

Section I: About Perbadanan Insurans Deposit Malaysia (“PIDM”)

I. About Perbadanan Insurans Deposit Malaysia (PIDM)

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① *What PIDM does?*

Perbadanan Insurans Deposit Malaysia (“PIDM”) is an integrated financial consumer protection authority for depositors and takaful or policy owners, and resolution authority for member institutions (“MIs”)



Operationally independent statutory body
established in September 2005 under the PIDM Act 2005*

Financial consumer protection authority

Administers the:

1. Deposit Insurance System (“DIS”) (2005)

Protects against loss of eligible deposits up to RM250,000 per depositor

2. Takaful and Insurance Benefits Protection System (“TIPS”) (2010)

Protects against loss of eligible takaful and insurance benefits up to RM500,000

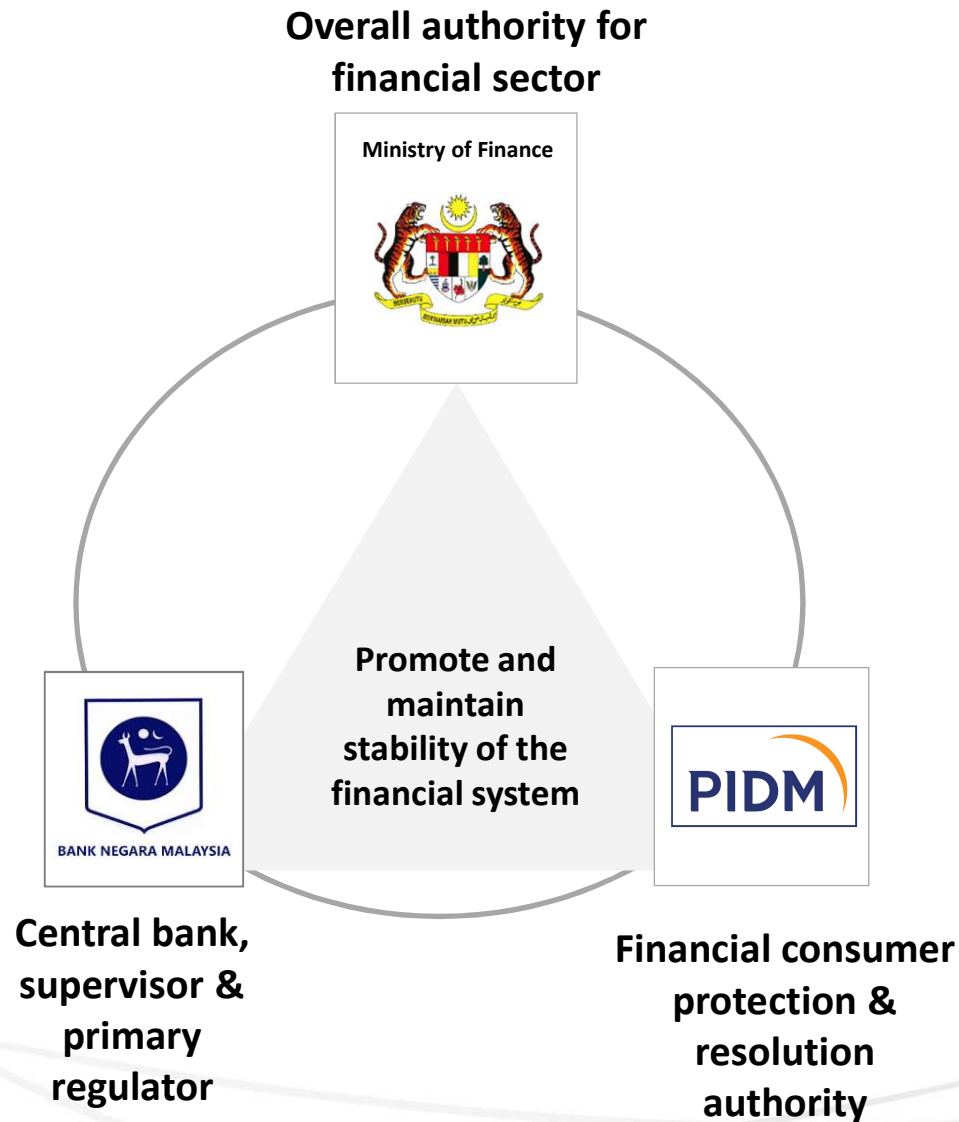
Resolution authority

Acts as the resolution authority to resolve non-viable MIs to enable them to exit from the financial system in an orderly manner, without causing severe systemic disruption

