



Perbadanan Insurans Deposit Malaysia
Protecting Your Insurance And Deposits In Malaysia

**GUIDANCE NOTE ON TRANSITION PERIOD REPORTING
UNDER THE REVISED DIFFERENTIAL PREMIUM
SYSTEMS FRAMEWORK**

ISSUE DATE : 8 SEPTEMBER 2023



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PART 1: INTRODUCTION

1.0 BACKGROUND

1.1 Pursuant to the Malaysia Deposit Insurance Corporation (Differential Premium Systems in respect of Deposit-Taking Members) Regulations 2023,¹ deposit-taking members (“DTMs”) shall be assessed for premium purposes as follows:

- (a) under the existing differential premium system (“DPS”) framework for assessment year (“AY”) 2023 and AY 2024; and
- (b) under a revised DPS framework for AY 2025 onwards. The revised DPS framework consists of two (2) assessment criteria, namely the “safety and soundness criteria” and the “resolution centric criteria” (“RCC”), to promote an effective incentive mechanism.

1.2 Based on the revised DPS framework, PIDM recognises that DTMs may require time to implement the new RCC indicators, including to make necessary system and process enhancement and recalibrate performance expectations. In this regard, PIDM has put in place a transitional arrangement where DTMs will be required to submit information pertaining to the RCC indicators (“DPS Transition Period Reporting”) in order to facilitate DTMs in the implementation of the requirements of the revised DPS framework. This way, PIDM will also have the opportunity to gather input on the reporting forms for refinement, if necessary. DTMs will continue to be assessed under the existing DPS framework for premium charges during the transition period.

1.3 This guidance note is issued as part of the revised DPS framework’s transitional arrangement to provide details and requirements pertaining to the submission of the DPS Transition Period Reporting.

2.0 TRANSITION PERIOD REPORTING EFFECTIVE DATE

2.1 DTMs are required to submit the DPS Transition Period Reporting for two (2) years i.e. AY 2023 and AY 2024 (“transition period”).

¹ Came into force on 21 July 2023.

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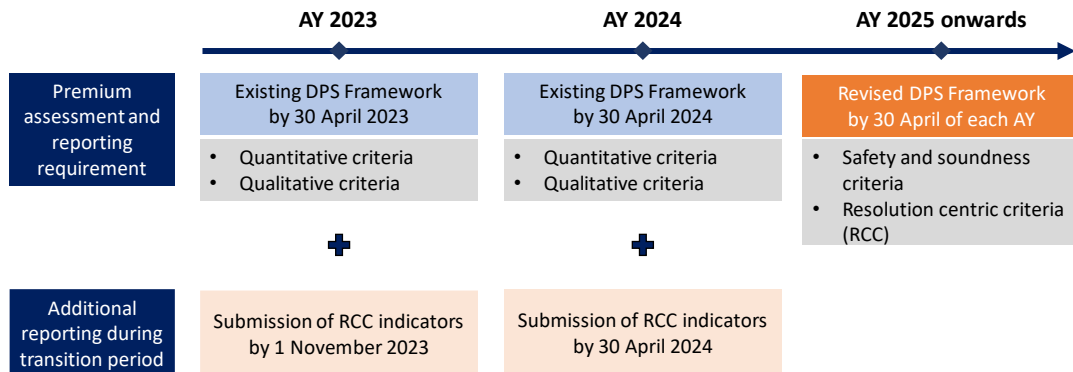
2.2 For the avoidance of doubt, during the transition period, DTMs are required to submit information to PIDM as follows:

- (a) Reporting information required for DPS assessment under the existing DPS framework as set out in the Guidelines on the Differential Premium Systems for Deposit Insurance System (issued on 30 March 2020), which remains effective until the revised DPS framework comes into force for AY 2025;
- (b) DPS Transition Period Reporting required in respect of the revised DPS framework under the transition period as stipulated in this guidance note.

2.3 DTMs are required to submit the DPS Transition Period Reporting (in pre-formatted template) by 1 November 2023 (for AY 2023 reporting) and by 30 April 2024 (for AY 2024 reporting), through PIDM’s Industry Portal.

