



Perbadanan Insurans Deposit Malaysia  
Protecting Your Insurance And Deposits In Malaysia

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**DIRECTIVE ON THE PROHIBITION AGAINST THE  
TRANSFER OF PREMIUMS PAYABLE TO  
PERBADANAN INSURANS DEPOSIT MALAYSIA BY  
TAKAFUL OPERATORS TO CERTIFICATE OWNERS**

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<b>Ref No</b>	TIPS/DIR2/2014	<b>Issued on</b>	29 December 2014
<b>TITLE</b>	Directive on the Prohibition Against the Transfer of Premiums Payable to Perbadanan Insurans Deposit Malaysia by Takaful Operators to Certificate Owners		

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## 1.0 LEGAL AUTHORITY

1.1 This Directive is issued by Perbadanan Insurans Deposit Malaysia (“the Corporation”) in exercise of its powers conferred by paragraphs 209(1)(b) and 209(3)(b) of the Malaysia Deposit Insurance Corporation Act 2011 (“PIDM Act 2011”).

## 2.0 PREMIUMS PAYABLE TO THE CORPORATION BY TAKAFUL OPERATORS

2.1 Pursuant to the **Note of PIDM on Takaful Benefits Protection System** issued on 20 February 2012 and the **Guidelines on Takaful and Insurance Benefits Protection System: Submission of Returns on Calculation of Premiums for Takaful and Insurance Businesses (2011)** issued on 11 March 2011, takaful operators are to pay premiums to the Corporation from the shareholders’ fund.

## 3.0 REQUIREMENTS APPLICABLE TO TAKAFUL OPERATORS

3.1 Premiums payable to the Corporation by takaful operators shall be paid solely from the shareholders’ fund of the takaful operators.

3.2 Takaful operators are prohibited from charging or transferring the premiums payable to the Corporation to certificate owners in any manner, directly or indirectly.

## 4.0 EFFECTIVE DATE

4.1 Takaful operators shall comply with the requirements under paragraph 3 with immediate effect.

4.2 A takaful operator who fails to comply with the requirements under paragraph 3 commits an offence under section 195 of the PIDM Act 2011.

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29 December 2014