** Amended in 2010, 2016 and 2022*

1 What PIDM does?

PIDM is an integral part of the financial system safety net arrangement in Malaysia contributing to financial system stability



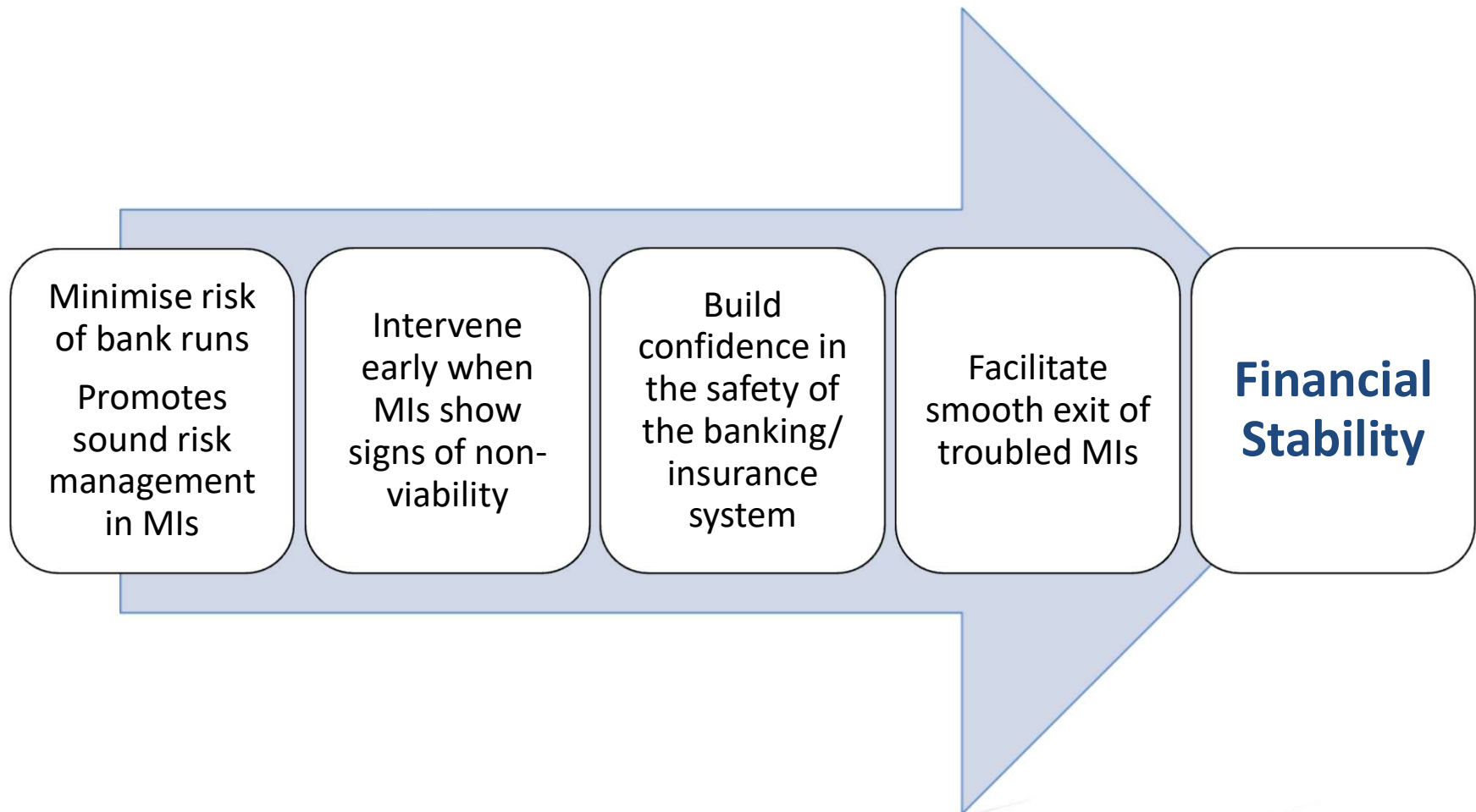
Mandate of PIDM

- 1. SYSTEM ADMINISTRATION |**
Administer a DIS and a TIPS.
- 2. INSURANCE AGAINST LOSS* |**
Provide insurance against the loss of part or all deposits, and protection against the loss of part or all takaful or insurance benefits.
- 3. INCENTIVES |**
Provide incentives for sound risk management in the financial system.
- 4. FINANCIAL STABILITY* |**
Promote or contribute to the stability of the financial system.