2.4 The diagram below summarised the detailed requirements of the DPS framework from AY 2023 and AY 2025 onwards:

Diagram 1: Detailed requirements of DPS framework



2.5 The RCC indicators are computed at entity level. For clarity, conventional DTMs carrying Islamic banking businesses are not required to compute the RCC indicators separately for its conventional and Islamic banking businesses.

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PART 2: REVISED DPS FRAMEWORK

3.0 OVERVIEW OF THE REVISED DPS FRAMEWORK

3.1 The revised DPS Framework incorporates two (2) main areas of assessment, namely the “safety and soundness criteria” and the “resolution centric criteria” which aim to differentiate the risk profiles of DTMs while providing incentives towards resolvability. The framework also introduces the linear interpolation method in the RCC assessment as a mean to improve the fairness and effectiveness of the incentive structure.

3.2 The table below illustrates the overall revised DPS Framework and the premium rate formula:

Table 1: Revised DPS Framework

Assessment Criteria	Framework Components	Description
Safety & Soundness Criteria	<p>Based on BNM’s Supervisory Rating or Composite Risk Rating.</p> <p>Forms the basis for a DTM’s Risk Grade and the corresponding Base Premium Rate (“BPR”).</p> <p>A measure to differentiate DTMs by their risk profiles and management control functions.</p>	<p>The BPR represents the maximum premium rate payable by each DTM depending on their Risk Grade.</p> <p>A higher BPR will apply as a DTM’s risk profile deteriorates.</p>
Resolution Centric Criteria	<p>RCC comprise the three (3) indicators below: -</p> <ol style="list-style-type: none"> 1) Free Tangible Asset Cover Ratio 2) Net Impaired Asset Cover Ratio 3) Composition of Core Funds <p>Provides incentives from a resolvability standpoint. The</p>	<p>The score for RCC indicators within the applicable thresholds are determined via a linear interpolation method and are accorded equal weightage in arriving at the total weighted RCC score.</p> <p>The total weighted RCC score sets the basis for a downward</p>

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Assessment Criteria	Framework Components	Description
	indicators serve as proxy for measuring loss in the event of failure, which consider balance sheet strength, capacity to absorb loss and funding stability.	<p>adjustment (“RCC Adjustment”) of up to 50% from the BPR.</p> <p>Computation for both are as below: -</p> <ol style="list-style-type: none"> Total Weighted RCC Score = \sum RCC indicators’ weighted average score RCC Adjustment = Total Weighted RCC Score x 50% x BPR
Premium Rate	Premium Rate = BPR - [Total Weighted RCC Score x 50% x BPR]	The Premium Rate is multiplied by Total Insured Deposits to determine total premium payable by each DTM.

4.0 ASSESSMENT CRITERIA UNDER THE REVISED DPS FRAMEWORK

Safety and Soundness Criteria Assessment

- 4.1 The assessment of the safety and soundness criteria is anchored on BNM’s supervisory rating as a means to differentiate DTMs by their risk profiles, considering the comprehensiveness and robustness of BNM’s risk-based supervisory framework.
- 4.2 The supervisory rating is mapped to a Risk Grade which represents the safety and soundness criteria assessment. The Risk Grade will accordingly set the basis for a corresponding Base Premium Rate².

² Base premium rate as prescribed in the Malaysia Deposit Insurance Corporation (Rates for First Premium and Annual Premium in Respect of Deposit-Taking Members) Order 2023

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Table 2: Supervisory Rating and Risk Grade

Supervisory Rating	Risk Grade
Low or equivalent	1
Moderate or equivalent	2
Above Average or equivalent	3
High or equivalent	4

Resolution Centric Criteria Assessment

- 4.3 The quantitative indicators under the RCC assessment, comprising free tangible assets cover ratio, net impaired assets cover ratio and composition of core funds, serve as the proxy for measuring loss in the event of failure as they represent some of the components influencing losses in resolution.
- 4.4 The three (3) indicators are accorded equal weightage with a weighted rate of one third (1/3) to arrive at the weighted score for each RCC indicator. The sum of the weighted scores for all of the indicators shall provide the total weighted RCC score.

