Perbadanan Insurans Deposit Malaysia
Protecting Your Insurance And Deposits In Malaysia

GUIDELINES ON THE DIFFERENTIAL PREMIUM SYSTEMS FOR DEPOSIT INSURANCE SYSTEM

ISSUE DATE : 31 JANUARY 2019

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PART 1: INTRODUCTION

1.1 Perbadanan Insurans Deposit Malaysia (“PIDM”) introduced the Differential Premium Systems (“DPS”) framework for deposit-taking members (“DTMs”) in 2008. The objectives of implementing the DPS framework are as follows:

(a) to differentiate DTMs according to their risk profiles;

(b) to provide incentives for DTMs to adopt sound risk management practices;

(c) to introduce greater fairness into the premium assessment process where DTMs that are assessed to be of higher risk would pay higher premiums compared to those that are assessed to be of lower risk; and

(d) to promote stability of the financial system via the overall improvement in risk management practices of DTMs.

1.2 As part of the continuous review process, PIDM enhances the DPS framework from time to time to cater to the changes in the regulatory developments and operating environment.

1.3 The Guidelines on the Differential Premium Systems for Deposit Insurance System (“DPS Guidelines”) sets out the assessment approach under the DPS framework, including the formula, threshold and score range of each of the indicators under the quantitative and qualitative criteria. The DPS Guidelines also sets out requirements for reporting and submission of quantitative information by DTMs to PIDM for the purpose of determining the overall DPS score and premium category.

1.4 The DPS Guidelines will be effective beginning assessment year 2019 and shall supersede the Guidelines on the Differential Premium Systems for Deposit Insurance System issued on 17 November 2017.

1.5 Unless expressly stated otherwise, any information or document required to be submitted to PIDM under the DPS Guidelines including any letter, report, form, returns and action plan, shall be submitted online through PIDM’s portal. The original hard copy shall be kept by the DTMs.

1.6 A reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them.

1.7 Enquiries relating to the DPS Guidelines may be directed to dps@pidm.gov.my.

PART 2: SCOPE OF APPLICATION

2.1 The DPS Guidelines are applicable to all DTMs. Additionally, a conventional DTM that is approved under subsection 15(1) of the Financial Services Act 2013 [*Act 758*] to carry on Islamic banking business shall apply the requirements in the DPS Guidelines separately for its conventional and Islamic banking businesses.

2.2 Failure to comply with the DPS Guidelines is a punishable offence.

PART 3: THE DIFFERENTIAL PREMIUM SYSTEMS FRAMEWORK

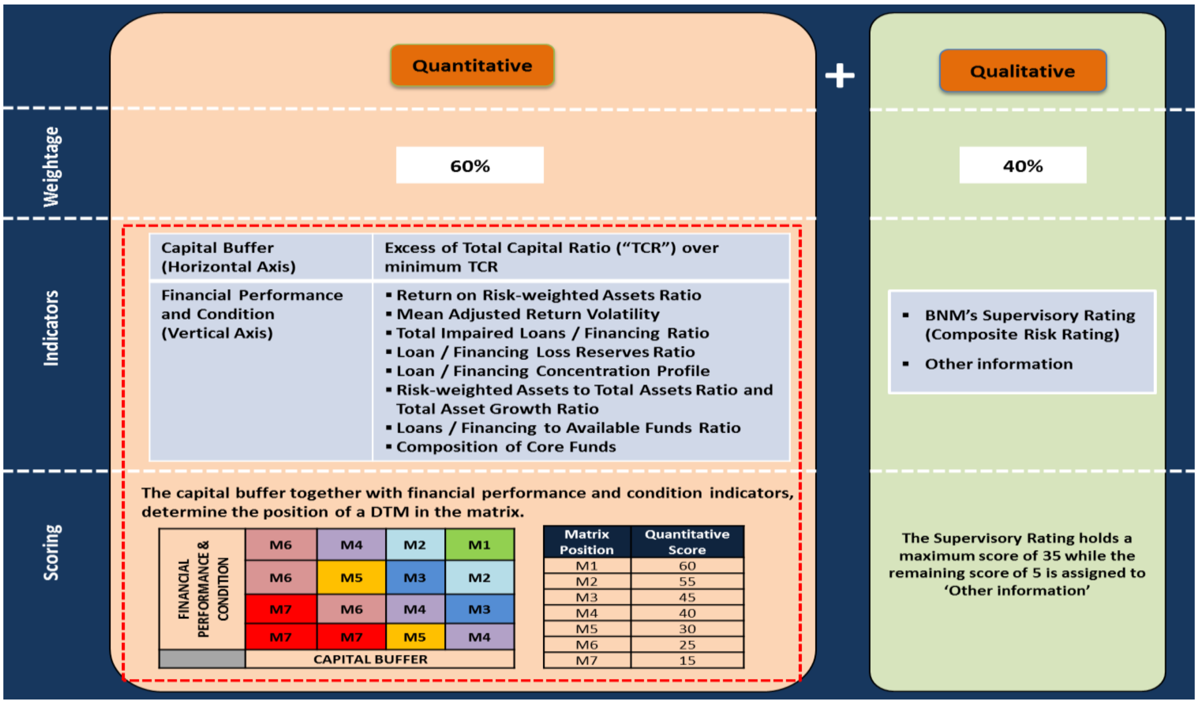
OVERVIEW

3.1 The determination of a DTM's overall DPS score in an assessment year shall be based on a combination of quantitative and qualitative criteria.

3.2 In order to achieve higher objectivity and transparency, a larger weightage is assigned to the quantitative criteria which carries a maximum score of 60, while the qualitative criteria carries the remaining score of 40 out of a total score of 100.

3.3 The DPS framework is summarised in Diagram 1.

Diagram 1: The DPS Framework



QUANTITATIVE CRITERIA

3.4 The assessment of quantitative criteria will be based on a 'matrix approach', which enables the risk profile of DTMs to be better differentiated based on two separate components of assessment.

3.5 One of the dimensions of assessment is the DTMs' capital buffer levels. The assessment on capital buffer levels of DTMs is to reflect the importance of having strong capital levels as a defence against any unexpected losses.

3.6 The assessment of the DTMs' financial performance and condition is the other dimension of assessment and it will be based on eight (8) indicators grouped under three (3) major criteria, as set out in Table 1.

