



Perbadanan Insurans Deposit Malaysia
Protecting Your Insurance And Deposits In Malaysia

**FREQUENTLY ASKED QUESTIONS ("FAQ")
ON GUIDANCE PAPER ON RESOLVABILITY
ASSESSMENT – OPERATIONAL CONTINUITY IN
RESOLUTION FOR DEPOSIT TAKING MEMBERS ("OCIR
GUIDANCE PAPER")**

ISSUE DATE : 22 SEPTEMBER 2026

Ref No	DI/FAQ/2026 (RA-OCIR)	Issued on	22 September 2026
TITLE	Frequently Asked Questions ("FAQ") on Guidance Paper on Resolvability Assessment – Operational Continuity in Resolution for Deposit Taking Members		

Frequently Asked Questions ("FAQ")

These FAQs should be read together with the **Guidance Paper on Resolvability Assessment – Operational Continuity in Resolution for Deposit-Taking Members ("OCIR Guidance Paper")** issued by PIDM. The FAQs provide further clarification on the application of selected requirements under the OCIR Guidance Paper and should not be read as replacing or modifying those requirements.

Unless otherwise stated, terms used in these FAQs have the same meanings assigned to them in the OCIR Guidance Paper. PIDM may update these FAQs from time to time to reflect further developments and clarifications arising from the implementation of the OCIR Guidance Paper.

Section 1: Leverageable Areas and General Questions

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No.	Question	Answer
Leverageable Areas		
1.	To what extent can existing BNM Recovery Planning ("RCP") information be leveraged for OCIR Guidance Paper purposes?	The ability to leverage RCP information depends on the transfer option defined by PIDM. Where the transfer option is at the entity level, much of the information prepared for RCP may be reused . For example, DTMs may leverage existing RCP work relating to the identification of intra-group and external operational dependencies, as well as assessments of the materiality of operational services and dependencies. However, DTMs are encouraged to take into consideration the additional OCIR requirements and ensure that any enhancements made for RCP also support resolution readiness.
2.	Can DTMs leverage compliance with existing BNM Policy Documents, such as Outsourcing and Recovery Planning, to meet OCIR requirements?	Yes. PIDM has reviewed the OCIR requirements against relevant BNM policy documents to minimise duplication . Nevertheless, DTMs should ensure that existing arrangements adequately address the specific OCIR objective of maintaining continuity of operational dependencies upon entry into resolution.

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No.	Question	Answer
General		
3.	How are the terms "Critical Function", "Critical Shared Services" and "Core Business Line" defined for the purposes of OCIR, and are these definitions consistent with RCP Policy Documents?	These terms are aligned with the definitions set out in BNM's RCP Policy Document and are also reflected in the RAF Guidelines Glossary . DTMs may therefore apply the same definitions used for RCP purposes when identifying and assessing Critical Functions, Critical Shared Services, and Core Business Lines under the OCIR Guidance Paper.
4.	Are DTMs required to comply with OCIR requirements across all three transfer-option approaches?	DTMs are required to comply with OCIR requirements based on the transfer perimeter determined by PIDM. As implementation follows a phased approach, DTMs are not expected to demonstrate readiness for all transfer-option approaches simultaneously .

Section 2: Identification and Mapping of Operational Dependencies

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No.	Question	Answer
Listing and Mapping		
5.	Can existing assessments of internal and external service providers prepared for RCP be considered as compliant with OCIR requirements? What is the difference in scope of dependencies between the RCP Policy Document and the OCIR Guidance Paper?	Partially. OCIR introduces an additional requirement to identify and map intra-entity operational dependencies. In addition, OCIR requires the inclusion of resolution-resilient contractual clauses , which are beyond the scope of RCP requirements. While RCP focuses primarily on operational dependencies relevant to recovery scenarios, OCIR requires broader consideration of operational continuity during resolution, including intra-entity dependencies, contractual resilience, and transferability considerations.
6.	What does PIDM mean by "critical employees", and what information should DTMs provide?	"Critical employees" refers to the key posts or positions that support the provision of operational services . DTMs are not required to provide the names of individuals. The objective is to ensure that these