Indicator 1: Free Tangible Asset Cover (“FTAC”) Ratio

- 4.5 The FTAC ratio measures the sufficiency of free tangible assets to meet non-capital related liabilities. The greater the value of a DTM’s free tangible assets vis-à-vis its liability, the lower the expected losses to be borne by senior unsecured claimants in resolution.
- 4.6 The formula to calculate the FTAC ratio is as follows:

$$\frac{\text{Free Tangible Assets}}{\text{Non-Capital Related Liabilities}}$$

- 4.7 Free tangible assets is computed as follows:

$$\text{Total Assets} - (\text{Goodwill and Other Intangibles} + \text{Deferred Tax Assets} + \text{Loans/ Financing Sold to Cagamas} + \text{Assets Pledged for Repurchase Agreement} + \text{Assets funded by Investment Accounts} + \text{Other Pledged Assets})$$

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Notes:

- (a) Goodwill and other intangibles is as deducted under the regulatory adjustments, as specified in BNM’s Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components).
- (b) Deferred tax assets is as deducted under the regulatory adjustments, as specified in BNM’s Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components).
- (c) Loans/financing sold to Cagamas refers to loans/financing sold to Cagamas Berhad (the National Mortgage Corporation of Malaysia) with recourse.
- (d) Assets pledged for repurchase agreement (“Repo”) refers to Repo Securities held-in-custody for (i) conventional Repo transactions as per BNM’s Repurchase Agreement Transactions policy document; and (ii) Islamic repo transaction such as Sell and Buy Back Agreement (“SBBA”) and Collateralised Commodity Murabahah (“CCM”).
- (e) Assets funded by investment accounts (“IA”) (on-balance sheet), including loans/financing, financial assets and/or other assets.
- (f) Other pledged assets refers to all other forms of pledged assets which will not be available to meet senior unsecured claimants in resolution. For example, assets pledged (either explicitly or implicitly) to secure, collateralised or credit-enhance any transaction, including where the asset is designated to support the DTM’s access to the Restricted Committed Liquidity Facilities (“RCLF”)³.

4.8 Non-Capital Related Liabilities is computed as follows:

Total Liabilities – (Recourse Obligations on Loans/Financing Sold to Cagamas + Repurchase Agreement + Investment Accounts + Additional Tier 1 & Tier 2 Capital Instruments + Other Secured Liabilities)

³ For the avoidance of doubt, assets that have been pre-positioned or deposited with, or pledged to the central bank (excluding RCLF), a public sector entity or a payment and settlement system, which have not been used to generate liquidity shall not be treated as pledged assets.

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Notes:

- (a) Recourse obligations on loans/financing sold to Cagamas refers to outstanding obligations arising from loans/financing sold to Cagamas Berhad (the National Mortgage Corporation of Malaysia) with recourse basis.
- (b) Repurchase agreement refers to (i) conventional Repo transactions entered by DTMs as per BNM’s Repurchase Agreement Transactions policy document; and (ii) Islamic Repo transaction entered by DTMs such as SBBA and CCM.
- (c) Investment accounts refer to on-balance sheet restricted IA and unrestricted IA as specified under BNM’s policy document on Investment Account.
- (d) Additional Tier 1⁴ (“AT1”) and Tier 2 capital instruments as specified under BNM’s Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components). DTMs shall report the outstanding amount (principal and accrued interest) of both capital instruments.
- (e) Other secured liabilities include all other liabilities that are backed by other pledged assets in paragraph 4.6 (f).

A DTM’s FTAC ratio shall be scored based on the following threshold:

Table 3: FTAC Ratio Threshold and Score

Threshold	Score
FTAC ratio \geq 1.3 times	100%
1 time < FTAC ratio < 1.3 times	Interpolated*
FTAC ratio \leq 1 time	0%

**The detailed explanation of linear interpolation method is provided under Paragraph 5.*

⁴ Classified as financial liabilities under applicable Malaysian Financial Reporting Standards.