Table 1: Indicators under Financial Performance and Condition

Criteria	Indicators	Maximum Score
Profitability	1. Return on Risk-weighted Assets Ratio	15
	2. Mean-Adjusted Return Volatility	10
Asset Profile	1. Total Impaired Loans/Financing Ratio	15
	2. Loan/Financing Loss Reserves Ratio	10
	3. Loan/Financing Concentration Profile	10
	4. Risk-weighted Assets to Total Assets Ratio and Total Asset Growth Ratio	15
Funding Profile	1. Loans/Financing to Available Funds Ratio	15
	2. Composition of Core Funds	10
	Total	**100**

3.7 The detailed computation of all indicators under the quantitative criteria is provided in Part 4.

QUANTITATIVE CRITERIA SCORE

3.8 Under the 'matrix approach', the quantitative criteria score of a DTM will be determined based on the position of a DTM in the matrix, as shown in Table 2.

Table 2: Quantitative Criteria – Matrix Approach

Financial Performance and Condition		Capital Buffer			
		4	3	2	1
		< 2%	≥ 2% to < 3%	≥ 3% to < 4%	≥ 4%
1	≥ 85%	M6	M4	M2	M1
2	≥ 70% to < 85%	M6	M5	M3	M2
3	≥ 50% to < 70%	M7	M6	M4	M3
4	< 50%	M7	M7	M5	M4

3.9 The capital buffer maintained by a DTM is differentiated by four levels of threshold at the horizontal axis of the matrix. The overall financial performance and condition score is obtained by aggregating the scores for all the indicators and is differentiated by four levels of threshold at the vertical axis of the matrix, as shown in Table 2.

3.10 The mapping of the overall score from the financial performance and condition assessment and the level of capital buffer will determine the DTM's position in the matrix. This matrix category will translate into a fixed quantitative criteria score with a maximum score of 60 at M1 and a minimum score of 15 at M7, as set out in Table 3. This quantitative criteria score will then be added to the qualitative criteria score to arrive at the DTM's overall DPS score.

Table 3: Quantitative Criteria Score

Matrix Category	Score
M1	60
M2	55
M3	45
M4	40
M5	30
M6	25
M7	15

3.11 The matrix approach is designed to reflect the inter-linkages between strong capital buffer and sustainable financial performance. The objective is to incentivise DTMs to have strong capital buffer levels as well as strong financial performance and condition in order to achieve the maximum score of 60 for the quantitative criteria.

QUALITATIVE CRITERIA

3.12 The qualitative criteria includes both the supervisory rating of DTMs and any other relevant information that will have implication on the safety and soundness of the DTMs. The 'Supervisory Rating' carries a maximum score of 35, while the remaining score of 5 is assigned to 'Other Information'.

PREMIUM CATEGORY

3.13 The summation of the respective scores from the quantitative and qualitative criteria will determine the DTMs' overall DPS score. All DTMs shall be classified into one of the four premium categories based on their overall DPS score. The table below sets out the overall DPS score range and the respective premium categories:

Table 4: Overall DPS Score Range and Premium Categories

Overall DPS Score	Premium Category
≥ 85	1
≥ 65 but < 85	2
≥ 50 but < 65	3
< 50	4

PREMIUM RATE

3.14 Each premium category carries a prescribed premium rate[1] and the minimum premium amount[2] for the purpose of determining the amount of premium payable by a DTM to PIDM for the assessment year.

3.15 PIDM will notify each DTM of the overall DPS score, the premium category and the applicable premium rate, by 15 May of each assessment year. Upon notification, DTMs shall pay the annual premium to PIDM by 31 May of each assessment year.

[1] Malaysia Deposit Insurance Corporation (Annual Premium and First Premium in Respect of Deposit-Taking Members) Order 2011 as amended by the Malaysia Deposit Insurance Corporation (Annual Premium and First Premium in Respect of Deposit-Taking Members) (Amendment) Order 2012

[2] Malaysia Deposit Insurance Corporation (Annual Premium and First Premium in Respect of Deposit-Taking Members) Order 2011

PART 4: QUANTITATIVE CRITERIA

ASSESSMENT OF CAPITAL BUFFER

4.1 CAPITAL BUFFER

The capital buffer refers to the excess of a DTM's Total Capital Ratio ("TCR") over its minimum TCR. A strong capital level is crucial in ensuring that DTMs remain solvent as it represents the last line of defence against any unexpected losses.

The formula to calculate the capital buffer is as follows:

$$\text{Capital Buffer} = \text{TCR - Minimum TCR}$$

The TCR is computed as follows:

$$\frac{\text{Total Capital}}{\text{Risk-weighted Assets}} \times 100$$

Notes:

(a) For the purpose of computation of the TCR, the total capital is net of any proposed dividend.

(b) The minimum regulatory TCR under the capital adequacy framework issued by Bank Negara Malaysia ("BNM") is 8%. However, BNM may impose a higher minimum TCR on a DTM, having regard to the specific risk profile of the DTM. In such circumstance, the capital buffer of the DTM will be assessed against the higher minimum TCR that is imposed by BNM on the DTM.

The computation of the capital buffer is provided in Illustration 1.

ASSESSMENT OF FINANCIAL PERFORMANCE AND CONDITION

4.2 RETURN ON RISK-WEIGHTED ASSETS ("RORWA") RATIO

The RORWA ratio measures the adequacy of earnings relative to the level of risk-taking by DTMs.

The formula to calculate the RORWA ratio is as follows:

$$\frac{\text{Profit/(Loss) Before Tax and Zakat}}{[\text{Risk-weighted Assets (t)} + \text{Risk-weighted Assets (t-1)}]\ /2} \times 100$$

where,
t = the position as at 31 December of the preceding assessment year; and
t-1 = the position as at 31 December of one year before the preceding assessment year.

Notes:

(a) For the purpose of this ratio, a DTM may exclude the risk-weighted assets of its Labuan banking subsidiaries.

(b) A DTM which has less than two (2) years of risk-weighted assets data will be assigned a score for this ratio in accordance with paragraph 8.4 of the DPS Guidelines.

A DTM's RORWA ratio shall be scored based on the following range of results:

Table 5: Score Range for Return on Risk-weighted Assets Ratio

Return on Risk-weighted Assets Ratio	
Range of Results	**Score**
RORWA Ratio ≥ 2.75%	15
2.00% ≤ RORWA Ratio < 2.75%	10
1.00% ≤ RORWA Ratio < 2.00%	5
RORWA Ratio < 1.00%	0

4.3 MEAN-ADJUSTED RETURN VOLATILITY ("MARV")

MARV measures the volatility of earnings of DTMs.

