

## SCHEDULE II: INSURANCE/TAKAFUL PRODUCTS

- S** A FSP shall comply with the disclosure requirements under the Policy Document (PD) on Medical and Health Insurance and Takaful, PD on Investment-linked Business, PD on Universal Life Business, PD on Management of Participating Life Business and PD on Broader Application of *Ta'awun* in Takaful in relation to the respective insurance and takaful products.

### 1. Insurance/Takaful Products Distributed via Non-Direct Digital Platforms

- S 1.1** A FSP shall ensure that its intermediaries distributing insurance/takaful products via non-direct digital platforms (NDDPs) clearly and prominently disclose the following information to financial consumers-
- name of the FSP;
  - the type of relationship between the FSP and the intermediary distributing insurance/takaful products via the NDDP;
  - the level of services<sup>26</sup> to be expected from the FSP or intermediary distributing insurance/takaful products via the NDDP;
  - a statement<sup>27</sup> explaining the availability of options (if any) to purchase similar products that provide a rebate on commission or is commission free if purchased from the FSP's direct distribution channels such as the FSP's branches or website, prior to enabling financial consumers to proceed with final confirmation of purchase;
  - a detailed breakdown of premium or takaful contribution amount, commission or remuneration<sup>28</sup>, as well as relevant fees and charges<sup>29</sup>, to be received by the intermediary distributing insurance/takaful products via the NDDP;
  - the free-look period where applicable, immediately after payment (i.e. not via a link to another document); and
  - the premium/takaful contribution refund policy<sup>30</sup>, immediately after payment (i.e. not via a link to another document).
- S 1.2** A FSP shall ensure that its intermediaries distributing insurance/takaful products via NDDPs are prohibited from marking up premium/takaful contribution set by the FSP or imposing any additional charges to financial consumers on the NDDP. For example, if the premium/takaful contribution as priced by the FSP is RM100, the intermediary distributing insurance/takaful products via the NDDP is prohibited from offering the product to financial consumers at RM110 (i.e. RM10 mark-up by the intermediary). The intermediary's remuneration and expenses including platform fees and transaction charges must be borne by the FSP. The FSP shall manage operating costs accordingly in line with the PD on Operating Cost Controls for Life Insurance and Family Takaful Business and PD on Operating Cost Controls for General Insurance and Takaful Business.

<sup>26</sup> This includes information on where financial consumers can obtain more product information or advice and whether consumers can lodge a complaint or make a claim via the digital channel.

<sup>27</sup> This requirement only applies if commissions are paid to the intermediaries.

<sup>28</sup> This includes remuneration in the form of commission (in RM and as a % of the premium/takaful contribution) or fixed fee (in RM) per policy/takaful certificate.

<sup>29</sup> This includes platform fees or transactional charges per policy/takaful certificate, which forms part of the premium/takaful contribution (if any).

<sup>30</sup> FSP may disclose the premium/takaful contribution refund schedule by remaining number of months until the end of coverage period or inform financial consumers how to refer to the detailed refund schedule.