** In a manner that minimises costs to the financial system*

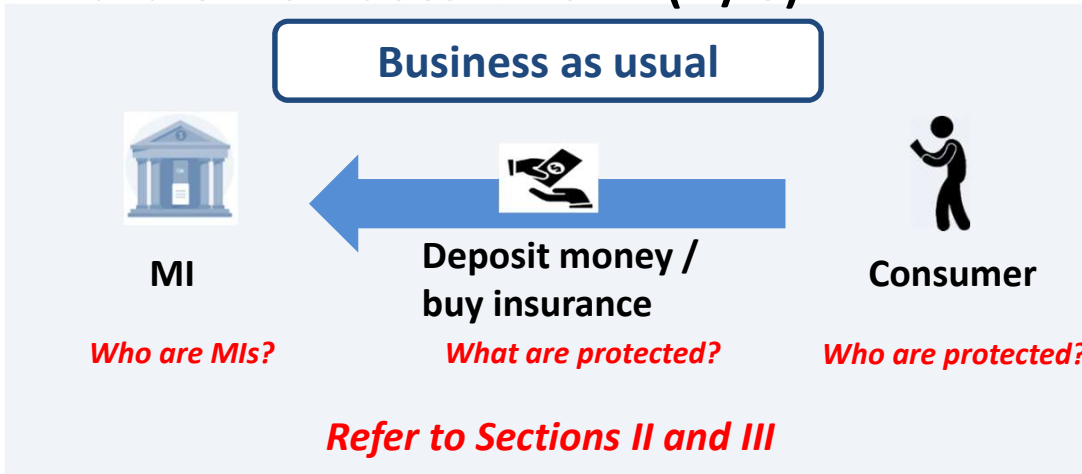
① *What PIDM does?*

PIDM promotes financial stability through early detection, timely intervention and resolution of problem MIs



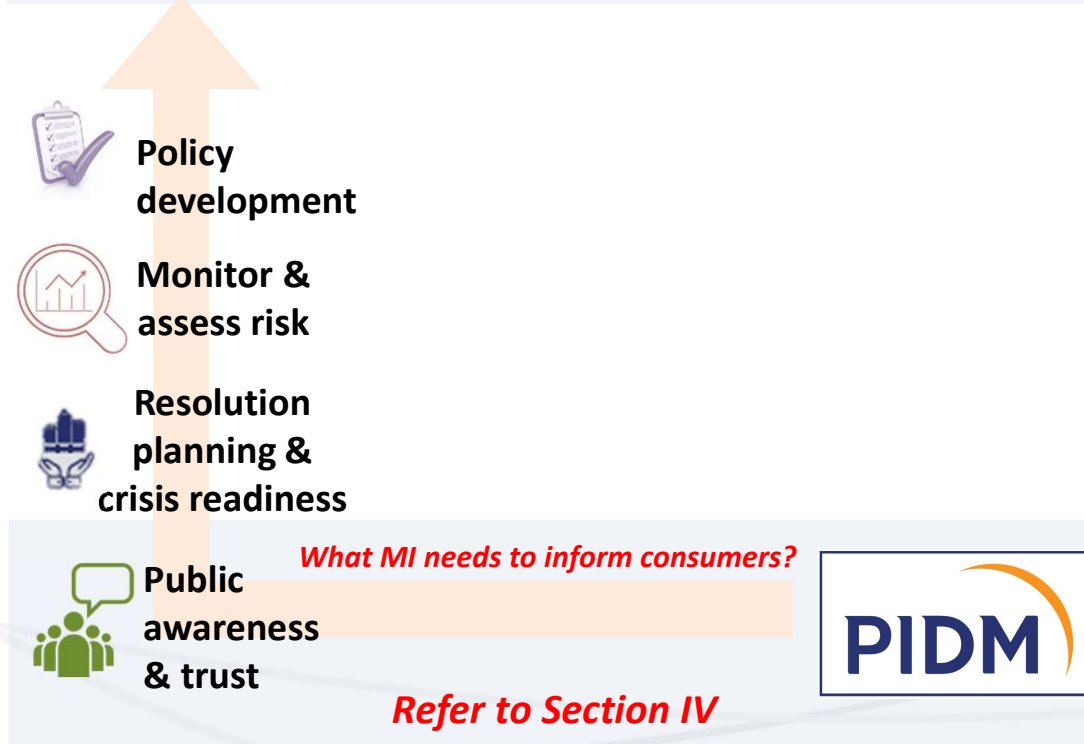
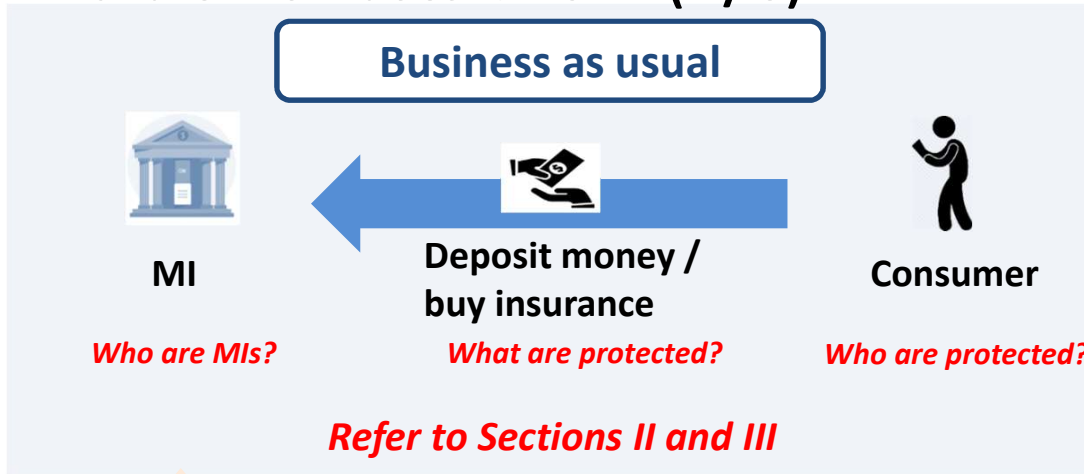
1 *What PIDM does?*

