

3. *on the VVD that the FSP refers to in providing the vehicle's current market value; and*
4. *on the betterment charges which may be applicable in their motor insurance/takaful claim.*

Where it is provided in the motor policy/takaful certificate that a particular VVD will serve as the reference point to determine the vehicle's market value, the FSP must refer to similar vehicle in the VVD to provide the vehicle's market value during the purchase of the insurance/takaful as well as in the event of a claim;

ii. **Houseowner/householder insurance/takaful:** *a FSP must-*

1. *advise financial consumers to ensure the property is adequately insured/covered taking into account the renovations made to the property. The sum insured/covered should cover the cost of rebuilding the property in the event of loss/damage;*
2. *explain the basis of compensation for householder policy/takaful certificate, i.e. whether it is on reinstatement or replacement value;*

e. Period of coverage;

f. Importance of receiving and keeping the receipt from the FSP as proof of payment of premium/takaful contribution; and

g. Time frame required by the FSP to issue a policy/takaful certificate.

S 4.2.2 For family takaful products, a FSP shall also highlight the contents of the proposal form, including-

- a. *aqad* that binds the takaful participants; and
- b. *aqad* that binds the takaful participants and the licensed takaful operator.

S 4.2.3 A FSP shall explain to financial consumers the claims procedures and the consumers' responsibilities in relation to making a claim against the policy/takaful certificate. The information to be provided to financial consumers shall include-

a. **Motor insurance/takaful:** *a FSP must-*

1. *disclose the steps to be taken by financial consumers when involved in an accident which include obtaining details of the accident such as the vehicles involved, to lodge a police report within 24 hours of the incident, to notify the FSP immediately and to submit the claims form with complete supporting documents;*
2. *inform financial consumers of the repairers they are allowed to send their damaged vehicles to under their policy/takaful certificate;*
3. *advise financial consumers holding comprehensive cover on the option to submit a third-party claim to their own licensed ITOs under Own Damage Knock-For-Knock (OD KfK) arrangement. The financial consumers must be informed that their No Claims Discount (NCD) is not affected under an OD KfK, provided that the financial consumers are not at fault;*
4. *inform financial consumers of the excess that they need to bear for vehicle damage claims; and*
5. *explain any claims for the compensation for assessed repair time (CART), including how the amount for CART is derived;*

b. **Houseowner/householder insurance/takaful:** *the amount of compensation depends on the basis of cover (i.e. replacement basis or reinstatement basis). Financial consumers must be advised to specifically declare each item to be*