



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

Registration Procedure to Carry on Adjusting Business

Issued on: 10 October 2013

BNM/RH/STD 032-2	Consumer and Market Conduct Department	Registration Procedure to Carry on Adjusting Business
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PART A OVERVIEW

1. Introduction

- 1.1 This policy document sets out the requirements for the registration of persons to carry on adjusting business including the fees payable by such persons.

2. Applicability

- 2.1 This policy document is applicable to persons intending to become registered adjusters under section 18(1) of the Financial Services Act 2013 (FSA).

3. Legal provisions

- 3.1 The requirements in this policy document are specified pursuant to section 143(2) of the FSA.
- 3.2 This policy document must be read together with the Financial Services (Requirements and Submission of Documents or Information) (Registered Business) Order 2013 [PU(A) 206/2013] made pursuant to section 17(1)(a) of the FSA.

4. Effective date

- 4.1 This policy document takes effect from 10 October 2013.

5. Interpretation

- 5.1 The terms and expressions used in this policy document shall have the same meanings assigned to them in the FSA unless otherwise defined in this policy document.

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5.2 For the purposes of this policy document-

“**S**” denotes a standard, requirement or specification that must be complied with. Failure to comply may result in one or more enforcement actions;

“**G**” denotes guidance which may consist of such information, advice or recommendation intended to promote common understanding and sound industry practices which are encouraged to be adopted;

“Order” means the Financial Services (Requirements and Submission of Documents or Information) (Registered Business) Order 2013 [PU(A) 206/2013] as produced at Appendix I.

6. Policy documents superseded

6.1 The circulars listed in Appendix II are superseded.

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PART B REGISTRATION PROCEDURE AND FEES

7. Registration Procedure

- G** 7.1 Section 17(1) of the FSA (read together with the Order) provides that a person intending to carry on adjusting business is required to:
- (a) fulfill the requirements in Part I of Schedule 2 of the Order;
 - (b) submit documents and information listed in Part 2 of Schedule 2 of the Order; and
 - (c) give written notification to the Bank of its date of commencement of business.
- S** 7.2 For the purposes of registration under section 17(1) of the FSA, a person intending to carry on adjusting business must submit the Registration Form in Appendix III duly completed together with the documents listed in Part 2 of Schedule 2 of the Order (required documents) to the Bank at least **14 days** before the commencement of its adjusting business.
- S** 7.3 The completed Registration Form and the required documents must be submitted to the following address:
- Pengarah
Jabatan Konsumer dan Amalan Pasaran
Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
- 7.4 The Bank will provide a confirmation in writing that the Bank has received the Registration Form with the required documents within 14 days from the receipt of the Registration Form and required documents. Pursuant to section 27(2) of the FSA, the list of registered persons and the effective dates of their registration will be published on the Bank's website at www.bnm.gov.my/index.php?ch=en_misc&pg=li_lossadj&ac=561 and will be updated as and when there are changes to the list.

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- G** 7.5 A person who has not fulfilled the requirements stated in paragraphs 7.1 and 7.2 will not be registered to carry on adjusting business and the person will be accordingly informed of this in writing by the Bank. In such circumstances, as provided under section 28 of the FSA, the person must not hold himself out to be a registered person carrying on adjusting business under the FSA.

8. Fees

- S** 8.1 Further to section 26(1) of the FSA¹ which provides for the fees of RM1,000 payable by a registered adjuster, such registered adjuster must make the payment to the Bank as follows:
- (a) within **seven (7) days** from the date of the confirmation in writing under paragraph 7.4. The fees of RM1,000 must be pro rated based on the number of months remaining for the first year of registration; and
 - (b) thereafter, the full fees of RM1,000 must be paid before 15 December of every year.
- S** 8.2 Payment of the fees must be made through commercial or Islamic banks via **RENTAS** (Real Time Electronic Transfer of Funds and Securities) by crediting the account of **Akauntan Negara Malaysia** (account no.: **1554095430**), Bank Negara Malaysia (TRN: **ANT01**), and by stating the name of the registered person and "**Fee**" under payment details. Once payment is made, the registered person must provide a copy of the credit advice to the Bank for confirmation of the payment.

¹ Read together with regulation 6 of the Insurance Regulations 1996 which has been saved under the FSA pursuant to section 272(a) of the FSA.