PIDM protects depositors and takaful or policy owners in the event of a MI failure: How does it work? (1 / 5)



1 **What PIDM does?**

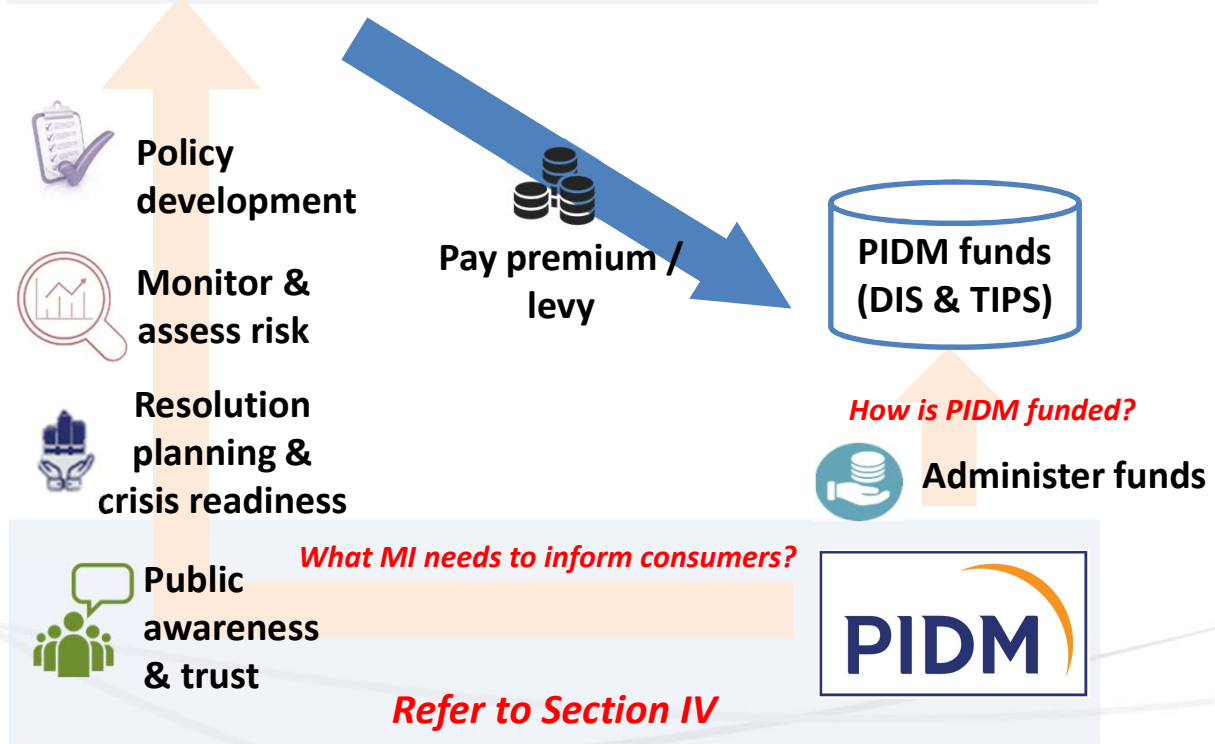
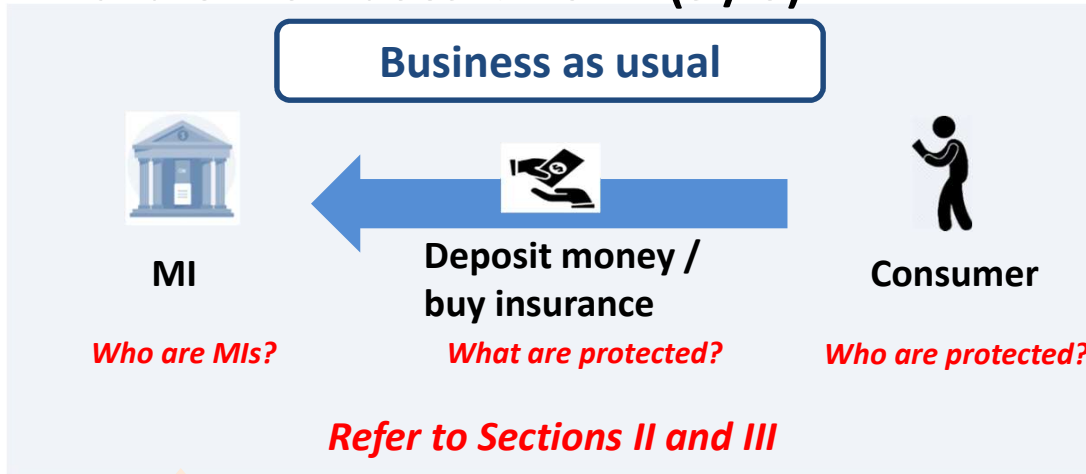
PIDM protects depositors and takaful or policy owners in