Frequently Asked Questions ("FAQs")

(a) Malaysia Deposit Insurance Corporation (Provision of Information on Takaful and Insurance Benefits Protection) Regulations 2022

(b) Guidelines on Provision of Information on Takaful and Insurance Benefits Protection 2022, issued on 27 July 2022 ("Information Guidelines 2022") ("Collectively known as Information Regulations and Guidelines 2022")

Updated: 12 November 2025

Introduction and objectives

To ensure continuous compliance and uniform understanding by the insurer members ("IMs"), the FAQs is intended to provide clarity on the requirements and to guide the IMs on the application and implementation of the Information Regulations and Guidelines 2022. IMs are to read the Information Regulations and Guidelines 2022, and FAQs in implementing the requirements. The FAQs are grouped under broad topics and clarifications are provided on that basis.

A. Disclosure requirements upon the commencement of takaful or insurance business

Premises

1. What are the disclosure requirements for membership representation if an IM shares its premises with another person?

Where an IM shares the same premises with:

(a) **another PIDM's member institution:** the IM shall display only one (1) membership representation at the main entrance of each of the premises; and

(b) **a non-member institution** (including shared premises with its agents): the IM shall ensure that the manner in which such membership representation is displayed, provides a clear distinction that only the IM is a member of PIDM. For example, the membership representation shall be displayed prominently near the name of the IM or in the areas occupied by the IM only.

2. Can an IM display a Quick Response ("QR") code for the Takaful and Insurance Benefits Protection System ("TIPS") Brochure at its premises?

Yes, in addition to the requirement to display one or more printed copies of TIPS Brochure at each premises, an IM may display a QR code that links to the electronic copy of the TIPS Brochure. This will give an option to the customers to either read the printed copy or scan the QR code to read the digital version of the TIPS Brochure.

Please note that it is **not mandatory** for an IM to give a printed copy of the TIPS Brochure to its certificate or policy owners or customers. However, the IM shall make available copies of the TIPS Brochure to its customers at no charge, when the customers request for it.

Website

3. Can an IM display membership representation at the footer of its website?

Yes, an IM who has its own website or shares a website with another member institution can disclose the membership representation at the footer of the homepage and other webpages of the website.

However, an IM who shares a website with a non-member institution shall refer to the disclosure requirements specified under paragraphs 6.8(c) and (d) in the Information Guidelines 2022.

B. Disclosure requirements throughout the contractual process for the sales of takaful or insurance product

4. Is an IM allowed to modify the call for action statements?

Yes, an IM is allowed to modify the call for action statements. However, in making modifications to any one of the statements specified in paragraphs 7.1, 7.2 and Appendix 3 in the Information Guidelines 2022, an IM shall ensure that the statement is accurate and it does not give false or misleading impressions on PIDM's protection.

Specifically, an IM **shall not** create a shorter version of the call for action statement(s), modify or use any terms that could give the consumers the impression that all takaful or insurance products offered by the IM are fully protected by PIDM. The following are examples of statements that should not be used by the IMs on a standalone basis without additional context or elaboration:

- Protected by PIDM;
- Guaranteed by PIDM;
- Dijamin oleh PIDM;
- Dilindungi oleh PIDM;
- Protected by PIDM and contact us to find out the details;
- This product is underwritten by ABC Insurance. ABC Insurance is a member of PIDM, and therefore this product is protected by PIDM.

Advertisements in various formats and platforms

5. What are the disclosure requirements that an IM should follow for the takaful or insurance product advertisements stated below?

Broadly, an IM shall apply the following general guiding principles for effective disclosures: • the disclosure must be accurate and relevant; • the disclosure must be clear, visible and legible; and • the disclosure must be timely.

Advertisement formats

(a) Advertisement in thumbnail image

An IM shall display the membership representation and call for action statement(s) within the advertisement in the thumbnail image. However, if it is not practical to achieve an effective disclosure on the advertisement in the thumbnail image, an IM shall ensure that the relevant disclosures i.e., the membership representation and call for action statement(s) are displayed on the product information page, which can be accessed by clicking the link in the thumbnail image. Refer to *Illustration 1* for example of the application.

