

- S** 2.3.5 For family takaful certificates, a FSP shall include in the annual statement to financial consumers sufficient warning of potential shortfall of the PIF to meet *tabarru'*, the consequences of the PIF shortfall and remedial actions to rectify the shortfall.
- S** 2.3.6 In the event a FSP's agent ceases to operate or ceases to continue to arrange its life insurance/family takaful products, the FSP must inform the affected financial consumers (either by written notice or via electronic means) of the following-
- a. that the insurance/takaful agent has ceased to operate or has ceased to continue to arrange its life policies/family takaful certificates;
  - b. new point of contact for policy/ takaful certificate servicing; and
  - c. how future premiums/ takaful contributions can be transmitted to the FSP, if applicable.
- S** 2.3.7 A FSP must regularly inform financial consumers on the importance of notifying the FSP of any change in contact details, including the address of the financial consumers, the nominee and/or trustee and the notification method.

### **3. Investment-Linked (IL) Insurance/Takaful Products**

#### **3.1 Pre-contractual stage**

- S** 3.1.1 A FSP shall inform financial consumers that it is licensed under the FSA or IFSA and regulated by BNM. Where insurance/takaful is to be arranged through an intermediary, the name and address of the intermediary and the FSP underwriting the insurance/takaful must be disclosed to financial consumers.
- S** 3.1.2 A FSP shall inform financial consumers of the importance of providing sufficient and accurate information to enable the FSP to advise the financial consumers on the suitability of the IL product, taking into consideration the appropriateness of such product to the financial consumers' needs and circumstances.
- S** 3.1.3 A FSP shall provide financial consumers with a description of the IL product features, including-
- a. types of IL product;
  - b. nature of investment including the underlying assets, objectives of the fund and investment strategy of the IL product, to enable the consumers to make a proper assessment of the fund and its potential risks;
  - c. product information contained in the relevant sales/marketing materials;
  - d. availability of the top-up facility and its use as a method to maximise the financial consumer's investment value; and
  - e. basic insurance/takaful coverage, in the event of death and total permanent disability, and the multiple of the premium/takaful contribution paid.
- S** 3.1.4 For IL takaful products, a FSP shall also provide the following information to financial consumers-
- a. applicable Shariah concepts-
    - i. between takaful participants of the takaful fund for mutual financial assistance; and
    - ii. between the licensed takaful operator and takaful participants in managing the takaful funds; and