



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

ORION Frequently Asked Questions (FAQ)

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Glossary

Abbreviation	Full phrase
BCM	Business Continuity Management
BNM	Bank Negara Malaysia
CRO	Chief Risk Officer
DFI	Development Financial Institutions
FTP	File Transfer Protocol
KRI	Key Risk Indicators
LoD	Level of Disruption
MTD	Maximum Tolerable Downtime
ORION	Operational Risk Integrated Online Network
RE	Reporting entities
RTO	Recovery Time Objective
SNC	Shariah non-compliance
SST	Self-Service Terminal

Registration of ORION user

1. How many users are allowed in ORION?

In the case of REs operating as financial groups, access to ORION will be granted to the GCRO, CRO and Submission Officer.

In the case of REs operating on stand-alone basis, access to ORION will be granted to the CRO and Submission Officer.

For additional submission officer's ORION license, each entity is allowed to purchase only **ONE** licence. To purchase the licence, please email to oprisku@bnm.gov.my with the following details of your institution:

- (i) Contact Person:
- (ii) Business Registration Number:
- (iii) Phone Number:
- (iv) Fax Number:

2. What are the details required for registration of new user and/or change of ORION Submission Officer, CRO and/or GCRO?

Firstly, users must register at FI@KijangNet portal through their institution's FI@KijangNet administrator.

Upon successful self-registration at FI@KijangNet portal, the printscreen of the new officer's FI@KijangNet profile and reason for changes must be emailed to oprisku@bnm.gov.my. Registration of the new user in ORION may take up to five working days after receiving the complete printscreen. Sample of FI@KijangNet profile printscreen is as shown below:

My Profile Update Profile

User ID	<input type="text"/>	Primary Institution	<input type="text"/>
Title	<input type="text"/>	Primary Inst. Role	<input type="text"/>
First Name	<input type="text"/>	Designation	<input type="text"/>
Last Name	<input type="text"/>	Department	<input type="text"/>
Full Name	<input type="text"/>	Area of Work	<input type="text"/>
NRIC/Passport No.	<input type="text"/>	Remarks	<input type="text"/>
Email	<input type="text"/>		
Telephone	<input type="text"/>		
Fax	<input type="text"/>		
Mobile Phone	<input type="text"/>		

Secondary Institutions and Roles	
Intitution	Role

3. What if the registration in FI@KijangNet fails?

If registration fails:

- (i) Check if the email used for both ORION and portal registration are the same;
- (ii) Check if administrator has assigned the roles; or
- (iii) Check on the browser version guided by the User Guide and Technical Specification document.

4. Should RE's administrator for FI@KijangNet portal receive confirmation upon new user registration in ORION?

No confirmation email will be generated by FI@KijangNet.

Technical trouble-shooting

5. Why am I not able to access ORION using the given link @ <http://orion.w2k.bnm.gov.my:80/metricstream/systemi>.

Please access ORION via FI@KijangNet @ <https://kijangnet.bnm.gov.my>. Do not use the link @ <http://orion.w2k.bnm.gov.my:80/metricstream/systemi>.

6. I have logged onto FI@KijangNet portal but am unable to see any ORION tabs within the application / I am encountering an error (404 error).

This could be due to the following:

- (i) Internal Server error, do contact your institution's IT department to ensure that this can be addressed.
- (ii) BNM's Risk Specialist and Technology Supervision Department has not granted access to the new officer. Please ensure that the new officer's FI@KijangNet profile screenshot and the role of the user (CRO/Submission officer) attempting to access the system has been emailed to BNM at oprisku@bnm.gov.my.

7. Our CRO / Submission Officer (SO) has tried to log-in to ORION via FI@KijangNet portal but failed due to forgotten password. The CRO / SO has then tried to change the password but failed due to one of the following reasons:

(1) there were security questions to be answered, and the user does not have an answer for the questions; or

(2) there were no pop-up security questions.

What is the next course of action?