the event of a MI failure: How does it work? (2 / 5)



What PIDM does during business as usual

1 **What PIDM does?**

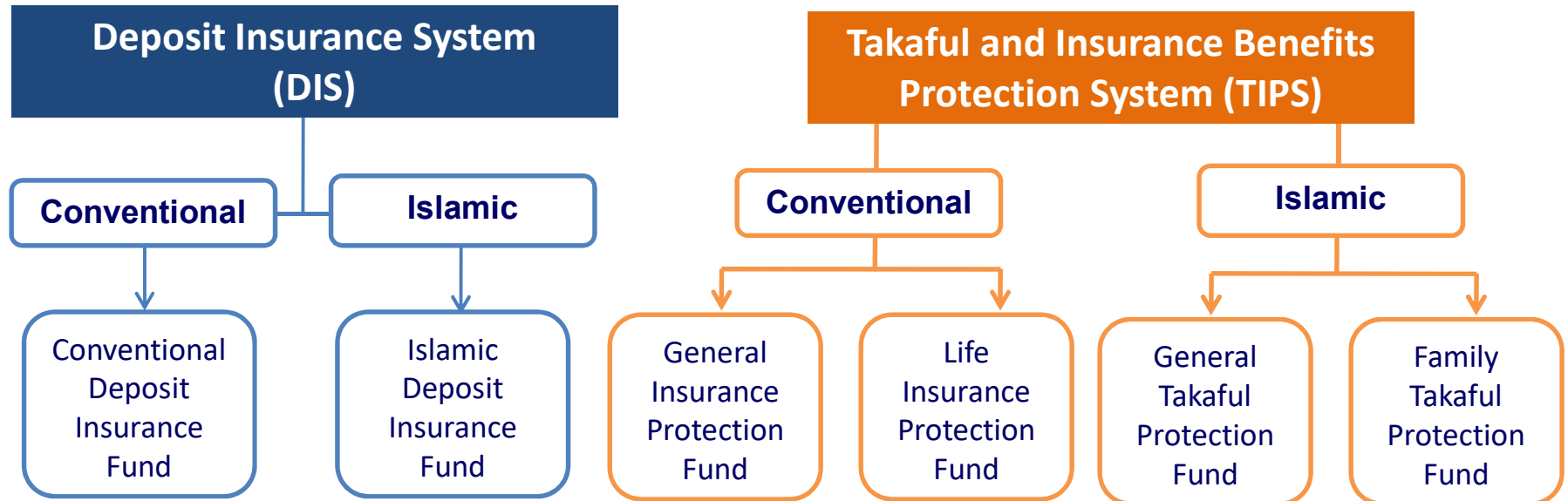
PIDM protects depositors and takaful or policy owners in the event of a MI failure: How does it work? (3 / 5)



