related to insurable deposits, under item ‘Interest Payable’ for conventional business or ‘Profit Payable’ for Islamic business in Part B of the RTID.

Outward Clearing Items

- 3.19 Bank drafts or cheques deposited into the deposit accounts will not be considered as part of insurable deposits if these items have not been cleared² by 31 December. Thus, if a DTM has already credited such amount into the respective depositors’ accounts, reversal of such amount has to be made. A DTM is required to report the outward clearing items in Part B of the RTID. Please refer to **Appendix III** on the illustration for outward clearing items.

Bills Payable

- 3.20 Bank drafts or other similar instruments or instructions are not considered as part of insurable deposits if these instruments were issued from sources other than the insurable deposits. Under item ‘Bills Payable’ of Part B of the RTID, DTMs are required to report the amount that relates to payment instructions that were not issued against insurable deposits.

² For purposes of these Guidelines, bank drafts or cheques are deemed cleared when the status of the cheques/bank drafts are good for payment and forms part of the available balance.

PART C: TOTAL INSURABLE DEPOSITS

3.21 The total insurable deposits is derived by deducting the uninsurable portion from the insurable deposits as follows:

Table 2: Formula for total insurable deposits

Total insurable deposits	=	Insurable deposits	-	Uninsurable portion of insurable deposits.
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PART D: AGGREGATED INSURABLE DEPOSIT BALANCES EXCEEDING RM250,000

3.22 The deposit insurance limit has been set at RM250,000 inclusive of principal and interest/return and applied in aggregate per depositor per DTM. In calculating the total insured deposits, a DTM is required to exclude the aggregated insurable deposit balances exceeding RM250,000.

3.23 The steps to derive the aggregated insurable deposit balances exceeding RM250,000 for each depositor is outlined below:

Step 1: Categorise insurable deposits based on account type

3.24 A DTM is required to segregate all the insurable deposits based on the seven account types as follows:

- (a) Individual Person (individual account owned by individual natural person);
- (b) Individual Joint (joint account owned by individual natural person);
- (c) Individual Trust (trust account owned by individual natural person);
- (d) Business – Sole Proprietorship;
- (e) Business – Partnership;
- (f) Non-Individual Person (account owned by non-individual person such as companies Berhad/ Sendirian Berhad/ corporation, societies, government, etc. other than sole proprietorship and partnership); and
- (g) Non-Individual Trust (trust account owned by non-individual person such as legal firm, etc.).

Step 2: Identify depositors and the respective insurable deposits

- 3.25 A DTM is required to identify all depositors.
- 3.26 A depositor can be identified as follows:
- (a) Individuals - by identification card number or passport number; and
 - (b) Business, Government bodies and Others - by business registration number.
- 3.27 For each depositor, the DTM is required to identify the type of the insurable deposits owned or held by the depositor and the respective insurable deposit balance.
- 3.28 The insurable deposit balance for a deposit account is calculated as follows:

Table 3: Formula for Insurable Deposit Balance

<p>Insurable Deposit Balance = Available Balance* + Accrued Interest/Return + Bills Payable</p> <p>*Available Balance = General Ledger Balance – Outward Clearing Items</p>

- 3.29 Demand deposits with a negative balance has to be reported as zero balance.

Outward Clearing Items

- 3.30 Bank drafts or cheques will not be considered as part of insurable deposits balance if these items have not been cleared by 31 December. If a depositor's account has been credited prior to the cheques/drafts being cleared, the DTM is required to deduct such amount from the general ledger balance of the depositor.

Bills Payable

- 3.31 Bank drafts or other payment instruments issued/drawn from insurable deposits shall remain as part of a depositor's account balances as long as such payment instructions have not been cleared by 31 December. The DTM is required to reinstate such amount to the depositors' account in deriving the insurable deposit balance.
- 3.32 Transactions made via internet banking or interbank GIRO will be subject to the cut-off time for "same-day settlement". If transactions were made on 31 December but after the "same-day settlement" cut-off time, the amount transacted will still form



part of the payers' insurable deposits balance. The DTM is required to reinstate such amount to the payers' account in deriving the insurable deposit balance.

- 3.33 The examples on the adjustments required to be made in deriving the depositors' insurable deposit balance are provided in **Appendix III**.