(b) Text-based advertisement

Text-based advertisement refers to an advertisement that primarily consists of text, including search engine text advertisements, banner advertisements with limited visual contents, short message services ("SMS"), as well as instant messaging services such as WhatsApp, Telegram, WeChat messages. An IM shall display the membership representation and call for action statement(s) as per the Information Regulations and Guidelines 2022 in a text-based advertisement in accordance with the guiding principles stated above. An advertisement of the product visual or a document to explain the product that is attached together with the SMS and instant messages must contain the membership representation and call for action statement(s).

(c) Advertisement in greyscale or black and white printing

An IM is not allowed to modify the proportion and colour of the membership representation in graphical form, even if the product advertisement is in greyscale or black and white printing. For such product advertisement, an IM may display the membership representation in a statement form, which can be in colour, greyscale or black and white printing.

(d) Advertisement required by other financial regulatory authorities in Malaysia

An IM is required to include the relevant call for action statement(s) in an advertisement that is required by any financial regulatory authority to be in a prescribed format, such as a product disclosure sheet. An IM may determine the location or position to display the relevant call for action statement(s) so long as the statement(s) in the advertisements are clearly legible.

Advertisement platforms

(e) Advertisement displayed in social networking sites and online marketplaces

For an advertisement posted on an IM's own social networking sites and online marketplaces, an IM may display the membership representation and call for action statement(s) as per the Information Regulations and Guidelines 2022 in the caption or within the product visual. If an IM chooses to make the disclosure within the product visual, the IM shall ensure that the relevant disclosures are displayed on the page where the product is mentioned for the first time. Refer to *Illustration 2* for example of the application.

(f) Advertisements posted on social networking sites prior to the implementation of Information Regulations and Guidelines 2022

For advertisement posted on an IM's social networking sites before 1 June 2024, it is not mandatory for the IM to display the membership representation and call for action statement(s) on such advertisement. However, if an IM chooses to repost or reshare the advertisement on or after 1 June 2024, an IM shall ensure that the membership representation and call for action statement(s) are clearly displayed in the reposted content in accordance with the requirements in the Information Regulations and Guidelines 2022.

Point of sales

6. If an IM has made a one-time disclosure of information relating to TIPS to the certificate or policy owners of Existing Certificates or Policies before 1 June 2024, does an IM need to make another disclosure after the Information Regulations and Guidelines 2022 came into force on 1 June 2024?

No, additional disclosure is not required if:

(a) **for a yearly renewable takaful certificate or insurance policy:** the IM or its agent has disclosed and explained to the certificate or policy owner, the information relating to TIPS, at the point of renewal between 27 July 2022 to 31 May 2024; and

(b) **for all existing certificate or policy other than yearly renewable takaful certificate or insurance policy:** the IM has sent a one-time notification of the (i) relevant call for action statement(s) and (ii) attach a copy of the TIPS Brochure or provide a link of the electronic copy of the TIPS Brochure or PIDM's information materials, as specified in paragraph 9.16 of the Information Guidelines 2022, to each certificate or policy owner between 27 July 2022 to 31 May 2024.

For clarity, additional disclosure of the information relating to TIPS is only required to be made by an IM and its agents to the certificate or policy owner if there is **a sale of a rider or additional takaful or insurance benefits, or a change in the protection status of a takaful or insurance benefit under the Existing Certificate or Policy:**

(i) subsequent to the first renewal of the takaful certificate or insurance policy mentioned in paragraph 6(a) above; or

(ii) subsequent to the issuance of the notification to the existing certificate or policy mentioned in paragraph 6(b) above.

Takaful certificate documents or insurance policy documents, and correspondences

7. Does an IM need to display the call for action statement(s) in a rider for takaful certificate or insurance policy document? Can the call for action statement(s) be displayed at the footer of the documents?