The formula to calculate the MARV is as follows:

$$\frac{\text{Semi-Standard Deviation of Profit/(Loss) Before Tax and Zakat over 3 years}}{\text{Mean Profit/(Loss) Before Tax and Zakat over 3 years}}$$

Note:

A DTM which has less than three (3) years of profit or loss before tax and zakat data will be assigned a score for this ratio in accordance with paragraph 8.4 of the DPS Guidelines.

The computation of MARV is provided in Illustration 2.

A DTM's MARV shall be scored based on the following range of results:

Table 6: Score Range for Mean-Adjusted Return Volatility

Mean-Adjusted Return Volatility	
Range of Results	**Score**
0 ≤ MARV ≤ 0.3	10
0.3 < MARV ≤ 0.7	5
MARV > 0.7	0
MARV is negative or the mean profit/(loss) before tax and zakat is zero	0

4.4 TOTAL IMPAIRED LOANS/FINANCING RATIO

The total impaired loans/financing ratio measures the quality of a DTM's loan/financing portfolio.

The formula to calculate the total impaired loans/financing ratio is as follows:

$$\frac{\text{Total Impaired Loans/Financing}}{\text{Total Loans/Financing}} \times 100$$

Note:
The total loans/financing and impaired loans/financing shall be reported on a gross basis.

A DTM's total impaired loans/financing ratio shall be scored based on the following range of results:

Table 7: Score Range for Total Impaired Loans/Financing Ratio

Total Impaired Loans/Financing Ratio	
Range of Results	**Score**
Total Impaired Loans/Financing Ratio ≤ 2.0%	15
2.0% < Total Impaired Loans/Financing Ratio ≤ 3.5%	10
3.5% < Total Impaired Loans/Financing Ratio ≤ 5.0%	5
Total Impaired Loans/Financing Ratio > 5.0%	0

4.5 LOAN/FINANCING LOSS RESERVES RATIO

The loan/financing loss reserves ratio measures the amount of reserves available to support the level of impaired loans/financing of DTMs.

The formula to calculate the loan/financing loss reserves ratio is as follows:

$$\frac{\text{Total Loan/Financing Loss Reserves}}{\text{Total Impaired Loans/Financing}} \times 100$$

Notes:

(a) 'Total loan/financing loss reserves' is the sum of the individual loan/financing impairment provisions, collective loan/financing impairment provisions and regulatory reserves.

(b) Following the implementation of MFRS 9, the sum of the individual loan/financing impairment provisions and the collective loan/financing impairment provisions shall be the sum of the 12-month expected credit losses ("ECL") not credit impaired, lifetime ECL not credit impaired and lifetime ECL credit impaired.

(c) Regulatory reserves refer to the additional reserves that a DTM maintains as required by BNM, as per BNM's policy document on "Financial Reporting", issued on 2 February 2018.

A DTM's loan/financing loss reserves ratio shall be scored based on the following range of results:

Table 8: Score Range for Loan/Financing Loss Reserves Ratio

Loan/Financing Loss Reserves Ratio	
Range of Results	**Score**
Loan/Financing Loss Reserves Ratio ≥ 100%	10
75% ≤ Loan/Financing Loss Reserves Ratio < 100%	5
Loan/Financing Loss Reserves Ratio < 75%	0

4.6 LOAN/FINANCING CONCENTRATION PROFILE

The loan/financing concentration profile indicator measures the extent of a DTM's loan/financing concentration to a particular economic sector.

The steps to determine the loan/financing concentration profile are as follows:

Step 1:
Compute the sectoral exposure based on the following formula:

$$\frac{\text{Loan/Financing by Sector}}{\text{Total Loans/Financing in the domestic operations}} \times 100$$

Step 2:
The outstanding amount of all sectoral exposures that are equivalent to or more than 20% are aggregated and divided by the total loans/financing in the domestic operations to arrive at the loan/financing concentration profile.

$$\frac{\sum \text{(Outstanding amount of loan/financing by sector} \geq 20\%)}{\text{Total Loans/Financing in the domestic operations}} \times 100$$

For the purpose of this indicator, the applicable sectors are listed in Table 9 and follows BNM's sectoral definition with adjustments set out in the Note below.

Table 9: List of Sectors for Loan Concentration Profile

No.	Sector
1.	Primary Agriculture
2.	Mining and Quarrying
3.	Manufacturing (including Agro-Based)
4.	Electricity, Gas and Water Supply
5.	Construction and Real Estate Activities
6.	Wholesale and Retail Trade and Restaurants, and Hotels
7.	Transport, Storage and Communication
8.	Finance, Insurance and Business Activities
9.	Education, Health and Others
10.	Adjusted Household (excluding purchase of residential property and transport vehicles)
11.	Purchase of Residential Property within Household sector
12.	Purchase of Transport Vehicles within Household sector

Notes:

(a) 'Total loans/financing in the domestic operations' (excludes loans/financing that reside in overseas branches).

(b) Under the DPS framework, some adjustments were made to BNM's sectoral classification as follows:

(i) Real estate activities sub-sector is removed from the Finance, Insurance, Real Estate and Business Activities ("FIRE") sector and added to the 'Construction' sector.

(ii) Household sector is further refined by classifying the 'Purchase of Residential Property' and 'Purchase of Transport Vehicles' within the Household sector as separate sectors. Other components within the Household sector are classified as 'Adjusted Household Sector'.

(iii) "Sector N.E.C" is not part of the sectors as listed in Table 9, and shall not form part of sectoral exposures for the purpose of computation of the loans/financing concentration profile. However, exposure to Sector N.E.C shall remain as part of the Total Loans/Financing in the domestic operations.

A DTM's loan/financing concentration profile indicator shall be scored based on the following range of results:

Table 10: Score Range for Loan/Financing Concentration Profile

Loan/Financing Concentration Profile	
Range of Results	**Score**
Loan/Financing Concentration Profile = 0%	10
0% < Loan/Financing Concentration Profile ≤ 25%	8
25% < Loan/Financing Concentration Profile ≤ 50%	5
Loan/Financing Concentration Profile > 50%	0

4.7 RISK-WEIGHTED ASSETS TO TOTAL ASSETS RATIO AND TOTAL ASSET GROWTH RATIO

The asset growth assessment (namely “risk-weighted assets to total assets ratio” and “total asset growth ratio”) measures the annual growth rate of a DTM's total asset base vis-à-vis its risk profile.