What PIDM does during business as usual

2 How is PIDM funded?

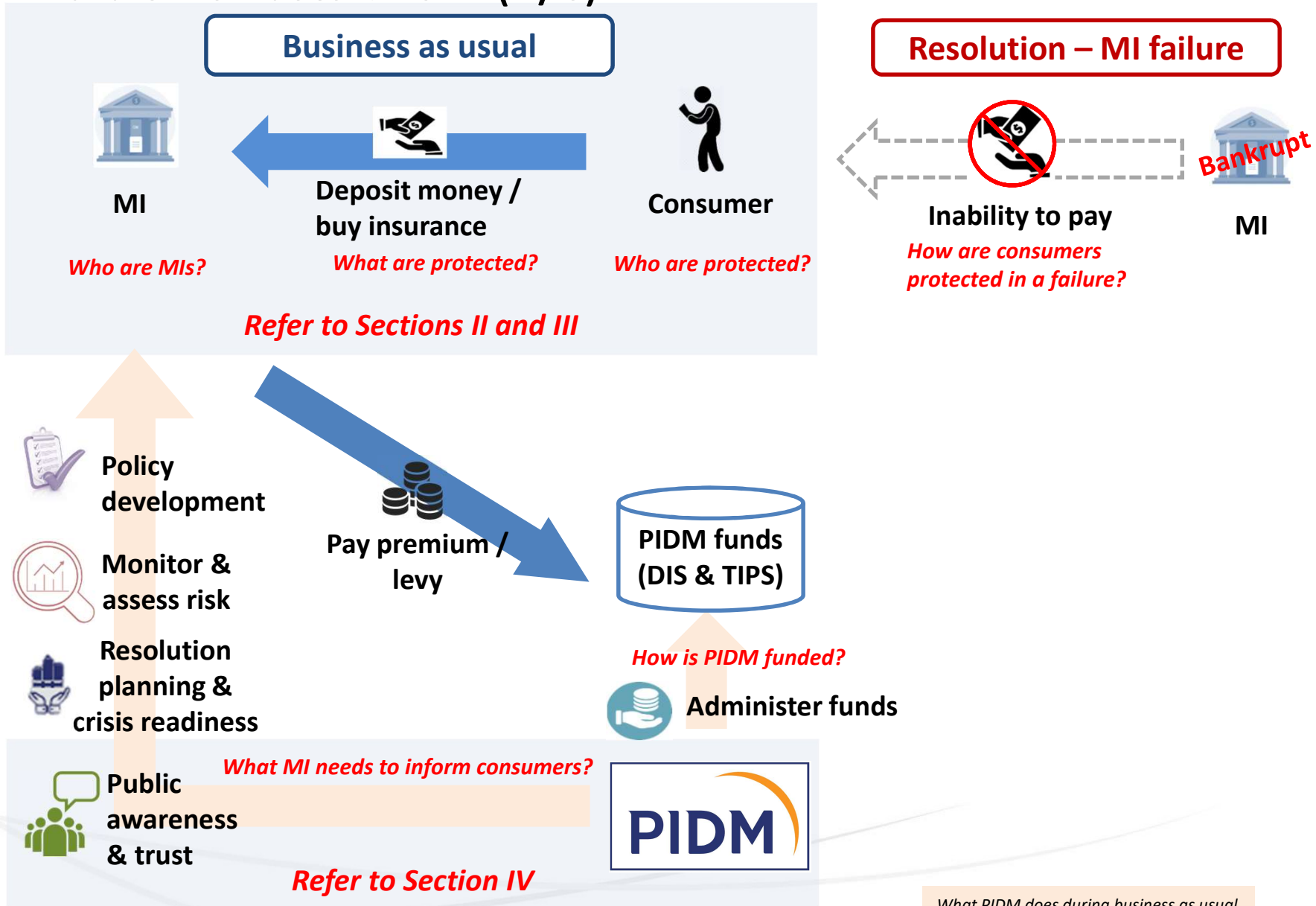
DIS and TIPS are funded ex-ante with a clearly defined reserve target. Main source of funding are risk-based premiums/levies paid by MIs, supported by external funding sources