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		critical roles remain adequately staffed upon entry into resolution and throughout the resolution process.
7.	How frequently should DTMs update their listing and mapping of operational dependencies? Are there different expectations during BAU periods and during Point A: Before entry into resolution of the stress continuum?	As outlined in Paragraph 3.1.8 of the OCIR Guidance Paper, DTMs are required to review and update the listing and mapping of operational dependencies at least annually, or more frequently where there are material changes (e.g. new outsourcing arrangements, system migrations, organisational restructuring). These information should be made available to PIDM upon request. However, as a DTM approaches resolution, PIDM may request more current information or additional updates.

Section 3: Assessment of the Materiality of Operational Dependencies

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No.	Question	Answer
Assessing Materiality		
8.	Does PIDM prescribe a specific methodology or standardised calibration threshold for assessing the materiality of operational dependencies?	No. DTMs may leverage their existing methodologies in assessing materiality of operational services. PIDM does not prescribe a common calibration framework. DTMs are expected to apply methodologies that are appropriate to their business model and operational structure while meeting the principles outlined in Section 3.2 of the OCIR Guidance Paper.

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Section 4: Demonstration of Contractual Resilience

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No.	Question	Answer
Incorporation of Resolution-Resilient Clauses		
9.	Are resolution-resilient contractual clauses required for intra-group and intra-entity operational dependencies, including services provided by a parent entity?	Yes. Where such dependencies support material operational services or critical shared services and are governed by service level agreements or similar contractual arrangements , resolution-resilient provisions should be incorporated where appropriate.
10.	Must DTMs adopt the specific wording provided in Paragraph 3.3.3.1 of the OCIR Guidance Paper as the resolution-resilient contractual clause?	No. Paragraph 3.3.3.1 of the OCIR Guidance Paper sets out intended outcomes which the resolution resilient contractual clause should achieve . DTMs may determine the wordings used provided that the contractual provisions can demonstrably support continuity of services during resolution and throughout the resolution process with sufficient legal certainty.
11.	Will PIDM provide guidance on prioritising services for implementation of resolution-resilient contractual clauses?	Yes. As set out in paragraph 3.3.3.3 of the OCIR Guidance Paper, the implementation of resolution-resilient contracts may be carried out in phases, with priority given to unique services, particularly those related to information technology. Unique services refer to services that are customised or proprietary in nature, have limited or no substitutability, and are difficult to source or replace with standard off-the-shelf solutions from alternative providers. DTMs should take these characteristics into consideration when prioritising services for contractual remediation.
12.	Are DTMs expected to achieve specific implementation thresholds for resolution-resilient contractual clauses during the phased implementation	No. PIDM does not prescribe specific quantitative thresholds for implementation across the phased timeline. However, where gaps or impediments are identified, DTMs should outline a reasonable implementation timeline and corresponding actions in their Remediation Action Plan. The plan should clearly

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No.	Question	Answer
	period (e.g., 80% in Year 1, 90% in Year 2)?	demonstrate how the DTM intends to address the impediment and progressively achieve the expectation to establish resolution-resilient contractual arrangements for material operational services.
13.	If legacy contracts of the DTM treat entry into resolution as a termination event, would an implementation plan supported by interim mitigants be acceptable while contractual amendments are being negotiated?	Potentially, subject to PIDM's assessment. DTMs should demonstrate that interim mitigants are effective and such arrangements should be clearly documented in the Self-Assessment Report . DTMs should note that contractual addenda may be used to amend existing agreements.
14.	Can pre-agreed group-level fallback arrangements, such as dual-provider models, be considered acceptable mitigants?	Dual provider arrangements may support the assessment of substitutability by reducing reliance on a single service provider. However, DTMs should also demonstrate that operational services would continue upon entry into resolution and remain available throughout the resolution period, including where services are required to support a transfer to an acquirer. The effectiveness of the arrangement should therefore be assessed holistically rather than solely from a substitutability perspective.
Transitional Service Agreement ("TSA")		
15.	How should DTMs demonstrate readiness to develop and implement a TSA? Should a draft TSA be ready by Point A: Before entry into resolution and the final agreement be executed by Point B: Upon entry into resolution?	DTMs are expected to demonstrate the capability to implement a TSA promptly upon the execution of the transfer strategy, where necessary. PIDM does not expect DTMs to have fully executed TSA agreements in place at Point A (Before Entry into Resolution). However, DTMs should be able to demonstrate readiness to develop and implement a TSA within a short timeframe if required. This includes maintaining current and complete information as specified in paragraph 3.1.2 of the OCIR Guidance Paper.