Risk-weighted Assets to Total Assets Ratio

The formula to calculate the risk-weighted assets to total assets ratio is as follows:

$$\frac{\text{Risk-weighted Assets} - \text{Risk-weighted Assets for Operational Risk}}{\text{Total Assets}} \times 100$$

Total Asset Growth Ratio

The formula to calculate the total asset growth ratio is as follows:

$$\frac{\text{Total Assets (t)} - \text{Total Assets (t-1)}}{\text{Total Assets (t-1)}} \times 100$$

where,
t = the position as at 31 December of the preceding assessment year; and
t-1= the position as at 31 December of one year before the preceding assessment year.

Notes:

(a) For the purpose of these two (2) ratios, “total assets” means the sum of the on balance sheet assets and the credit equivalent value of the off-balance sheet assets of the DTM.

(b) Credit equivalent value of off-balance sheet assets refers to the credit equivalent amount of commitments and contingencies.

(c) For the purpose of risk-weighted assets to total assets ratio, a DTM may exclude the risk-weighted assets of its Labuan banking subsidiaries.

(d) A DTM which has less than two (2) years of information on total assets will be assigned a score for this asset growth assessment in accordance with paragraph 8.4 of the DPS Guidelines.

A DTM's risk-weighted assets to total assets ratio and total asset growth ratio shall be scored based on the following range of results:

Table 11: Score Range for Asset Growth Assessment

Asset Growth Assessment		
Range of Results		
Risk-weighted Assets to Total Assets Ratio	Total Asset Growth Ratio	Score
Risk-weighted Assets to Total Assets Ratio < 60%	Total Asset Growth Ratio < 15%	15
Risk-weighted Assets to Total Assets Ratio < 60%	Total Asset Growth Ratio ≥ 15%	10
Risk-weighted Assets to Total Assets Ratio ≥ 60%	Total Asset Growth Ratio < 15%	5
Risk-weighted Assets to Total Assets Ratio ≥ 60%	Total Asset Growth Ratio ≥ 15%	0

4.8 LOANS/FINANCING TO AVAILABLE FUNDS RATIO

The loans/financing to available funds ratio measures a DTM's ability to fund its lending activities using stable funding sources.

The formula to calculate the loans/financing to available funds ratio is as follows:

$$\frac{\text{Total Loans/Financing } (\textit{excludes loans/financing specified in Note (a) (i) and (ii) below})}{\text{Total Available Funds}} \times 100$$

Notes:

(a) 'Total Loans/Financing' shall be reported on a gross basis and excludes the following items:

(i) All financing funded by Islamic investment accounts that are reported as 'on-balance sheet' items; and

(ii) Loans/financing sold to Cagamas.

(b) 'Total Available Funds' comprise total deposits from customers, all debt instruments and other long-term borrowings. These items are defined as follows:

(i) 'Total deposits from customers' is the summation of 'deposits from customers' and 'deposits and placements of banks and other financial institutions' as reported in the financial statements, excluding interbank borrowings.

(ii) 'All debt instruments' include subordinated debts, debt certificates/sukuk issued, commercial papers and structured notes or products. The debt instruments also include capital securities reported as financial liabilities in the financial statements.

(iii) 'Other long-term borrowings' refer to those borrowings in the form of term loans or syndicated loans, with the remaining maturity of more than one (1) year.

A DTM's loans/financing to available funds ratio shall be scored based on the following range of results:

Table 12: Score Range for Loans/Financing to Available Funds Ratio

Loans/Financing to Available Funds Ratio	
Range of Results	**Score**
Loans/Financing to Available Funds Ratio ≤ 80%	15
80% < Loans/Financing to Available Funds Ratio ≤ 90%	10
90% < Loans/Financing to Available Funds Ratio ≤ 100%	5
Loans/Financing to Available Funds Ratio > 100%	0

4.9 COMPOSITION OF CORE FUNDS

The composition of core funds indicator measures the quality of a DTM's funding sources.

The formula to calculate the composition of core funds indicator 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) All debt instruments as stated in paragraph 4.8 (b)(ii), with the remaining maturity of more than one (1) year; and

(vi) Other long-term borrowings as stated in paragraph 4.8 (b)(iii).

(b) 'Total Available Funds' follows the definition provided under paragraph 4.8 (b).

For the purpose of this indicator, items from paragraph 4.9 (a)(i) to (iv) shall be reported based on the total outstanding balance. DTMs shall source these items from the Liquidity Coverage Ratio ("LCR") submission to BNM, based on entity level reporting requirements, excluding Labuan banking subsidiary.

A DTM's composition of core funds indicator shall be scored based on the following range of results:

Table 13: Score Range for Composition of Core Funds

Composition of Core Funds	
Range of Results	**Score**
Composition of Core Funds ≥ 60%	10
50% ≤ Composition of Core Funds < 60%	8
30% ≤ Composition of Core Funds < 50%	5
Composition of Core Funds < 30%	0

PART 5: QUALITATIVE CRITERIA

5.1 SUPERVISORY RATING

The supervisory rating or the Composite Risk Rating ("CRR") is provided by BNM to PIDM. The CRR will reflect the assessment on a DTM up to 31 December of the preceding assessment year or such other period as may be deemed necessary or expedient by the Corporation.

The range of supervisory ratings and the corresponding scores are set out in Table 14 below:

Table 14: Score Range for Supervisory Rating

Supervisory Rating	
Range of Results	**Score**
Supervisory Rating of 1 (Low) or equivalent	35
Supervisory Rating of 2 (Moderate) or equivalent	28
Supervisory Rating of 3 (Above Average) or equivalent	14
Supervisory Rating of 4 (High) or equivalent	0

5.2 OTHER INFORMATION

The applicable score for 'Other Information' shall be determined by PIDM based on information that has come to the attention of PIDM up to 30 April of the assessment year relating to the financial condition, safety, soundness or viability of a DTM.

The assessment of ‘Other Information’ shall take into account the following factors:

(a) a failure by a DTM to comply with any subsidiary legislation made by PIDM, including guidelines, or with any regulatory requirement that applies to the DTM;

(b) any action taken by any regulatory or other authority against a DTM or any corporation related to the DTM including but not limited to any notice, order or instruction relating to any deficiency or non-compliance in respect of the DTM or such corporation, a letter of warning, or any requirement or instruction for issuance of a letter of undertaking or commitment or a resolution of the board of directors;

(c) any correction or action plan of the DTM or such corporation to address the action taken by such authority under subparagraph (b) including but not limited to the progress report on the implementation by the DTM of the terms of the letter of undertaking or commitment or the resolution of the board of directors;

(d) any rating or assessment of a DTM by any rating agency whether relating to the credit standing of the DTM or its financial condition or otherwise;

(e) whether a DTM has received or is receiving any form of assistance from BNM or PIDM, such assistance being financial or otherwise; and

(f) any other information provided to PIDM or that comes to the attention of PIDM about a DTM or any corporation related to the DTM which may threaten or affect the financial condition, safety, soundness or viability of the DTM.