Step 3: Calculate the aggregated insurable deposit balance

- 3.34 For each depositor, the insurable deposit balance of all the insurable deposit types are to be aggregated in accordance with PIDM's scope of coverage as set out in Section 2 of these Guidelines.

Step 4: Determine the aggregated insurable deposit balance exceeding RM250,000

- 3.35 The aggregated insurable deposit balance of each depositor as calculated in Step 3 is then compared against the deposit insurance protection limit of RM250,000 to determine the amount that exceeds RM250,000.
- 3.36 The sum of the aggregated insurable deposit balance exceeding RM250,000 will be reported in Part D of the RTID.
- 3.37 Please refer to **Appendix IV** on the example of the calculation of the aggregated insurable deposit balance exceeding RM250,000.

SECTION 4: CALCULATION OF ANNUAL PREMIUM

- 4.1 DTMs are required to report the annual premium payable in the RTID.
- 4.2 The annual premium payable by a DTM is calculated as follows:

Table 4: Formula for total premium payable

Total premium payable	=	Total insured deposits	x	Prescribed premium rate
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- 4.3 The prescribed premium rate applicable to a DTM will be notified by PIDM to the DTM by 15 May of each assessment year.

MINIMUM ANNUAL PREMIUM AMOUNT

- 4.4 A minimum annual premium amount has been prescribed for each DPS premium category under the *Malaysia Deposit Insurance Corporation (Annual Premium and First Premium in Respect of Deposit-Taking Members) Order 2011*. A DTM shall pay such minimum annual premium amount if the total annual premium payable as determined in the formula above is less than the minimum amount.

CONVENTIONAL DTMS CARRYING ON ISLAMIC BANKING BUSINESS

- 4.5 A conventional DTM³ that carries on Islamic banking business is required to calculate the annual premiums for its conventional and Islamic deposits separately. The total annual premium payable is subject to the applicable minimum annual premium amount.

Illustration 1: Determination of annual premium payable for a conventional DTM that carries on Islamic banking business

Business	Total insured deposits (TID) (RM)	Premium category	Premium Rate for AY XX	Minimum premium	Premium Payable (TID * premium rate) (RM)
Conventional	400,000,000	1	0.04%		160,000
Islamic	20,000,000	1	0.04%		8,000
Total	420,000,000			100,000	168,000

³ The term "conventional DTM" refers to a DTM that is a licensed bank under the Financial Services Act 2013.

In illustration 1, the DTM shall pay total annual premium of RM168,000 (i.e. RM160,000 to PIDM’s conventional account and RM8,000 to PIDM’s Islamic account), as the total premium payable is higher than the minimum premium amount of RM100,000 for premium category 1.

- 4.6 In the event where the premium categories for the conventional and Islamic banking business are different, the applicable minimum premium amount will be based on the premium category of the part of the business with the higher total insured deposits, as illustrated below:

Illustration 2: Determination of minimum premium for a conventional DTM that carries on Islamic banking business

Business	Total insured deposits (TID) (RM)	Premium category	Premium Rate for AY XX	Minimum premium	Premium Payable (TID * premium rate) (RM)
Conventional	400,000,000	1	0.04%		160,000
Islamic	20,000,000	2	0.08%		16,000
Total	420,000,000			100,000	176,000

In illustration 2, the conventional business has the higher total insured deposits amount. As such, the applicable minimum annual premium amount for the DTM is RM100,000 based on the premium category of the conventional business. Given that the total premium payable is higher than the minimum premium, the DTM shall pay the total annual premium of RM176,000 (comprising RM160,000 for the conventional business and RM16,000 for the Islamic banking business).

- 4.7 Where the total annual premium payable is less than the applicable minimum premium amount, the DTM shall pay the minimum annual premium amount. For the purpose of remittance of payment to PIDM, the DTM shall apportion such minimum annual premium based on the calculated premium payable for the conventional and Islamic banking business, as illustrated below.

