

13. Are there any accounts that are protected separately?

- **Joint accounts** – Joint accounts enjoy separate deposit insurance protection provided the records of the member bank disclose the names of the joint account holders.
- **Trust accounts** – For trust accounts, beneficiaries can enjoy separate protection if the trustee discloses the interest of each beneficiary and the amounts owed to each beneficiary on the records of the member bank. Each beneficiary is protected up to RM250,000 separately from insured deposits held in their names.
- **Accounts of sole proprietorships, partnerships or persons carrying on professional practices (e.g architects, dentists)** – These accounts are also separately protected up to the RM250,000 limit.

An example of how separate deposit insurance protection would be applied for a depositor holding several accounts in a member bank is provided here:

Depositor	Type of deposit	Amount (RM)	Insured (RM)
Ahmad	Savings	300,000	250,000
Ahmad and wife	Current	300,000	250,000
Ahmad, wife and daughter	Savings	250,000	250,000
Ahmad, Leong & Co. (legal firm)	Current	200,000	200,000
Ahmad Trading	Current	50,000	50,000
Total deposits		1,100,000	
Total deposits protected in aggregate			1,000,000

14. What happens to my deposits if two member banks merge?

You will continue to enjoy separate deposit insurance coverage for a period of two years or upon maturity or until withdrawal of the deposit, whichever is earlier.

15. In the unlikely event of a member bank failure, how do I make a deposit insurance claim?

You do not need to make a claim. PIDM will announce how, where and when it will reimburse insured deposits. PIDM will base its reimbursement on the depositor records of the member bank.

16. I am a non-resident of Malaysia. Are my deposits protected?

Your place of residence or nationality does not affect deposit insurance protection. Deposits placed with a member bank of PIDM is protected up to RM250,000 per depositor per member bank.

17. Are deposits in branches and subsidiaries of domestic banks outside Malaysia protected?

No, PIDM does not protect deposits held in these institutions. However, these may be protected by the host country's deposit insurance or protection scheme.

18. Who do I contact for further information about deposit insurance protection?

- Call PIDM's toll-free information line: **1-800-88-1266**, available Mondays to Fridays from 8.30 am to 5.30 pm
- Email to **info@pidm.gov.my**
- Visit PIDM's website at **www.pidm.gov.my**



Perbadanan Insurans Deposit Malaysia
Protecting Your Insurance And Deposits In Malaysia

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With effect from 31 December 2010



Perbadanan Insurans Deposit Malaysia
Protecting Your Insurance And Deposits In Malaysia

DEPOSIT INSURANCE

We Now Enjoy **More Protection**
from **PIDM!**

That's Great News!



Perbadanan Insurans Deposit Malaysia (PIDM) protects your bank deposits as well as your takaful and insurance benefits. Through the Deposit Insurance System and the Takaful and Insurance Benefits Protection System administered by PIDM, depositors as well as owners of takaful certificates and insurance policies now enjoy legislated and explicit protection for their eligible bank deposits and takaful and insurance benefits. This is in line with PIDM's mandate to promote and contribute to the stability of the Malaysian financial system.

What is PIDM?

PIDM is a Government agency established under Akta Perbadanan Insurans Deposit Malaysia (Akta PIDM). PIDM was set up in 2005 to administer the national deposit insurance system aimed at protecting depositors. Beginning 31 December 2010, PIDM's role has been expanded to administer the Takaful and Insurance Benefits Protection System to provide protection to owners of takaful certificates and insurance policies.

What protection does PIDM provide?

Deposit Insurance System	Takaful and Insurance Benefits Protection System (TIPS)
Protects depositors against the loss of their insured deposits placed with member banks, in the unlikely event of a member bank failure.	Protects owners of takaful certificates and insurance policies from the loss of their eligible takaful and insurance benefits, in the unlikely event of a failure of an insurer member.

How does this benefit me?

- PIDM protects your bank deposits and will promptly reimburse you on your insured deposits should a member bank fail.
- PIDM protects you against the loss of your eligible takaful or insurance benefits should an insurer member fail.
- The protection is provided by PIDM automatically and no application is required.
- There is no charge to depositors or owners of takaful certificates and insurance policies for the protection provided by PIDM.

1. What is deposit insurance?

Deposit Insurance is a system that protects depositors against the loss of their insured deposits in the unlikely event of a member bank failure. The deposit insurance system in Malaysia is administered by PIDM.

2. Which banks are member institutions of PIDM?

All commercial banks licensed under the Banking and Financial Institutions Act 1989 and all Islamic banks licensed under the Islamic Banking Act 1983, including foreign banks operating in Malaysia are member institutions of PIDM. Membership is compulsory as provided under Akta Perbadanan Insurans Deposit Malaysia.

A list of banks which are member institutions of PIDM (referred to as 'member banks') can be obtained either by contacting PIDM at **1-800-88-1266** or by accessing PIDM's website at **www.pidm.gov.my**. Look out for this membership sign at all entrances of your bank's branches.



3. Must I apply or register for deposit insurance protection?

No, you do not need to apply or register for protection. Deposit insurance is provided automatically for eligible deposit accounts.

4. What is my deposit insurance protection limit?

Your eligible deposits are protected up to RM250,000 per depositor per member bank. The RM250,000 limit includes both the principal amount of a deposit and the interest/return.

5. Can I buy additional insurance for my deposits if they are more than RM250,000?

No. Deposit insurance is not a general or life insurance product. It is provided by the Government through PIDM.

6. What types of deposits are eligible for deposit insurance?

Eligible deposits include current and savings deposit accounts, fixed deposits and foreign currency deposits.

7. What types of deposits are NOT protected?

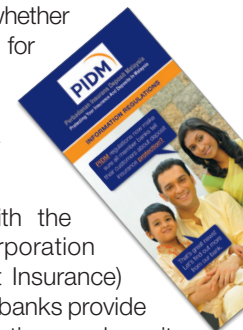
Deposits not payable in Malaysia, interbank money market placements, negotiable instruments of deposit (NIDs), other bearer deposits and repurchase agreements are not protected by PIDM.

8. Are unit trusts eligible for deposit insurance protection?

No. Unit trusts are not eligible for deposit insurance protection.

9. How will I know if my deposits are eligible for deposit insurance protection?

Your member bank must inform you whether a deposit product is eligible or not for deposit insurance protection before you place your funds with it. All eligible deposit products are listed in a register available at your bank.



These requirements are in line with the Malaysia Deposit Insurance Corporation (Provision of Information on Deposit Insurance) Regulations 2011 to ensure member banks provide accurate, relevant and timely information on deposit insurance protection and scope of coverage.

10. Are Islamic and conventional deposits protected separately?

Yes. Islamic and conventional deposits are eligible for a separate RM250,000 deposit insurance limit per depositor per member bank.

11. I have deposits in several member banks. Will all my deposits be added up for deposit insurance protection purposes?

No. Your deposits in different member banks are protected separately. The RM250,000 deposit insurance limit is applicable per depositor per member bank.

12. I have deposits in different branches of the same member bank. Will all my deposits be protected separately?

No. Deposits held in different branches of the same member bank will be added together for deposit insurance protection purposes.