- PIDM administers six (6) separate and distinct funds
- Islamic funds are managed and administered in accordance with Shariah principles
- No commingling of funds between the six (6) separate funds
- MIs pay premium / levy according to their risk profiles

3 How are consumers protected in a failure?

PIDM protects depositors and takaful or policy owners in the event of a MI failure: How does it work? (4 / 5)

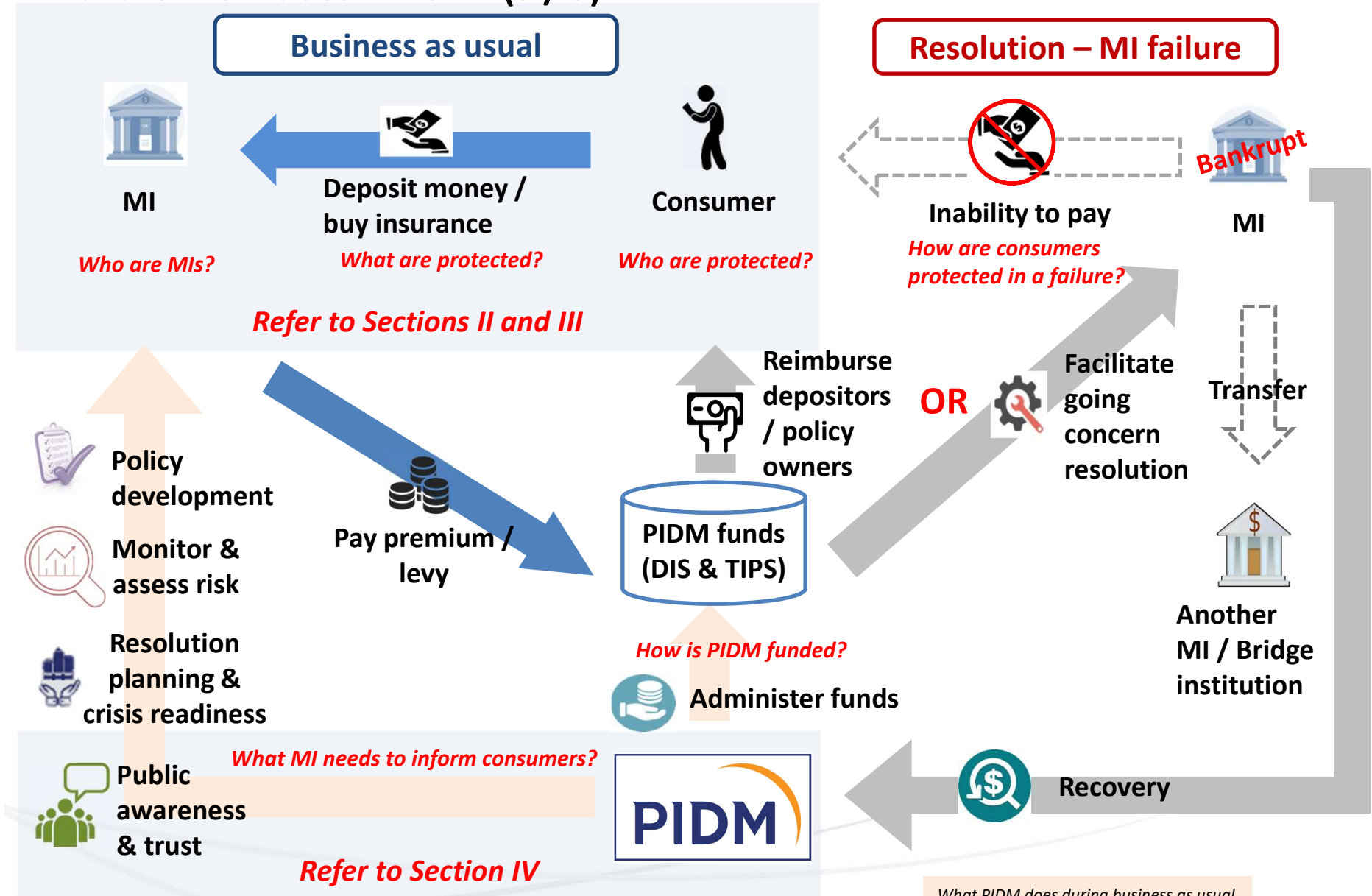


What PIDM does during business as usual

What PIDM does during resolution

3 How are consumers protected in a failure?

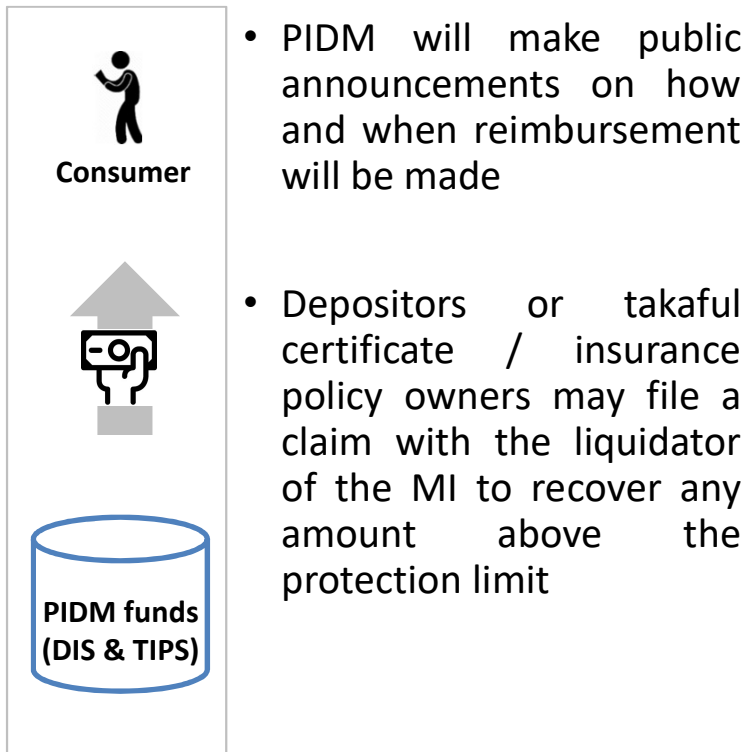
PIDM protects depositors and takaful or policy owners in the event of a MI failure: How does it work? (5 / 5)



3 How are consumers protected in a failure?