For forgotten password in ORION, REs must reset their password in FI@Kijangnet. Please do the following:

- (i) Browse @ <https://kijangnet.bnm.gov.my/> and on the landing page, click **Reset Password**. A new browser window will pop up.
- (ii) Key in your complete user ID in the **User ID** field and click Search. If your account is found, it will be listed in the page with name of the account user.
- (iii) Key in the answer for the security questions. If you have set up the security questions and answers correctly during production setup, you will be prompted to answer your personal security questions.
Note: Please type in the exact answer you used during registration. Take note of capital letters, spacing and special characters etc.
- (iv) If you have forgotten the answers to your FI@Kijangnet security questions, please email policyhelp@bnm.gov.my for assistance.
- (v) Change the password after successfully answering all the security questions. You will be prompted to change your password. Key in your new password and click **Save**.

8. Why does a pop-up error message appear when filling up the loss event form?

This could be due to an incompatible browser being used. The supported browsers are Internet Explorer 11 and Google Chrome (64bit) 87.0.4280.88 (Official Build). For Google Chrome, you may go to 'Help' and click 'About Google Chrome' to update to the latest Google Chrome version.

- 9. I have been registered by my institution's FI@KijangNet administrator in the portal and have provided BNM with the details of user. While I can see the ORION tab, I am unable to access it upon clicking.**

This could be due to internal security settings or firewalls that have been set up based on your institution's internal IT security policies. Do contact your IT department to ensure that appropriate access has been granted.

- 10. I am able to navigate through the ORION application, however, when I attempt to download the template and save it to my computer, I am unable to do so due to an unauthorised / insufficient permission error message.**

As the template is content that is being downloaded from a web based application, your institutions IT policy may not permit such items to be saved to your local machine. Do contact your IT administrator to enable this function.

- 11. How do we resolve the error message received after the upload of the Loss Event Data template?**

Depending on the error message received, please do the following to resolve:

- (i) Upload Completed & Invalid Data Found – Download the error template in the upload status report and refer to the error text under the loss event detail sheet to determine the invalid data input for each loss event submitted. Re-enter the correct value in the field that has been pointed out by the error text and retry submitting the loss events.
- (ii) Upload Failed – Download a fresh new template and input the data accordingly with the instruction given to avoid corruption of template. Inputs of data directly into excel template cells for each column are not allowed and will result in corruption of the template.

- 12. I encounter syntax error message while doing submissions to ORION**

Please DO NOT use any special characters such as: < > \ : ; " & # ^ ' ` ? % in the Loss Event Description, attachment names or any free text fields. If the issue persists, please email oprisku@bnm.gov.my to receive the instruction to capture your network logs for further investigation.

- 13. Will there be any email notification upon a successful submission?**

No, emails will not be generated upon a successful submission. The submission status can be validated against the Master List Reports.

- 14. Will there be an audit trail of the changes made in previous submissions?**

Yes, REs can view the date, fields and user of the last change made.

- 15. How do REs amend previous submissions?**

- (i) To amend a reported loss event in ORION to reflect any changes to its content / classification etc., users may do so by retrieving the said report using "Loss Event ID".

- (ii) Duplicated events can be amended by deactivating one of the reports by filling up the “Event Valid Till” field with the current date.
- (iii) If a reported suspected fraud event was concluded as a case of genuine transaction, the event can be removed from ORION by filling up the “Event Valid Till” field with the current date.

16. Do REs need to inform BNM of the changes to previous submissions made in ORION?

No.

General

17. How do we communicate to BNM on any enquiries pertaining to ORION?

All queries/communication can be directed to oprisku@bnm.gov.my .

18. Is there a “maker-checker” function in ORION for validation purposes?

No. ORION is strictly a submission system. REs internal governance process must be cleared outside the system prior to the submission.

19. Please clarify on the period of the data collection to be reported for monthly reporting.

Examples based on the timeline are as follows;

- (i) Monthly submission of aggregate reporting - by the 15th calendar day of the following month or earlier. This means that all events that occurred from 1 January to 31 January must be reported by 15 February or earlier (1 to 14 February).
- (ii) Quarterly KRIs by the 15th calendar day of the following month. This means that all instances that occurred from 1 January to 31 March must be reported by 15 April or earlier (1 to 14 April).