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Indicator 2: Net Impaired Asset Cover (“NIAC”) Ratio

4.9 The NIAC ratio measures a DTM’s capital level in excess of minimum regulatory capital ratio of 8% against potential credit losses arising from impaired assets (including loans and financing, investment securities and other assets) which reflect the DTM’s credit risk profile. The ratio provides incentives for strong capital buffers, while promoting sound credit underwriting standards. A higher NIAC ratio represents better capacity to absorb losses vis-à-vis a DTM’s credit risk profile.

4.10 The formula to calculate the NIAC ratio is as follows:

$$\frac{\text{Total Capital} - (\text{Total Risk-Weighted Assets} \times \text{Regulatory Minimum Total Capital Ratio})}{\text{Adjusted Net Impaired Assets}}$$

Notes:

- (a) Total capital is as defined under BNM’s policy document on Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components). The total capital amount shall be after deducting proposed dividend, if any. The proposed dividend deducted from total capital is allowed to be reduced by a portion of dividend to be reinvested by shareholders under dividend reinvestment plan (“DRP”), subject to meeting the requirements as stipulated under BNM’s Implementation Guidance on Capital Adequacy Framework (Capital Components).
- (b) Total risk-weighted assets is as defined under BNM’s policy document on Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components).
- (c) Regulatory minimum total capital ratio is defined as 8% for purposes of computation of the NIAC ratio.
- (d) Adjusted net impaired assets refers to the following:
 - (i) Net impaired assets comprise on-balance sheet and off-balance sheet impaired assets and are derived as follows:

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Table 4: Impaired Assets and Computation of Net Impaired Assets

Impaired Assets	Computation of Net Impaired Assets
<ul style="list-style-type: none"> Impaired loans / financing Impaired financial investments at amortised cost Other impaired assets 	Gross carrying amount classified as credit impaired less lifetime expected credit losses (“ECL”) credit impaired (Stage 3)
<ul style="list-style-type: none"> Impaired financial investments at fair value through other comprehensive income (“FVOCI”) 	Carrying amount classified as credit impaired at fair value* (Stage 3)
<ul style="list-style-type: none"> Impaired loan commitments and financial guarantee contracts 	Credit equivalent amount classified as credit impaired less lifetime ECL credit impaired (Stage 3)

**The ECL do not reduce the carrying amount of financial investments at FVOCI in the statement of financial position which remains at fair value.*

- (ii) Net impaired assets computed based on paragraph 4.10(d)(i) shall be adjusted for IA placements as follows:
- Net impaired assets attributed to IA placements shall be included in the net impaired assets of the DTMs making an IA placement⁵; and
 - Net impaired assets funded by IA shall be excluded from the net impaired assets of the DTMs receiving an IA placement⁶. For IA placements not recognised as an on-balance sheet item, no adjustment is required.

⁵ If the net impaired assets attributed to IA placements has been reflected in the net impaired assets as described in paragraph 4.10(d)(i), no further adjustment is required.

⁶ IA placement from customer and financial institutions such as restricted IA placements and unrestricted IA placements.

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A DTM's NIAC ratio shall be scored based on the following threshold:

Table 5: NIAC Ratio Threshold and Score

Threshold	Score
Net impaired asset cover ratio \geq 3 times	100%
1 time < Net impaired asset cover ratio < 3 times	Interpolated*
Net impaired asset cover ratio \leq 1 time	0%

*The detailed explanation of linear interpolation method is provided under Paragraph 5.

Indicator 3: Composition of Core Funds (“CCF”)

4.11 The CCF incentives DTMs that maintain a stable liability structure, which will minimize the probability of bank-run during stress period that will erode franchise value of the institution, thus increasing the probability of PIDM to recover cost in resolution.