In the event of a MI failure, PIDM will pay your eligible deposits or takaful / insurance benefits directly or arrange to transfer your deposits or takaful / insurance policy to another MI / bridge institution

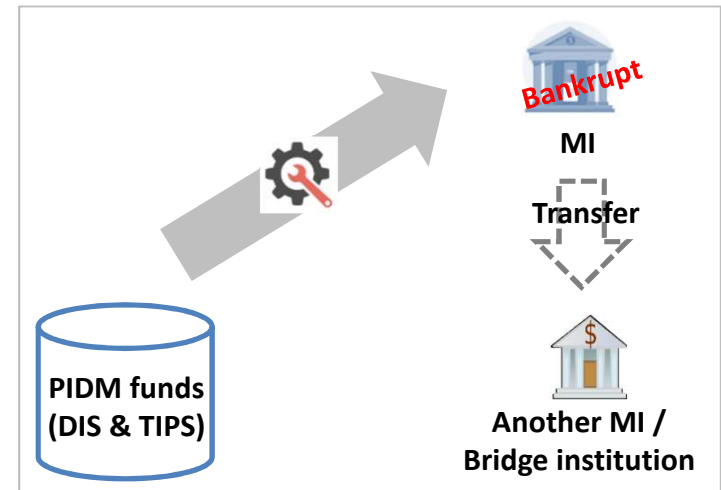
 Reimburse depositors / policy owners



OR

 Facilitate going concern resolution

- Depositors or takaful certificate / insurance policy owners will be able to access their deposits or continue their takaful or insurance coverage as usual through another MI / bridge institution



To learn more:

Deposit Insurance System



Section II

**Takaful and Insurance Benefits
Protection System**



Section III

**Deposit Insurance System Disclosure
Requirements for Member Banks**



Section IV