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		By Point C (After Entry into Resolution), a TSA should be capable of being implemented promptly to ensure continuity of critical shared services and material operational services without disruption to critical functions or core business lines.

Section 5: Self-Assessment Report and Checklist

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No.	Question	Answer
Content of Self-Assessment Report		
16.	Does PIDM expect DTMs to include an Executive Summary in the OCIR Self-Assessment Report? If so, what should be included?	Yes. The Self-Assessment Report should include an Executive Summary setting out the DTM's overall assessment of its OCIR capabilities, including key arrangements currently in place to support orderly resolution and any material gaps or limitations identified. The report should also include: (i) a Capability Assessment describing how the DTM meets the relevant expectations and assessing any gaps using the prescribed grading scale; and (ii) a Remediation Action Plan outlining identified impediments, proposed mitigating actions, implementation timelines, responsible personnel, and required resources.
Supporting Evidence for Self-Assessment Checklist		
17.	What supporting evidence should be provided for Appendix 1 of Self-Assessment Checklist?	DTMs are not expected to provide full repository access. Sample evidence will generally be sufficient, provided it is representative and allows PIDM to assess compliance with the relevant expectation. Examples of supporting evidence are provided in the OCIR Guidance Paper, including but not limited to, snapshots of structured inventory table, sample contract extracts, exception registers documenting contracts where resolution-resilient clauses could not

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		be implemented, together with the reasons and alternative mitigating measures adopted. DTMs are encouraged to cross-reference the supporting evidence to the relevant requirement in the checklist and the corresponding section of the Self-Assessment Report to facilitate traceability and assessment.
Grading Scale for Self-Assessment Checklist		
18.	How should DTMs assign the assessment rating for requirements in the OCIR Self-Assessment Checklist?	DTMs should assign the assessment based on the effectiveness of the underlying capability, framework, process, and operational readiness. This includes completeness and consistency rather than solely on the existence of supporting documentation. The following provides illustrative guidance on applying the grading scale: (a) No Improvements Required – The capability is fully established, implemented, maintained, and supported by appropriate evidence. No material gaps or issues are identified. (b) Minor Improvements Required – The capability is substantially established and implemented, with most key elements in place. Any gaps are limited in scope and relate primarily to refinement, documentation, completeness, consistency, governance, or coverage. These gaps are not expected to materially impede execution of the transfer strategy. For example, an operational dependency inventory has been established and is largely complete, but certain data fields or dependencies remain to be updated or validated. (c) Major Improvements Required – The capability is not fully established or implemented, and

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		significant gaps exist in key components of the framework, process, governance, data, contractual arrangements, or operational readiness. These gaps may materially impede execution of the transfer strategy and require substantial remediation. For example, significant operational dependencies have not been identified or mapped, or the DTM is unable to demonstrate a consolidated view of operational dependencies supporting critical functions and/or core business lines. (d) Not Applicable – The requirement is genuinely not relevant to the DTM's circumstances. Appropriate justification should be provided for PIDM's consideration. Where a requirement is assessed as Minor Improvements Required or Major Improvements Required, the DTM should explain the nature of the gap and, where applicable, include corresponding remediation actions in the Remediation Action Plan.