The scores shall be determined as set out in Table 15 below:

Table 15: Score Range for Other Information

Other Information	
Assessment Criteria	**Score**
As at 30 April of the assessment year, no information has come to PIDM’s attention about any circumstances that represent a threat to or materially affect the financial condition, safety, soundness or viability of a DTM.	5
As at 30 April of the assessment year, information has come to PIDM’s attention about circumstances that represent a threat to or may materially affect the financial condition, safety, soundness or viability of a DTM.	3
As at 30 April of the assessment year, information has come to PIDM’s attention about circumstances that materially affect the financial condition, safety, soundness or viability of a DTM.	0

PART 6: SUBMISSION OF DPS QUANTITATIVE INFORMATION

DPS QUANTITATIVE INFORMATION ("DPS QI") FORMS

6.1 DTMs are required to submit quantitative information to PIDM for the purpose of computation and determination of their overall DPS score and premium category in each assessment year.

6.2 The submission shall be made using the pre-formatted DPS QI forms that is available on PIDM's website. No alterations or amendments are allowed to be made to the DPS QI forms. Details of the reporting requirements on the DPS QI forms are elaborated in Part 7.

6.3 The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of a DTM must certify that the quantitative information submitted is accurate and reflective of the financial condition of the DTM as at 31 December of the preceding assessment year. The CEO and CFO are required to make the certification in Form A: DPS Quantitative Score and Certification.

6.4 DTMs must submit the certified DPS QI forms to PIDM by 30 April of each assessment year (or the immediately preceding working day if 30 April falls on a weekend or a public holiday in Kuala Lumpur):

(a) Form A : DPS Quantitative Score and Certification
(b) Form B : DPS Quantitative Information
(c) Form C : DPS Quantitative Information - Loan/Financing by Sector1

All reports that require certification/signatories shall be scanned and the scanned hardcopy must be submitted to PIDM online through PIDM's portal.

6.5 A conventional DTM which carries on Islamic banking business is required to prepare and submit the certified DPS QI forms separately for its conventional banking business and Islamic banking business.

6.6 If a DTM fails to comply with the requirements set out in paragraphs 6.1 to 6.4, PIDM shall assign a score to the DTM according to any available information.

INFORMATION INTEGRITY

6.7 Given the importance of information integrity, a DTM's external auditor is required to provide to PIDM an independent validation of the certified DPS QI forms, based on the Agreed-Upon Procedures under the Guidelines on Validation Programme: Differential Premium Systems and Total Insured Deposits.

6.8 Any exceptions or issues raised by the external auditor shall be rectified by the DTM before the submission of the certified DPS QI forms to PIDM.

6.9 Where a DTM finds any error in the quantitative information submitted to PIDM, the DTM shall follow the procedures under the 'Review Process' in paragraphs 6.14 to 6.16.

COMPUTATION AND NOTIFICATION OF SCORE

6.10 The overall DPS score is the sum of scores for the quantitative and the qualitative criteria. PIDM will compute the overall DPS score for each DTM and notify the DTMs of their respective overall DPS score, premium category and applicable premium rate, by 15 May of each assessment year. This information shall be used by the DTM for the purpose of calculation of premium.

6.11 Please refer to Illustration 3 for an example of DPS scoring and premium categorisation.

PROHIBITION AGAINST PUBLIC DISCLOSURE

6.12 A DTM shall take note that the following information is confidential ("Confidential Information"):

(a) A DTM's score for any indicator or criteria of the DPS;
(b) A DTM's overall score of the DPS;
(c) Premium category in which a DTM is or has been classified;
(d) Premium rate that is or was applicable to a DTM; and
(e) The amount of premium payable or paid by a DTM.

6.13 No director, officer, employee or agent of a DTM or any person who, for any reason, has by any means, access to any of the Confidential Information or any document which discloses or contains any of the Confidential Information, shall provide or disclose to any other person or publish any such Confidential Information or document unless the disclosure is permitted under any law or court order or for the purpose of a DTM performing its duties or carrying out the provisions of any law or any regulation, guideline or instruction made by BNM or PIDM.

REVIEW PROCESS

6.14 A DTM may request for a review of its overall DPS score on the grounds set out in paragraph 6.15 below. Notwithstanding the application for a review, a DTM must pay the annual premium on or before 31 May of that assessment year.

6.15 The review may only be made on the basis of:

(a) an error in the quantitative information provided by DTM to PIDM;
(b) an error in PIDM's computation in relation to the quantitative criteria; and
(c) an error in PIDM's assessment of the qualitative criteria, except BNM's supervisory rating. There shall not be any appeal against BNM's supervisory rating as BNM already provides an appropriate review process prior to assigning a DTM's supervisory rating.

6.16 A DTM may apply for a review against its overall DPS score after 31 May of an assessment year. Any request for a review shall be submitted in writing to PIDM no later than 30 August of that assessment year. The reason(s) or ground(s) for the review, as set out in paragraph 6.15, must be included. PIDM will review and provide its response to the application by the DTM by 30 September of that assessment year or any other date as may be convenient to PIDM. Any decision of PIDM on a review shall be final.

6.17 If the review results in PIDM determining that a DTM has overpaid its annual premium for that assessment year, PIDM will refund to the DTM the difference after the review process is concluded. Conversely, if it is determined that a DTM has underpaid its annual premium for that assessment year, the DTM shall pay the difference to PIDM.

PART 7: DPS QUANTITATIVE INFORMATION ("DPS QI") FORMS

GENERAL REQUIREMENTS

7.1 Unless otherwise specified, all quantitative information in the DPS QI forms (conventional and Islamic business) shall be obtained from the DTM's financial statements as at **31 December** of the preceding assessment year. The financial statements shall be referred to as the following:

(a) **For a DTM with 31 December financial year end:** annual financial statements;

(b) **For a DTM with non-31 December financial year end:** 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:** management accounts

7.2 The source of information for all quantitative information in the DPS QI forms is detailed out in paragraph 7.7 (Source of Information).

7.3 All DTMs must use the pre-formatted DPS QI forms provided by PIDM for the submission of the quantitative information to PIDM. Samples of DPS QI forms are attached in Appendix 1. A DTM must also ensure that no alteration or amendment is made to these reporting forms.

7.4 Any restatement made to a DTM's previous year financial information shall be reflected in the submission of quantitative information to PIDM in the current assessment year. However, the DTM's DPS score of the previous assessment year will not be amended.