4.12 The formula to calculate the CCF is as follows:

$$\frac{\text{Total Core Funds}}{\text{Total Available Funds}} \times 100\%$$

Notes:

- (a) Total core funds is the sum of the following deposits/borrowings:
 - (i) Retail deposits;
 - (ii) Small business customers;
 - (iii) Operational deposits;
 - (iv) Non-financial corporates, sovereigns, central banks, multilateral development banks (“MDBs”) and public sector entities (“PSEs”), with the remaining maturity of more than one (1) year;
 - (v) Recourse obligation on loans and financing sold to Cagamas;
 - (vi) All debt instruments such as subordinated debts, debts/certificates/Sukuk issued, commercial papers, structured notes or products with the remaining maturity of more than one (1) year. For clarity, the computation of debt instruments includes Tier 2 capital

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instruments and excludes AT1 capital instruments reported as financial liabilities⁷; and

(vii) Other borrowings in the form of term loans or syndicated loans, with the remaining maturity of more than one (1) year.

(b) Total available funds: Sum of deposits from customers, deposits and placements of banks and other financial institutions (including interbank borrowings), recourse obligation on loans and financing sold to Cagamas, Repo, all debt instruments (excluding AT1 capital instruments reported as financial liabilities) and other borrowings.

A DTM's CCF shall be scored based on the following threshold:

Table 6: CCF Threshold and Score

Threshold	Score
Composition of core funds \geq 50%	100%
$0\% \leq$ Composition of core funds $<$ 50%	Interpolated*

*The detailed explanation of linear interpolation method is provided under Paragraph 5.

5.0 LINEAR INTERPOLATION METHOD FOR RCC INDICATOR SCORE

5.1 The score for the RCC indicator within the applicable threshold is determined via a linear interpolation method based on the upper and lower range of the threshold, based on the DTM's result for the respective indicators. A DTM with an RCC indicator that meets or exceeds the upper threshold would obtain a score of 100%. Conversely, if the RCC indicator is at or falls below the lower threshold, the DTM would not obtain any score.

5.2 The score of interpolated shall be computed using the following linear interpolation formula:

$$\frac{A - B}{C - B} \times 100\%$$

⁷ The CCF computation excludes AT1 capital instruments from both the numerator and denominator, given its feature for loss absorption on a going concern basis.

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Where,

A is the result of the DTM for the relevant indicator;

B is the minimum result attainable for the relevant indicator; and

C is the maximum result attainable for the relevant indicator.

- 5.3 An example of a DTM's score for an RCC indicator based on the linear interpolation method is outlined below:

Illustration 1: Computation of DTM's score for FTAC ratio based on linear interpolation method

The threshold and the corresponding scores for the FTAC ratio are as follows:

Threshold	Score (%)
FTAC ratio \geq 1.3 times	100
1 time < FTAC ratio < 1.3 times	Interpolated
FTAC ratio \leq 1 time	0

The table below sets out the FTAC ratio and corresponding scores for four (4) hypothetical DTMs. The score for DTM C is determined based on the linear interpolation method, as the ratio falls within the applicable threshold.

DTM	FTAC Ratio	Score	Remarks
DTM A	0.84	0%	DTM accorded zero score as the ratio falls below the lowest threshold point
DTM B	1.00	0%	DTM accorded zero score as the ratio falls below the lowest threshold point
DTM C	1.22	73.33%	The score is determined based on the linear interpolation method
DTM D	1.38	100%	DTM accorded the full score as the ratio exceeds the highest threshold point

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The computation of the score for DTM C is derived as follows:

DTM	FTAC Ratio (A)	Lowest Threshold (B)	Highest Threshold (C)	Interpolation Method	Score
DTM C	1.22	1.00	1.30	$\frac{1.22 - 1.00}{1.30 - 1.00} \times 100\%$	73.33%

6.0 INSUFFICIENT INFORMATION

6.1 Where there is insufficient quantitative information to calculate the score of any of the RCC indicators, a nil score will be assigned to that RCC indicator.