Illustration 3: Determination of minimum premium for conventional DTM that carries on Islamic banking business

Business	Total insured deposits (TID) (RM)	Premium category	Premium Rate for AY XX	Minimum premium	Calculated Premium Payable (TID * premium rate) (RM)
Conventional	100,000,000	2	0.08%		80,000
Islamic	20,000,000	1	0.04%		8,000
Total	120,000,000			200,000	88,000

In illustration 3, the total premium payable is RM88,000 and it is lower than the applicable minimum annual premium amount of RM200,000. Therefore, the DTM shall pay the minimum annual premium amount of RM200,000. The proportion of the premium that will be into PIDM's conventional account and PIDM's Islamic account is illustrated as follows:

Illustration 4: Premium payable for conventional and Islamic banking business

Conventional	$\frac{RM80,000}{RM88,000}$	x	RM200,000	=	RM181,818
Islamic	$\frac{RM8,000}{RM88,000}$	x	RM200,000	=	RM18,182

The DTM shall pay RM181,818 to PIDM's conventional account and RM18,182 to PIDM's Islamic account.

SECTION 5: SUBMISSION OF RETURN ON TOTAL INSURED DEPOSITS AND PAYMENT OF PREMIUM

SUBMISSION OF CERTIFIED RTID

- 5.1 A DTM is required to submit the certified RTID (in pre-formatted template) by **31 May** of each assessment year (or the immediately preceding working day if 31 May falls on a weekend or a public holiday in Kuala Lumpur).
- 5.2 The pre-formatted RTID template is available on PIDM's website. No alterations or amendments are allowed to be made to the RTID template.
- 5.3 A DTM's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") must certify that the information provided in the RTID is accurate and reflective of the financial information of the DTM as at 31 December of the preceding assessment year. The CEO and CFO certification are required on the RTID. All reports that require certification/signatories shall be scanned and the scanned copy must be submitted to PIDM online through PIDM's portal.
- 5.4 Given the importance of information integrity, a DTM's external auditor is required to provide to PIDM an independent validation confirming that the information submitted for RTID is reflective of the financial information of the DTM for the period of assessment.
- 5.5 All exceptions or issues raised in the independent validation report shall be rectified before the submission of the certified RTID to PIDM.

REMITTANCE OF ANNUAL PREMIUM

- 5.6 The payment of the annual premiums shall be remitted to PIDM by way of executing a payment instruction via RENTAS **latest by 31 May** of each assessment year (or the immediately preceding working day if 31 May falls on a weekend or a public holiday in Kuala Lumpur) to the respective PIDM's Operational Accounts with BNM as follows:

Table 5: PIDM’s operational account number and transaction code

PIDM’s Operational Account	Account Number	Transaction Code
Conventional	1554190755	PID01
Islamic	1554200047	PID02

- 5.7 Reporting in the RTID and the payment of annual premium shall be rounded up to the nearest ringgit value without any decimal point.
- 5.8 PIDM will impose an overdue charge of 10% per annum on premium or premium surcharge due and payable as prescribed under the *Malaysia Deposit Insurance Corporation (Overdue Charges) Regulations 2012* for a DTM that has failed to submit the RTID and make payment by 31 May in each assessment year.
- 5.9 The amount of premium payable to PIDM is confidential and shall not be disclosed to the public. A premium surcharge may be imposed on a DTM that does not comply with this prohibition against public disclosure.

FIRST PREMIUM

- 5.10 A new DTM shall pay the first premium of RM250,000 to PIDM or a rate to be prescribed by the Minister on the recommendation of PIDM, whichever is higher.
- 5.11 A new DTM which becomes a member of PIDM during the assessment year is also required to submit the RTID. The new DTM’s CEO and CFO are required to provide their certification on the RTID.
- 5.12 A new DTM shall, within 30 days from the date it becomes a member or such other period as may be specified by PIDM:
- (a) pay the first premium by way of executing a payment instruction via RENTAS to PIDM’s Operational Accounts as stated above, or issue a cheque payable to ‘**Perbadanan Insurans Deposit Malaysia**’; and
 - (b) submit the certified RTID and the proof of first premium payment to PIDM (if applicable).

APPENDIX I : SCOPE OF COVERAGE

Example 1: Individual accounts

Ahmad has four individual accounts under various deposit types and in different branches of a bank.