Yes, an IM is required to display the call for action statement(s) in a rider that is purchased separately as a standalone rider or it was purchased subsequent to the purchase or issuance of the main takaful certificate or insurance policy document. For clarity, an IM does not need to display the call for action statement(s) in a rider that is issued and attached together with the takaful certificate or insurance policy document.

On placement of the call for action statement(s), an IM shall place the relevant call for action statement(s) close to that part of the certificate or insurance policy document and correspondence dealing with the takaful or insurance product, or the name of the IM. An IM may make the disclosure in a footnote of the document, on the same page where the name of the takaful or insurance product appears in a clear, visible and legible manner.

If the paragraph containing the call for action statement(s) flow onto the next page, an IM shall ensure that the information about the takaful or insurance product continues onto the next page as well and that the page does not contain the call for action statement(s) only. An IM shall ensure that it is easy for consumers to read the call for action statement(s) that is related to the takaful or insurance product so that the consumers can be informed of the TIPS protection provided by PIDM.

Disclosure requirements for an IM's agents and intermediaries

8. Are agents and intermediaries allowed to display a membership representation?

No, an agent and intermediary are not allowed to display or use any form of membership representation. However, this prohibition does not apply to an agent or intermediary:

(a) who is a bancatakaful or bancassurance partner that is a member bank of PIDM; or

(b) who opts to display or use the membership representation in advertisements, official sales, marketing or educational materials (in printed and/or electronic form) which are supplied by the IM[1] at its place of business, website(s), mobile application(s), social networking site(s) or online platform(s).

IM is to note that the membership presentation of an IM is to be displayed in a manner that provides a clear distinction that the membership in PIDM is in relation to the IM only, and not in relation to the agent and intermediary.

C. Expectations on IMs' compliance with the disclosure requirements in the Information Regulations and Guidelines 2022

Training

9. Can an IM develop its own training modules on TIPS protection in complying with the Information Regulations and Guidelines 2022?

Yes, an IM is allowed to develop its own training modules and conduct its own training sessions in a manner that is deemed most suitable and effective for its agents and employees. PIDM has made available, sample training materials (including contents on disclosure requirements under the Information Regulations and Guidelines 2022), on PIDM's website for reference. An IM may adopt the training materials in their entirety or select specific sections of the training materials to combine with any internal training modules of the IM for purposes of training its agents and employees.

It is not a requirement under the Information Regulations and Guidelines 2022 for an IM to conduct an assessment, nor is it a requirement for its relevant agents and employees to take or pass any examination after attending the training session(s). An IM may do so if the IM deems that such training methods are most suitable and effective for its agents and employees.

[1] If the advertisements, sales, marketing or educational materials are the agent and intermediary's own documents, the agent and intermediary is to check with the IM on the display or use of call for action statement in such documents.

Annual review

10. Is an IM required to conduct an annual review of the compliance of the Information Regulations and Guidelines 2022 by an agent that is a member bank of PIDM?

Yes, an IM is required to conduct an annual review of the compliance of the Information Regulations and Guidelines 2022 by all its agents, including an agent that is a member bank of PIDM (such as a bancatakaful or bancassurance partner). This is because the Information Regulations and Guidelines 2022 govern the disclosures by IM about their membership status and the protection provided by PIDM under TIPS.

An IM may coordinate with its bancatakaful or bancassurance partner on the review of any common disclosure requirements relating to the protection under TIPS and the Deposit Insurance System. In any event, an IM is required to submit a report signed by its internal/external auditor containing at minimum, (a) the results of the compliance review of its bancatakaful or bancassurance partner during the review period;[2] (b) a summary of incidents of non-compliance and deficiencies identified; (c) financial and non-financial impact of these incidences on the IM; and (d) the corrective actions taken to address all incidences of non-compliance and deficiencies identified and the assessment of the adequacy and effectiveness of such measures.[3]

