

Registration to Carry on Adjusting Business
Frequently Asked Questions and Answers (FAQs)

Introduction

The FAQs are intended to provide clarification to applicants on the requirements to carry on adjusting business under the Financial Services Act 2013 (the Act), including the standards and guidelines applicable for such business. The FAQs will be updated from time to time.

No.	Questions	Answers
1.	How and when can an applicant submit the application for registration to carry on adjusting business under the Act?	<ul style="list-style-type: none"> • An applicant is required to complete and submit: <ul style="list-style-type: none"> (i) a cover letter; (ii) the registration form available in Bank Negara Malaysia (the Bank)'s website together with all the supporting documents listed in the registration form (CMC/REGADJ/2020); and (iii) all documents listed in Part 2 of Schedule 2 of The Financial Services (Requirements and Submission of Documents or Information) (Registered Business) Order 2013 [P. U. (A) 206/2013] (The Order). • Submission of registration should be made either in the months of February or August annually. Any submission of registration received in any other month will be processed in the next processing period (for e.g. a submission of registration received in the month of March 2020 will be processed in August 2020 while a submission of registration received in October 2020 will be processed in February 2021). <p><i>Note: Registration form submitted without the complete list of required documentation/information will not be considered for registration of an adjuster.</i></p>
2.	Can I appeal if my registration is unsuccessful?	No. The applicant must submit a fresh application for registration together with the complete list of required documents/information for the Bank's consideration.
3.	Does the Bank charge any processing fee for registration to carry on adjusting business?	<ul style="list-style-type: none"> • The Bank does not charge any fee for processing the application as an adjuster. • However, upon successful registration as an adjuster, an annual registration fee of RM1,000 will be imposed. The registration fee shall be paid within seven (7) days from the date of the Bank's confirmation in writing. • The fee of RM1,000 will be pro-rated based on the number of months remaining for the first year of registration; and thereafter, the full fee of RM1,000 must be paid before 15 December of every year.
4.	Can the registration form and supporting documents be submitted online/via email?	Currently, the Bank only accepts hardcopy submissions addressed to: Director Consumer and Market Conduct Department Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur
5.	If the company is currently involved in other types of businesses, is it allowed to use the same company to apply to carry on adjusting business?	Yes, provided that the company is not involved in any business that is in conflict with adjusting business.

No.	Questions	Answers
6.	What are the minimum requirements to carry on adjusting business under the Act? <i>(cont'd)</i>	<ul style="list-style-type: none"> • In order to be registered as an adjuster, an applicant must fulfil the requirements in the following: <ul style="list-style-type: none"> (i) Policy Document on the <i>Registration Procedure to Carry on Adjusting Business</i> (PD on Adjusting Business) [issued on 21 December 2018]; and (ii) The Order. • An applicant must also meet the following minimum requirements as listed in Schedule 2 Part 1 of the Order: <ul style="list-style-type: none"> (i) A Body Corporate Applicant is a company incorporated either under the Companies Act 1965 or Companies Act 2016 (ii) Minimum Paid-Up Capital Must have minimum paid-up capital unimpaired by losses of at least RM150,000 (iii) Minimum Qualification for Employees involved in the Adjusting Work <ul style="list-style-type: none"> • Associate or Fellow of Chartered Institute of Loss Adjuster; • Diploma or Associate or Fellow of Malaysian Insurance Institute; • Associate or Fellow of Chartered Insurance Institute; • Diploma or Associate or Fellow of Australian Insurance Institute; • Associate or Fellow of Insurance Institute of Canada; • Fellow of Life Management Institute; • Chartered Property & Casualty Underwriter; • Diploma or Advance Diploma in Business Studies, majoring in Insurance from MARA University of Technology; • Degree in Risk Management; • Basic or Intermediate Certificate Course in Insurance Loss Adjusting from Malaysian Insurance Institute; or • Any other qualification approved by the Bank (iv) Fit & Proper <ul style="list-style-type: none"> • The shareholder, director or person concerned with the operation or management of the applicant has not been convicted of an offence under the Act or an offence involving fraud or dishonesty under any other written law. • The shareholder, director or chief executive officer has not been involved in the management or operation of an adjusting company whose license or registration has been revoked, deregistered or has been refused by the Bank. (v) Conflict of Interest The shareholder, directors, chief executive officer, employees and affiliates including their spouses, children, parents, siblings and other immediate family members do not have any equity interest or are not employed or associated with any insurer, takaful operator or workshop operator.

No.	Questions	Answers
7.	What are the other requirements to be fulfilled upon registration?	<p>The registered adjusters, among others, should also observe the following requirements</p> <ul style="list-style-type: none"> • Must conduct its adjusting business in a fair, responsible and professional manner at all times; • Must at all times comply with the PD on Adjusting Business; • Must commence adjusting business within six (6) months from the date of registration and notify the Bank within 7 days after the commencement of its business operation; • Encouraged to be a member of the Association of Malaysian Loss Adjusters; • Must have an established place of business/office; and • Must submit reports required under the Policy Document on STATsmart Reporting Requirements on Data Submission for Reporting Entities to the Bank.
8.	Can an applicant with more than 5 years working experience as an in-house claims assessor in an insurance company/takaful operator or an employee of a workshop operator be exempted from obtaining the qualification to be an adjuster?	No. Every person who wishes to carry on adjusting work must at least have one of the qualifications listed in No.6 (iii).
9.	Who can we contact should we have any further queries regarding our application?	<p>You may contact any of the following officers via our general line at +60326988044:</p> <ul style="list-style-type: none"> (i) Roselina (ext. 8050/roselina@bnm.gov.my) (ii) Sumathi (ext. 8829/sssuma@bnm.gov.my)