Deposit Type	Branch	Insurable Deposit Balance (RM)	(A) Aggregated Insurable Deposit Balance (RM)	(B) Aggregated Insurable Deposit Balance Exceeding RM250,000	(C) Total Insured Deposits (RM)
Savings	Kuala Lumpur	60,000	260,000	10,000	250,000
Demand	Petaling Jaya	80,000			
Fixed deposit	Kuala Lumpur	100,000			
Foreign currency fixed deposit	Shah Alam	20,000			

The total insured deposits is calculated as the aggregated insurable deposit balance less the amount which exceeded RM250,000. The total insured deposits (C) is calculated by deducting the amount in column (B) from the amount in column (A).

In the example above, Ahmad's total insured deposits is $RM260,000 - RM10,000 = RM250,000$.

Example 2: Conventional and Islamic accounts

Ahmad has six individual accounts in a bank which carries on Islamic banking business in addition to its conventional banking business.

Deposit Type	Conventional deposits (RM)	Islamic deposits (RM)	Total
Savings	60,000	50,000	
Demand	80,000	40,000	
Fixed deposit	100,000	-	
General investment	-	80,000	
Foreign currency fixed deposit	20,000	-	
Aggregated Insurable Deposit Balance	260,000	170,000	
Aggregated Insurable Deposit Balance Exceeding RM250,000	10,000	-	
Total Insured Deposits (RM)	250,000	170,000	

Ahmad's total insured deposits is RM420,000 of which RM250,000 is for conventional deposits and RM170,000 is for Islamic deposits.

Example 3: Joint accounts

Ahmad has an individual deposit account and five joint accounts with others.

Account Type	Owner(s)	Insurable Deposit Balance (RM)	Aggregated Insurable Deposit Balance (RM)	Aggregated Insurable Deposit Balance Exceeding RM250,000	Total Insured Deposits (RM)
Individual	Ahmad	280,000	280,000	30,000	250,000
Individual Joint	Ahmad & wife – Account 1	100,000	260,000	10,000	250,000
	Ahmad & wife – Account 2	160,000			
	Ahmad, wife & son	60,000	60,000	-	60,000
	Ahmad & daughter	50,000	50,000	-	50,000
	Ahmad, wife, son & daughter	300,000	300,000	50,000	250,000

Ahmad's total insured deposits on his individual account is RM250,000. Ahmad's joint accounts are insured separately from his individual account. Joint accounts held with different joint owners shall enjoy separate protection limit. However, if a depositor has several joint accounts with the same joint owners, these deposits shall be aggregated and insured up to RM250,000. In the example above, for the two accounts where Ahmad and his wife are joint owners, the insurable deposit balance is aggregated and insured up to RM250,000.

Example 4: Trust accounts : Individual Trust

Account Type	Trustee	Beneficiary	Insurable Deposit Balance (RM)	Aggregated Insurable Deposit Balance (RM)	Aggregated Insurable Deposit Balance Exceeding RM250,000	Total Insured Deposits (RM)
Trust	Ahmad	Badrul	140,000	140,000	-	140,000
Trust	Ahmad	Daud	110,000	110,000	-	110,000
Trust	Siti	Daud	120,000	120,000		120,000
Trust (1)	Farid	Hana	130,000	265,000	15,000	250,000
Trust (2)	Farid	Hana	135,000			

Trust accounts held by one trustee for different beneficiaries and trust accounts held by different trustees for the same beneficiary shall enjoy separate protection limit. If a trustee holds several trust accounts for the same beneficiary, these deposits shall be aggregated up to RM250,000.

In the example above, the trust account held by Ahmad for Badrul as the beneficiary and the trust account held by Ahmad for Daud as the beneficiary are insured separately.

Daud as a beneficiary, has two trust accounts but these trust accounts are held by different trustees, i.e. Ahmad and Siti. Therefore, the two trust accounts for Daud are insured separately.

Farid as a trustee, holds two trust accounts for Hana as the beneficiary. Therefore, these two trust accounts are aggregated and insured up to RM250,000.

Example 5: Trust accounts : Disclosure of Beneficiaries

The beneficiaries of trust accounts will be insured separately provided that the trusteeship is disclosed on the records of the DTM.

Ramli & Co. holds a trust account for several beneficiaries and discloses the interest of each beneficiary. The deposit amount for each beneficiary shall be deemed to be a separate deposit.