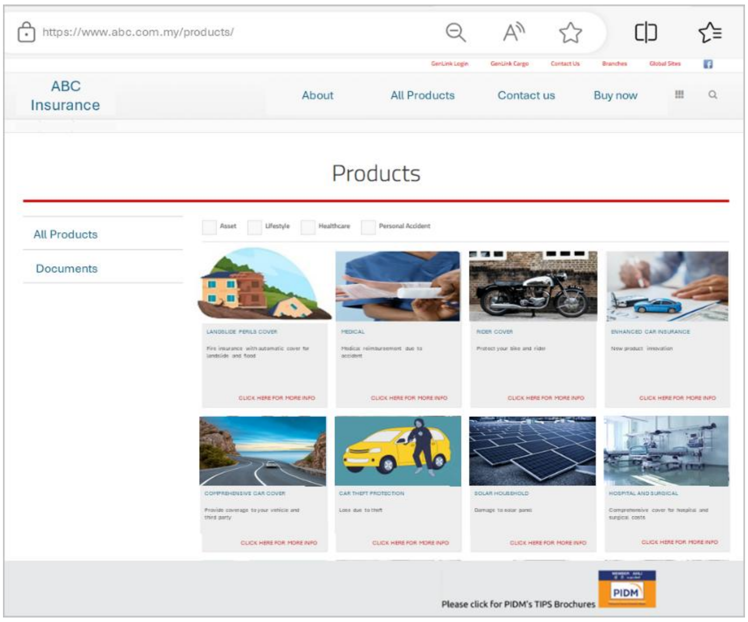
There is no prescribed format for the annual review report but a sample template of the report is available under Item (b) of the 'Training Slides and Template' table under Takaful and Insurance Benefits Information Materials at PIDM's website for reference.

Perbadanan Insurans Deposit Malaysia
12 November 2025

[2] See paragraphs 13.2 and 13.3 of the Information Guidelines 2022 on the 'review period'.
[3] See paragraphs 13.5 (a) to (d) of the Information Guidelines 2022.

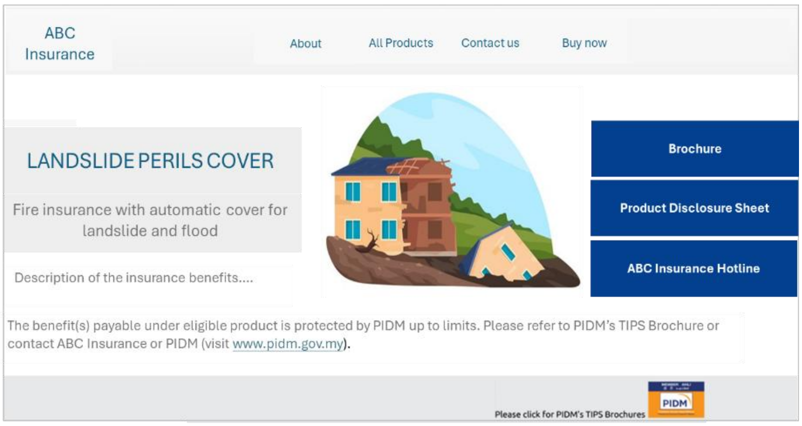
Illustration 1
Advertisement displayed as thumbnail image

Page 1



- It is not mandatory to display the membership representation and call for action statement for each insurance product displayed as a thumbnail image in this webpage, as it does not meet the general principles of clear, visible and legible disclosures.
- The relevant disclosures should be made on the product information page when the link in the product thumbnail image is clicked.

Page 2



- Upon clicking ("click here for more info") at any of the product thumbnail images displayed in Page 1, user will be directed to a landing page where more information on the insurance product is displayed.
- The membership representation and relevant call for action statement shall be displayed on this page.

Illustration 2
Advertisement at IMs' social networking sites

- **Option 1:** Membership representation (statement form) and call for action statement are disclosed within the product visual, where the insurance product is referred to for the first time; or

- **Option 2:** Membership representation (statement form) and call for action statement are disclosed in the caption of the post where the insurance product is referred to for the first time.

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