7.5 All amounts shall be reported in thousands ('000).

7.6 All indicators shall be expressed to two decimal points.

SOURCE OF INFORMATION

7.7 The table below sets out the source of information for the quantitative information to be reported in the DPS QI forms.

Table 16: Source of Information for Quantitative Information

Criteria/Indicator	Item	Data Requirement	Source of Information	Remarks
Capital Buffer Assessment				
Total Capital Ratio	1.	Total Capital	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 DTM's internal records if it is not available in the financial statements.
	3.	Risk-weighted Assets	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be obtained from the reporting to BNM under the Capital Adequacy Framework if it is not available in the financial statements.
Financial Performance and Condition Assessment				
Profitability				
Return on Risk-weighted Assets Ratio & Mean Adjusted Return Volatility	4.	Risk-weighted Assets	Please refer to item 3.	
	5.	Risk-weighted Assets of Labuan banking subsidiaries	This item shall be sourced from DTM's internal records.	
	6.	Profit / (Loss) Before Tax And Zakat for the year	Annual financial statements/ Interim financial statements/ Management accounts	

Criteria/Indicator	Item	Data Requirement	Source of Information	Remarks
Financial Performance and Condition Assessment				
Asset Profile				
Total Impaired Loans/Financing Ratio	7.	Total Impaired Loans/Financing	Annual financial statements/ Interim financial statements/ Management accounts	
	8.	Total Loans/Financing		
Loan/Financing Loss Reserves Ratio	9.	Total Impaired Loans/Financing	Annual financial statements/ Interim financial statements/ Management accounts	
	10.	12-Month Expected Credit Losses (Stage 1)		
	11.	Lifetime Expected Credit Losses not credit impaired (Stage 2)		
	12.	Lifetime Expected Credit Losses credit impaired (Stage 3)		
	13.	Regulatory Reserves		
Loan/Financing Concentration Profile	14.	Total Loans/Financing (Domestic operations)	These items shall be sourced from DTM's internal records.	
	15.	Loan/Financing by Sector		
Risk-weighted Assets to Total Assets Ratio & Total Asset Growth Ratio	16.	Risk-weighted Assets	Please refer to item 3.	
	17.	Risk-weighted Assets for Operational Risk	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be obtained from the reporting to BNM under the Capital Adequacy Framework if it is not available in the financial statements.
	18.	Risk-weighted Assets of Labuan banking subsidiaries	Please refer to item 5.	
	19.	On-Balance Sheet Assets	Annual financial statements/ Interim financial statements/ Management accounts	Total Assets as reported in the Statement of Financial Position.
	20.	Credit Equivalent Amount of Commitments and Contingencies	Annual financial statements/ Interim financial statements/ Management accounts	This item shall be obtained from the reporting to BNM under the Capital Adequacy Framework if it is not available in the financial statements.

Criteria/ Indicators	Item	Data Requirement	Source of Information	Remarks
Financial Performance and Condition Assessment				
Funding Profile				
Loans/Financing to Available Funds Ratio & Composition of Core Funds	21.	Total Loans/Financing	Please refer to item 8.	
	22.	Financing funded by Investment Account	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.
	23.	Loans/Financing sold to Cagamas	Annual financial statements/ Interim financial statements/ Management accounts	
	24.	Deposits from Customers	Annual financial statements/ Interim financial statements/ Management accounts	
	25.	Deposits and Placements from Banks and Other Financial Institutions	Annual financial statements/ Interim financial statements/ Management accounts	
	26.	Interbank Borrowings	This item shall be sourced from a DTM's internal records.	
	27.	All debt instruments i.e. subordinated debts, debt certificates/sukuk issued, commercial papers and structured notes or products	Annual financial statements/ Interim financial statements/ Management accounts	
	28.	Other long-term borrowings with the 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.
	29.	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.
	30.	Small Business Customers	BNM's Liquidity Coverage Ratio ("LCR") - Monitoring Tools (Table 2b: Contractual Maturity Mismatch) – 'Total Amount' (Cell K9)	

Criteria/ Indicators	Item	Data Requirement	Source of Information	Remarks
Financial Performance and Condition Assessment				
Funding Profile				
Loans/Financing to Available Funds Ratio & Composition of Core Funds	31.	Operational Deposits	BNM's Liquidity Coverage Ratio ("LCR") – Table 1a: LCR-Main (Summation of Cell D:117, 118, 120, 121, 123,124, 126 & 127)	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.
	32.	Non-financial corporates, with the remaining maturity of more than one (1) year	BNM's Liquidity Coverage Ratio ("LCR") - Monitoring Tools (Table 2b: Contractual Maturity Mismatch) – 'Total Amount' (Cell I10)	
	33.	Sovereigns, Central Banks, MDBs and PSEs, with the remaining maturity of more than one (1) year	BNM's Liquidity Coverage Ratio ("LCR") - Monitoring Tools (Table 2b: Contractual Maturity Mismatch) – 'Total Amount' (Cell I11)	
	34.	All debt instruments i.e. subordinated debts, debt certificates/sukuk issued, commercial papers and structured notes or products, with the remaining maturity of more than one (1) year	This item shall be sourced from a DTM's internal records.	

PART 8: NEW MEMBER AND AMALGAMATION

NEW MEMBER

8.1 Where a new DTM becomes a member of PIDM during the assessment year, the DTM shall be automatically categorised in the best premium category for its first two (2) assessment years.

8.2 A new DTM is not required to submit the DPS QI forms to PIDM for the first two (2) assessment years. The DTM is required to submit the DPS QI forms to PIDM from the third assessment year onwards.

8.3 For the computation of quantitative criteria in the third assessment year onwards, quantitative information relating to the position as at 31 December of the first assessment year, which is not a complete year's data, shall not be included in the DPS QI forms.

8.4 Where there is insufficient quantitative information to calculate the score of certain indicators, the scores for such indicators shall be determined on a proportionate basis in the following manner:

$$[A \div (100 - B)] \times B$$

where,

A is the sum of the scores for the indicators where information is available; and

B is the sum of maximum scores for indicators where information is not available for computation.

The computation of the DPS scores for a DTM with insufficient quantitative information is provided in Illustration 4.

8.5 For the avoidance of doubt, the new member provisions are not be applicable to an Islamic DTM that was transformed from an Islamic banking business of a conventional DTM in its first and second assessment years of becoming a member of PIDM.

AMALGAMATION

8.6 "Amalgamated DTM" means a DTM formed from the acquisition of one (1) DTM by another DTM or the merger of two (2) or more DTMs at anytime from 1 June of the preceding assessment year to 31 May of an assessment year.