Account Type	Trustee	Identity code of each beneficiary	Insurable Deposit Balance (RM)	Aggregated Insurable Deposit Balance (RM)	Aggregated Insurable Deposit Balance Exceeding RM250,000	Total Insured Deposits (RM)
Non-Individual Trust	Ramli & Co.	#100	160,000	160,000	-	160,000
		#101	140,000	140,000	-	140,000
		#102	100,000	100,000	-	100,000
		#103	120,000	120,000	-	120,000
		#104	180,000	180,000	-	180,000
		#105	275,000	275,000	25,000	250,000
					Total	950,000

Ramli & Co.'s total insured deposits on the trust account is RM950,000.



Example 6: Sole proprietorship or partnership

For a depositor which operates a business as a sole proprietor or a partner in a partnership or carries on any professional practice, the deposits from such business or professional practice shall be separately protected from the deposits of the depositor as an individual or as a trustee or as a joint owner.

Account Type	Deposit Type	Insurable Deposit Balance (RM)	Aggregated Insurable Deposit Balance (RM)	Aggregated Insurable Deposit Balance Exceeding RM250,000	Total Insured Deposits (RM)
Individual	Savings	60,000	60,000	-	60,000
Business - Sole Proprietorship	Demand	190,000	190,000	-	190,000
Business -Partnership	Demand	270,000	270,000	20,000	250,000

In the example above, each of the account types are insured separately up to RM250,000.

APPENDIX II : INTERPRETATION OF ITEMS IN THE RETURN ON TOTAL INSURED DEPOSITS

Item	Interpretation
Demand Deposits Accepted	Funds accepted with positive balances in its current accounts. If the current account is overdrawn, report the overdrawn amount as loans/financing, specifically overdraft. It should be noted that inter-commercial bank current account balances are not reportable as Demand Deposits; instead, they are reportable in the Vostro Account and Overdrawn Nostro Account.
Savings Deposits Accepted	Funds accepted that are not subject to a fixed maturity period and may be withdrawn without prior notice. Interest/profit/hibah (at the prevailing savings deposit rate) would be paid to the depositors at periodic intervals.
Fixed Deposits Accepted	Funds accepted (including overdue deposits) that are subject to a fixed maturity period and are repayable with interest at a fixed rate. Depository usually issues a fixed deposit receipt for which is non-transferable. If a depositor issues a premature fixed deposit, the depository may not pay interest on the deposit or may vary the original interest rate.
Specific Investment Accounts Accepted	<p>Funds accepted on terms that the investment accounts are utilised for the purpose of financing or investing in specific assets or project, subject to agreed maturity period and profit is payable based on a pre-agreed profit-sharing ratio. The funds accepted are managed separately from other investment accounts and the receiving institution would issue a special investment account receipt for which is non-transferable.</p> <p>Uninsurable portion: The Specific Investment Deposit Accepted shall not form part of insurable deposits if the purpose is expressly for placement in the Islamic Interbank Money Market. Under the RTID reporting, a DTM has to deduct the uninsurable portion of the Specific Investment Deposit Accepted.</p>
General Investment Account Accepted	Funds accepted on terms that the investment accounts are subject to a fixed maturity period and are repayable with profit based on a predetermined sharing ratio. The receiving institution would issue a general investment account receipt, which is non-transferable.
Commodity Murabahah Deposits Accepted	<p>Funds accepted on terms that the deposits are subject to a fixed maturity period and are repayable with profit based on a fixed rate of return. The depository normally issue a commodity murabahah deposit receipt as an evidence of buying and selling of commodities that are normally based on metals listed on the major commodity exchange or palm oil based products.</p> <p>Uninsurable portion: The Commodity Murabahah deposit accepted shall not form part of insurable deposits if the purpose is expressly for placement in the Islamic Interbank Money Market. Under the RTID reporting, a DTM has to deduct the uninsurable portion of the Commodity Murabahah.</p>