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PART 3: SUBMISSION OF INFORMATION UNDER RCC ASSESSMENT

7.0 REPORTING REQUIREMENTS

- 7.1 Unless otherwise specified, all quantitative information shall be obtained from the DTM's financial statements as at 31 December of the preceding assessment year. The financial statements shall mean the following:
- (a) for a DTM with 31 December financial year end: its annual financial statement;
 - (b) for a DTM with non-31 December financial year end: its interim financial statements; or
 - (c) for a DTM with non-31 December financial year end and the interim reporting period does not end in December: its management accounts.
- 7.2 The source of information for all quantitative information in the DPS Transition Period Reporting forms is detailed out in paragraph 8.
- 7.3 All DTMs must use the pre-formatted DPS Transition Period Reporting forms provided by PIDM for the RCC indicators submission. A DTM must also ensure that no alteration or amendment is made to these reporting forms.
- 7.4 All indicators and scores shall be expressed to two (2) decimal points.

PART 4: SOURCE OF INFORMATION

8.0 SOURCE OF INFORMATION

8.1 The table below sets out the sources of information for the computation of the RCC indicators.

Table 7: Source of Information

No.	Data Requirement	Source of Information	Remarks
Free Tangible Asset Cover Ratio			
1	Total assets	Annual financial statements/ Interim financial statements/ Management accounts	
2	Goodwill and other intangibles	BNM's Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) - C.3(RegAdj) 1)Regulatory adjustments applied in the calculation of CET1 Capital (Summation of Cell D9, D12 and D15)	Reference to Paragraph 19 of BNM's Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components).
3	Deferred tax assets	BNM's Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) - C.3(RegAdj) 1)Regulatory adjustments applied in the calculation of CET1 Capital (Cell D18)	Reference to Paragraph 20 of BNM's Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components).
4	Loans/financing sold to Cagamas with recourse	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not

No.	Data Requirement	Source of Information	Remarks
			available in the financial statements.
5	Assets pledged for repurchase agreement	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.
6	Assets funded by IA (on-balance sheet) - loans/ financing, financial assets and other assets	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.
7	Other pledged assets	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.
8	Total liabilities	Annual financial statements/ Interim financial statements/ Management accounts	
9	Recourse obligations to Cagamas	Annual financial statements/ Interim financial statements/ Management accounts	
10	Repurchase agreement	Annual financial statements/ Interim financial statements/ Management accounts	
11	Investment accounts	Annual financial statements/ Interim financial statements/ Management accounts	On-balance sheet restricted IA and unrestricted IA as specified under BNM's policy document on Investment Account
12	Additional tier-1 capital instruments	Annual financial statements/ Interim financial statements/ Management accounts	Refers to the outstanding amount (principal and accrued interest).

No.	Data Requirement	Source of Information	Remarks
13	Tier-2 capital instruments	Annual financial statements/ Interim financial statements/ Management accounts	Refers to the outstanding amount (principal and accrued interest).
14	Other secured liabilities	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.
Net Impaired Asset Cover Ratio			
1	Total capital (before proposed dividend)	Annual financial statements/ Interim financial statements/ Management accounts	
2	Proposed dividend	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.
3	Dividend to be reinvested under DRP	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements. Portion of declared dividend to be reinvested by shareholders under DRP, subject to meeting the requirements as stipulated under BNM Implementation Guidance on Capital Adequacy Framework (Capital Components).
4	Total risk-weighted assets	Annual financial statements/ Interim financial statements/ Management accounts	

No.	Data Requirement	Source of Information	Remarks
5	Gross carrying amount of loans/financing classified as credit impaired less lifetime ECL credit impaired (Stage 3)	Annual financial statements/ Interim financial statements/ Management accounts	
6	Gross carrying amount of financial investments at amortised cost classified as credit impaired less lifetime ECL credit impaired (Stage 3)	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.
7	Gross carrying amount of other impaired assets classified as credit impaired less lifetime ECL credit impaired (Stage 3)	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.
8	Carrying amount of financial investments at FVOCI classified as credit impaired (Stage 3)	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.
9	Credit equivalent amount of loan commitments and financial guarantee contracts classified as credit impaired less lifetime ECL credit impaired (Stage 3)	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.