8.7 The following provisions shall be applied in determining the quantitative and qualitative score of the amalgamated DTM for a particular assessment year:

(a) Amalgamation Completed Between 1 June to 31 December of the preceding assessment year

Where an amalgamated DTM is formed between 1 June to 31 December of the preceding assessment year, the quantitative information of the amalgamated DTM as at 31 December of the preceding assessment year and the supervisory rating and other relevant information of the amalgamated DTM as at 31 December of the preceding assessment or any other period as may be deemed necessary or expedient by PIDM, will be used to determine the overall DPS score for the assessment year. The amalgamated DTM is required to submit the DPS QI forms to PIDM accordingly.

Example 1:

Three DTMs, A, B and C were involved in a merger and acquisition, resulting in the formation of an amalgamated DTM, known as DTM 'X', which commenced operations on 1 November 2014.

For assessment year 2015, DTM 'X' shall submit its quantitative information to PIDM based on financial information as at 31 December 2014.

(b) Amalgamation Completed Between 1 January to 31 May of the assessment year

Where an amalgamated DTM is formed between 1 January to 31 May of the assessment year, the amalgamated DTM is required to determine the quantitative score for each of the amalgamating DTMs separately based on their position as at 31 December of the preceding assessment year. The amalgamated DTM's quantitative criteria score will be determined based on the financial information of the amalgamating DTM that has the highest quantitative criteria score as of 31 December of the preceding assessment year. The “Supervisory Rating” score and “Other Information” score of that amalgamating DTM as at 31 December of the preceding assessment year or any other period as may be deemed necessary or expedient by PIDM, will also be applied to the amalgamated DTM.

Example 2:

DTMs A, B and C were involved in a merger and acquisition, resulting in the formation of an amalgamated DTM on 2 January 2015, which is known as DTM 'Y'. The table below summarises the quantitative and qualitative scores for each of the amalgamating DTMs for position as at 31 December 2014:

Table 17: Scores of DTM A, B and C (Amalgamating DTMs)

	DTM		
	A	B	C
Quantitative Criteria Score	55	30	45
Supervisory Rating	28	14	28
Other Information	5	5	5
Overall DPS score	**88**	**49**	**78**

As amalgamating DTM A has the highest quantitative criteria score, DTM ‘Y’ shall submit its DPS QI forms based on the financial information of DTM A for assessment year 2015. DTM A's “Supervisory Rating” score of 28 and the “Other Information” score of 5 will also be applied to DTM ‘Y’ to arrive at the overall DPS score for assessment year 2015.

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ILLUSTRATION 1: COMPUTATION OF CAPITAL BUFFER

CAPITAL BUFFER

The capital buffer under the DPS framework refers to the excess of a DTM's Total Capital Ratio ("TCR") over the minimum TCR.

Under the capital adequacy framework issued by BNM, the minimum TCR is 8.0%, as highlighted in the Table below. The minimum TCR requirement is not measured on top of BNM's "Buffer Requirements".

Phase-in arrangements under BASEL III[3]

	2013	2014	2015	2016	2017	2018	As at 1 January 2019
Minimum Common Equity Tier 1 Capital ratio	**3.5%**	**4%**	**4.5%**	**4.5%**	**4.5%**	**4.5%**	**4.5%**
Capital Conservation Buffer				0.625%	1.25%	1.875%	2.5%
Minimum Common Equity Tier 1 Capital *plus* Capital Conservation Buffer	3.5%	4%	4.5%	5.125%	5.75%	6.375%	7%
Phase-in of deductions from CET1 (including amount exceeding the limit for DTAs, MSRs and financials)		20%	40%	60%	80%	100%	100%
Minimum Tier 1 Capital ratio	**4.5%**	**5.5%**	**6.0%**	**6.0%**	**6.0%**	**6.0%**	**6.0%**
Minimum Total Capital Ratio	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**	**8.0%**
Minimum Total Capital plus Conservation Buffer	**8.0%**	**8.0%**	**8.0%**	**8.625%**	**9.25%**	**9.875%**	**10.5%**
Capital instruments that no longer qualify as Tier 1 or Tier 2 capital	Phased out over 10 year horizon beginning 2013						

However, the minimum TCR would need to reflect BNM's specify minimum TCR imposed on a DTM, having regard to the specific risk profile of the DTM.

EXAMPLE OF COMPUTATION

The capital buffers of DTM 'A', given certain levels of TCR for the different assessment years, are depicted below:

	AY 2015	AY 2016	AY 2017
DTM A's TCR	11.0%	12.5%	14.0%
Less: Minimum TCR requirement applicable to DTM 'A'	**8.0%**	**8.0%**	**10.0%***
Capital Buffer	**3.0%**	**4.5%**	**4.0%**

***** Assuming a higher minimum TCR imposed by BNM given the specific risk profile of DTM 'A'.

[3] Source: Bank Negara Malaysia (Implementation of Basel III)

ILLUSTRATION 2: COMPUTATION OF MEAN-ADJUSTED RETURN VOLATILITY

MEAN-ADJUSTED RETURN VOLATILITY ("MARV")

FORMULA:

$$\frac{\text{Semi-standard Deviation of Profit/(Loss) Before Taxation and Zakat over 3 years*}}{\text{Mean Profit/(Loss) Before Taxation and Zakat over 3 years}}$$

$$\text{* Semi-standard Deviation} = \sqrt{\frac{1}{n-1} \times \sum_{i=t}^{t\text{-}2} (r_i - \text{Mean})^2}\text{, only when } r_i < \text{Mean}$$

where,
$n = 3$
r_i = profit before tax
Mean = the average profit before tax over 3 years
t = preceding assessment year
t-1 = one year before the preceding assessment year
t-2 = two years before the preceding assessment year

<u>EXAMPLE (1)</u>

MARV for DTM 'A' in Assessment Year 2015:

Profit before tax for 2014 (RM' mil): 100 (r_t)
Profit before tax for 2013 (RM' mil): 150 (r_{t-1})
Profit before tax for 2012 (RM' mil): 110 (r_{t-2})

$$\text{Mean Profit before tax} = \frac{100 + 150 + 110}{3} = 120$$

Given the profit before tax for 2014 (r_t) and 2012 (r_{t-2}) were less than the mean of RM120 million, the semi-standard deviation will be computed as follows:

$$\text{Semi-standard deviation} = \sqrt{\frac{(100-120)^2+(110-120)^2}{2}}$$

$$= \sqrt{\frac{500}{2}}$$

$$= 15.81$$

MEAN-ADJUSTED RETURN VOLATILITY ("MARV")