Item	Interpretation
Housing Development Account Deposits Accepted	Funds accepted from housing developers, which can be collected by the housing developers from house-buyers or end-financiers arising from the sale of residential property being developed by the developers.
Short Term Deposits Accepted	<p>Funds accepted that are subject to a fixed maturity period (may be of any tenure with a minimum tenure of 1 day, but usually less than 365 days) and are repayable with interest at a fixed rate. Short term deposits are usually offered as an alternative to fixed deposits and repurchase agreements to high net-worth individuals and corporates under various names such as short term-treasury deposits, money market time deposits, short-term money market deposits and money market deposits.</p> <p>Uninsurable portion:</p> <p>Short Term Deposit Accepted (also known as money market deposit, short-term treasury deposits, money market time deposits and short-term money market deposits) shall not form part of insurable deposits if the purpose is expressly for placement in the interbank money market (including, where applicable, the Islamic Interbank Money Market). Under the RTID reporting, a DTM has to deduct the uninsurable portion of the Short Term Deposit Accepted in Part B of the RTID.</p>
Investment-Linked to Derivatives Offered	<p>Funds accepted arising from a structured product with embedded derivatives (e.g. options) that are normally linked to the performance of an underlying asset such as interest rates, equities, foreign currency rates, etc. An Investment-Linked To Derivatives may be principal protected or non-principal protected.</p> <p>Uninsurable portion:</p> <p>Investment-Linked to Derivatives Offered are classified as insurable deposits if PIDM has certified it as insurable deposits. Under the RTID reporting, a DTM has to deduct the uninsurable portion of the Investment-Linked to Derivatives Offered, which are not certified as insurable deposits.</p>
Other Deposits Accepted	Funds accepted, not classified elsewhere in sub-classes under 'Deposits Accepted'.
Interest Payable	<p>Interest payable on liabilities, excluding interest payable, which is already included in other liability items. The item is only applicable to conventional banking operations.</p> <p>Uninsurable portion:</p> <p>Under the RTID reporting, a DTM has to deduct the uninsurable portion of the interest payable, which is not related to the insurable deposits.</p>



Perbadanan Insurans Deposit Malaysia
Protecting Your Insurance And Deposits In Malaysia

Ref No	DI/GL1-A4/2020(TID)	Issued on	30 March 2020
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TITLE	Guidelines on Total Insured Deposits and Premiums
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Item	Interpretation
Profit Payable	<p>Profit payable on liabilities, excluding profit payable, which is already, included in other liability items. The item is only applicable to Islamic banking operations.</p> <p>Uninsurable portion: Under the RTID reporting, a DTM has to deduct the uninsurable portion of the profit payable, which is not related to the insurable deposits.</p>
Bills Payable	<p>Payable to various beneficiaries arising from the sale of bank drafts, cashier's orders, mail transfers, telegraphic transfers, gift cheques and travellers cheques, including stale orders and drafts. Include interbank GIRO in transit.</p> <p>Uninsurable portion: Under the RTID reporting, a DTM has to deduct the uninsurable portion of the bills payable where the payment instructions were issued from sources other than the insurable deposits.</p>

APPENDIX III : ADJUSTMENTS FOR PAYMENT INSTRUCTIONS

A. OUTWARD CLEARING ITEMS

Bank drafts and cheques deposited into the deposit accounts in a DTM will only form part of the depositor's insurable deposits if the cheques and drafts **were cleared** by 31 December. Otherwise, the amount will not be included as part of the insurable deposits.

Outward Clearing Items

Customer A has a savings account balance of RM20,000 as at 1 December. A cheque amounting to RM10,000 was deposited into his savings account in Bank XYZ on 31 December. The cheque has been sent for clearing but was not cleared as at 31 December.

In Bank XYZ, Customer A's savings account ledger balance as at 31 December increases to RM30,000 while the available balance remains at RM20,000

Reporting in RTID

1. Report the ledger balance of RM30,000 under item 'Savings Deposits Accepted' in Part A(I) of the RTID.
2. Report the uncleared cheque of RM10,000 under item "Outward Clearing Items" in Part B of the RTID.

Calculation of Depositor's Insurable Deposit Balance

Deduct the uncleared item of RM10,000 in the calculation of the Customer A's insurable deposit balance.

General Ledger Balance	RM30,000
Less: Outward Clearing Item	RM10,000
Available Balance	RM20,000

B. BILLS PAYABLE

Bills payable instruments such as bankers' cheque or bank drafts issued/drawn from insurable deposits will be considered as part of the insurable deposits if they were **not cleared** by 31 December.