No.	Data Requirement	Source of Information	Remarks
10	<p>Net impaired assets attributed to IA placement –</p> <ul style="list-style-type: none"> i. Gross carrying amount of loans/financing classified as credit impaired less lifetime ECL credit impaired (Stage 3) ii. Gross carrying amount of financial investments at amortised cost classified as credit impaired less lifetime ECL credit impaired (Stage 3) iii. Gross carrying amount of other impaired assets classified as credit impaired less lifetime ECL credit impaired (Stage 3) iv. Carrying amount of financial investments at FVOCI classified as credit impaired (Stage 3) v. Credit equivalent amount of loan commitments and financial guarantee 	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.

No.	Data Requirement	Source of Information	Remarks
	contracts classified as credit impaired less lifetime ECL credit impaired (Stage 3)		
11	<p>Net impaired assets funded by IA</p> <ul style="list-style-type: none"> i. Gross carrying amount of loans/financing classified as credit impaired less lifetime ECL credit impaired (Stage 3) ii. Gross carrying amount of financial investments at amortised cost classified as credit impaired less lifetime ECL credit impaired (Stage 3) iii. Gross carrying amount of other impaired assets classified as credit impaired less lifetime ECL credit impaired (Stage 3) iv. Carrying amount of financial investments at FVOCI classified 	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.

No.	Data Requirement	Source of Information	Remarks
	as credit impaired (Stage 3) v. Credit equivalent amount of loan commitments and financial guarantee contracts classified as credit impaired less lifetime ECL credit impaired (Stage 3)		
Composition of Core Funds			
1	Retail deposits	BNM's Liquidity Coverage Ratio ("LCR") - Monitoring Tools (Table 2b: Contractual Maturity Mismatch) – "Total Amount" (Cell K5)	DTMs shall source these items from the LCR submission to BNM, based on entity level reporting requirements. For a DTM with a Labuan banking subsidiary, the amount reported for these items shall exclude the Labuan banking subsidiary's exposure.
2	Small business customers	BNM's LCR - Monitoring Tools (Table 2b: Contractual Maturity Mismatch) – "Total Amount" (Cell K9)	
3	Operational deposits	BNM's LCR – Table 1a: LCR Main (Summation of Cell D:117, 118, 120, 121, 123,124, 126 & 127)	
4	Non-financial corporates, with the remaining maturity of more than one (1) year	BNM's LCR - Monitoring Tools (Table 2b: Contractual Maturity Mismatch) – "Total Amount" (Cell I10)	
5	Sovereigns, central banks, MDBs and PSEs with the remaining maturity	BNM's LCR - Monitoring Tools (Table 2b: Contractual Maturity Mismatch) – "Total Amount" (Cell I11)	

No.	Data Requirement	Source of Information	Remarks
	of more than one (1) year		
6	Recourse obligation on loans and financing sold to Cagamas	Annual financial statements/ Interim financial statements/ Management accounts	
7	All debt instruments with remaining maturity of more than one (1) year	Annual financial statements/ Interim financial statements/ Management accounts	Exclude AT1 capital instruments reported as financial liabilities. This item shall be sourced from a DTM's internal records if it is not available in the financial statements.
8	Other borrowings with remaining maturity of more than one (1) year	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be sourced from a DTM's internal records if it is not available in the financial statements.
9	Deposits from customers	Annual financial statements/ Interim financial statements/ Management accounts	
10	Deposits and placements of banks and other financial institutions	Annual financial statements/ Interim financial statements/ Management accounts	
11	Repurchase agreement	Annual financial statements/ Interim financial statements/ Management accounts	
12	All debt instruments	Annual financial statements/ Interim financial statements/ Management accounts	Exclude AT1 capital instruments reported as financial liabilities.



Perbadanan Insurans Deposit Malaysia
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TITLE	Guidance Note on Transition Period Reporting Under the Revised Differential Premium Systems Framework
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No.	Data Requirement	Source of Information	Remarks
13	Other borrowings	Annual financial statements/ Interim financial statements/ Management accounts	

Perbadanan Insurans Deposit Malaysia
8 September 2023