Mean-adjusted return volatility

$$= \frac{\text{Semi-standard deviation of profit before tax}}{\text{Mean profit before tax}}$$

$$= \frac{15.81}{120}$$

$$= \mathbf{0.13}$$

EXAMPLE (2)

MARV for DTM 'B' in Assessment Year 2015:

Profit before tax for 2014 (RM' mil): 100 (r_t)
Profit before tax for 2013 (RM' mil): 150 (r_{t-1})
Loss before tax for 2012 (RM' mil): (60) (r_{t-2})

$$\text{Mean Profit Before Tax} = \frac{100 + 150 - 60}{3}$$

$$= 63.33$$

Given the profit before tax for 2012 (r_{t-2}) was less than the mean of RM63.33 million, the semi-standard deviation will be computed as follows:

$$\text{Semi-standard deviation} = \sqrt{\frac{(-60 - 63.33)^2}{2}}$$

$$= \sqrt{\frac{15{,}211.11}{2}}$$

$$= 87.21$$

Mean adjusted return volatility

$$= \frac{\text{Semi-standard deviation of profit before tax}}{\text{Mean profit before tax}}$$

$$= \frac{87.21}{63.33}$$

$$= \mathbf{1.38}$$

ILLUSTRATION 3: CALCULATION OF DPS SCORE AND PREMIUM CATEGORISATION

Calculation of Overall DPS Score for DTM 'A'

Indicators		Results	Score	Maximum Score
Quantitative				
1.	**Capital Buffer Assessment:** Total Capital Ratio Minimum Total Capital Ratio set by BNM	13.20% 8.00%		
	Capital Buffer	5.20%		
Position under the Capital Buffer Dimension *(Refer to Table 2 : Quantitative Criteria - Matrix Approach)*			**1**	
2.	**Financial Performance and Condition Assessment:**			
	i. Return on Risk-weighted Assets Ratio	2.50%	10	15
	ii. Mean-Adjusted Return Volatility	0.42	5	10
	iii. Total Impaired Loans/Financing Ratio	2.20%	10	15
	iv. Loan/Financing Loss Reserves Ratio	102.50%	10	10
	v. Loan/Financing Concentration Profile	35.02%	5	10
	vi. Risk-weighted Assets to Total Assets Ratio & Total Asset Growth Ratio	70.63% 12.05%	5	15
	vii. Loans/Financing to Available Funds Ratio	88.26%	10	15
	viii. Composition of Core Funds	62.05%	10	10
	Aggregate Score for Financial Performance and Condition		65	100
Position under the Financial Performance and Condition Dimension *(Refer to Table 2 : Quantitative Criteria- Matrix Approach)*			**3**	
Matrix Category *(Refer to Table 2: Quantitative Criteria – Matrix Approach)*			**M3**	
Total Quantitative Criteria Score *(Refer to Table 3: Quantitative Criteria Score*			**45**	**60**
Qualitative				
1.	Supervisory Rating		28	35
2.	Other Information		5	5
Total D Qualitative Criteria Score			**33**	**40**
Overall DPS Score			**78**	**100**
Premium Category *(Refer to Table 4: Overall DPS Score Range and Premium Categories)*			**2**	

ILLUSTRATION 4: CALCULATION OF DPS SCORE FOR A NEW DTM WITH INSUFFICIENT QUANTITATIVE INFORMATION

DTM 'A' became a member of PIDM in July 2013. For the first assessment year i.e. AY 2013 and the subsequent assessment year i.e. AY 2014, DTM 'A' will be automatically categorised in premium category 1, hence it is not required to submit the DPS QI forms for these two assessment years.

From the third assessment year i.e. AY 2015 onwards, DTM 'A' is required to submit the DPS QI forms to PIDM. However, DTM 'A' is not required to include quantitative information relating to the position as at 31 December 2013. Given the insufficient information to calculate DTM A's score for certain indicators i.e. RORWA ratio, MARV and Asset Growth ratio, the scores for such indicators shall be determined on a proportionate basis as below:

$$[A \div (100 - B)] \times B$$

where

A is the sum of the scores for the indicators where information is available; and

B is the sum of maximum scores for indicators where information is not available for computation.

Calculation of Overall DPS Score for DTM 'A' for Assessment Year 2015 – Insufficient Quantitative Information

Indicators		Results	Score	Maximum Score
Quantitative				
1.	**Capital Buffer Assessment:** Total Capital Ratio Minimum Total Capital Ratio set by BNM	 13.20% 8.00%		
	Capital Buffer	5.20%		
Position under the Capital Buffer Dimension *(Refer to Table 2 : Quantitative Criteria – Matrix Approach)*			**1**	
2.	**Financial Performance and Condition Assessment:**			
	i. Return on Risk-weighted Assets Ratio	-	* -	15
	ii. Mean-Adjusted Return Volatility	-	* -	10
	iii. Total Impaired Loans/Financing Ratio	2.20%	10	15
	iv. Loan/Financing Loss Reserves Ratio	102.50%	10	10
	v. Loan/Financing Concentration Profile	35.02%	5	10
	vi. Risk-weighted Assets to Total Assets Ratio &	-	* -	15

Indicators		Results	Score	Maximum Score
	Total Asset Growth Ratio vii. Loans/Financing to Available Funds Ratio viii. Composition of Core Funds	 88.26% 62.05%	 10 10	 15 10
	Total Score for Indicators with sufficient quantitative information		***45***	
	Total Score for* Indicators *with insufficient quantitative information (proportionate)		***30^***	
	***Aggregate Score for* Financial Performance and Condition**		***75***	***100***
Position under the Financial Performance and Condition Dimension *(Refer to Table 2 : Quantitative Criteria – Matrix Approach)*			**2**	
Matrix Category *(Refer to Table 2: Quantitative Criteria – Matrix Approach)*			**M2**	
Total Quantitative Criteria Score *(Refer to Table 3: Quantitative Criteria Score)*			**55**	**60**
Qualitative				
1.	Supervisory Rating		28	35
2.	Other Information		5	5
Total Qualitative Criteria Score			**33**	**40**
Overall DPS Score			**88**	**100**
Premium Category *(Refer to Table 4: Overall DPS Score Range and Premium Categories)*			**1**	

Note:
* - denotes insufficient quantitative information

^ The proportionate quantitative score for indicators with insufficient quantitative information (items i, ii and vi) is derived as follows:

[45 / (100 – 40)] X 40 = 30