BILLS PAYABLE

Customer B has a savings account balance of RM15,000 in Bank ABC. On 1 December, he purchased a bank draft worth RM10,000 via debiting his savings account.

The transaction will be reflected in the depositor's account as follows:

Initial Balance	RM15,000
Less: Bills Payable	RM10,000
Balance as at 31 December	RM 5,000

The bank draft was not presented or cleared by 31 December.

Reporting in RTID

1. Report the savings account balance of RM5,000 under Part A(I) of the RTID i.e. item 'Savings Deposits Accepted'.
2. Report bills payable of RM10,000 in Part A(I) of the RTID.

Calculation of Depositor's Insurable Deposit Balance

Add the bills payable of RM10,000 in the calculation of the Customer B's insurable deposit balance:

Available Balance	RM 5,000
Add: Bills Payable	RM10,000
Insurable Deposit Balance	RM15,000

C. INTERBANK GIRO

Transaction made via interbank GIRO will be subject to the cut-off time for “same-day settlement”. If the transaction is made on 31 December but after the “same-day settlement” cut-off time, the amount transacted will still form part of the payer’s insurable deposits even though the payer’s deposit account has been debited.

INTERBANK GIRO

A depositor has an initial savings account balance of RM15,000 and performs a payment transaction via interbank GIRO amounting to RM10,000 on 31 December.

The transaction will be reflected in the depositor’s account as follows:

Initial Balance	RM15,000
Less: Interbank GIRO Transfer	RM10,000
Balance as at 31 December	RM 5,000

The interbank GIRO however, was performed after the cut-off time for same-day settlement.

Reporting in RTID

Report the savings account balance of RM5,000 under ‘Savings Deposits Accepted’ in Part A(I) Insurable Deposits of the RTID.

Report bills payable of RM10,000 under ‘Bills Payable’ in Part A(I) Insurable Deposits of the RTID.

Calculation of Depositor’s Insurable Deposit Balance

Add the bills payable of RM10,000 in the calculation of the depositor’s insurable deposit balance:

Available Balance	RM5,000
Add: Bills Payable	RM10,000
Insurable Deposit Balance	RM15,000

APPENDIX IV : EXAMPLE OF THE CALCULATION OF THE AGGREGATED INSURABLE DEPOSIT BALANCES EXCEEDING RM250,000

Example 1: Deposit balances in excess of RM250,000 per depositor

STEP 1		STEP 2				STEP 3	STEP 4
Account Type	Name	Identification number	Deposit Type	Beneficiary/ joint owner	Insurable Deposit Balance	Aggregated Insurable Deposit Balance	Aggregated Insurable Deposit Balance Exceeding RM250,000
					RM		
Individual	Abdullah	XXXX	Savings		30,000	260,000	10,000
	Abdullah	XXXX	Fixed		230,000		
	Ahmad	XXXX	Current		2,500	2,500	NIL
	Allen	XXXX	Savings		4,500	4,500	NIL
	Amirul	XXXX	Current		500	500	NIL
	Badrul	XXXX	Current		7,000	7,000	NIL
	Basir	XXXX	Fixed		15,000	15,000	NIL
	Chan	XXXX	Current		280,000	280,000	30,000
	Chong	XXXX	Current		30,000	30,000	NIL
	Faizal	XXXX	Savings		6,000	6,000	NIL
	Nizam	XXXX	Fixed		2,000	2,000	NIL
	Zulkifli	XXXX	Current		7,500	7,500	NIL
Trust	Amirul	XXXX	Savings	Son	5,500	5,500	NIL
			Savings	Daughter	2,300	2,300	NIL
	Ang & Daniel	XXXX	Current	Client - 1	7,000	7,000	NIL
			Current	Client - 2	390,000	390,000	140,000
	Fitri	XXXX	Current	Son A	5,000	7,500	NIL
			Current	Son A	2,500		
Joint	Chan A	XXXX	Current	Sister	35,000	35,000	NIL
	Zulkifli	XXXX	Current	Wife	20,500	33,000	NIL
			Current	Wife	12,500		
Σ Aggregated insurable deposit balance exceeding RM250,000							180,000

The aggregated insurable deposit balance exceeding RM250,000 in the above example amounted to RM180,000 and will be reported in Part D of the RTID.