20. How to change RE’s Kijang Administrator?

Please email your change request along with details of the new administrator such as Name, Email Address and Contact Number to policyhelp@bnm.gov.my .

21. Our institution’s FI@KijangNet administrator has forgotten his password to login to the portal. What is the next course of action?

Please email your request to reset password to policyhelp@bnm.gov.my .

Loss event reporting

General

22. There is a high volume of data this month. Can we request for an extension of the loss event submission deadline?

There will be no extension granted. Nevertheless, please email to oprisku@bnm.gov.my to notify us of the late submission and reason.

23. How to report high reputational impact events to ORION?

For event that may threaten the RE's reputation, RE must first assess the event according to RE's internal policy (e.g. Reputational risk framework etc.). Should the assessment conclude that the event poses high reputational impact to the RE, the event must be submitted to ORION within 1 working day.

24. How do REs assess non-financial impact (Low, Medium, High)?

REs shall determine the impact based on their internal policy (e.g. Reputational risk framework etc.) considering the nature of the event and REs size, nature and complexity of their respective entities.

25. What does 'Date of Event Confirmation' refer to?

RE is to determine own "point of confirmation". Confirmation of an event is to be done by RE's appropriate line of governance.

26. What does the event classification of "Actual Loss" in ORION signify for general OR events, SNC events, BDSF events and Cyber threat incidents?

FIs must be mindful of the event classification when reporting general operational risk events, SNC events, BDSF events and Cyber threat events. The significance of "Actual Loss" event classification for different types of events are as stated below:

(i) **General OR events** - To classify as 'Actual Loss' when there is a financial loss impacting the P&L i.e. Write-off or provision.

(ii) **SNC events** - 'Actual loss' refers to Actual SNC status as confirmed by the Shariah Committee (SC) regardless of whether there is financial loss or not. *E.g., the bank's SC has confirmed the event is an SNC event, however the amount that is required to be purified has yet to be determined – to classify as "Actual Loss" as the event is an Actual SNC.*

(iii) **BDSF events** – To classify as 'Actual Loss' when a critical BDSF event (as outlined in the guide) occurred at the Res.

(iv) **Cyber incidents** – To classify as 'Actual Loss' when there is a cyber event that:

- jeopardizes the cyber security of an information system or the information the system processes, stores or transmits; or
- violates the security policies, security procedures or acceptable use policies, whether resulting from malicious activity or not.

27. Does financial losses parked in Sundries / Transitory / Suspense account required to be reported to ORION as 'Actual Loss'?

A financial loss booked temporarily in the sundries / transitory / suspense account and yet to be written-off or provisioned for in the P&L, is not considered as an 'Actual Loss' event.

However, if the financial loss booked temporarily in the sundries / transitory / suspense account is \geq RM1 million, the event would need to be reported to ORION under the category of Critical Events – actual / potential losses \geq RM1 million as

'Potential Loss' first and subsequently updated to reflect any 'Actual Loss' or 'Recovery'.

In the case of loss and chargeback, these must be reported as 'Actual Loss' event with losses tied to the merchant (Refer to **FAQ No. 58**).

28. Previous submission of loss event(s) does not appear in the loss event list report in ORION's default landing page?

By default, the loss event list report in the landing page will show only the current month loss event submission. For any previous submission, you can search the loss events submitted via these 2 methods:

- i) Field 'Loss Event ID' – Institution Internal Loss Event ID / ORION generated Loss Event ID can be used to search for previous loss event
- ii) Field "Update from" & "Update till" – This field requires you to input the duration of reporting date for any previous submitted loss event.

29. I have tried to search for a loss event that has been reported to ORION previously via the Loss Event ID field and nothing appears. Why?

There might be a possibility that the loss event has been end dated (a date has been inputted in the "Event Valid Till" field) or the event was not successfully uploaded via the Excel template. Please re-submit the event to ORION indicating '[Re-submission]' in the "Loss Event Name" and the reason for re-submission along with the details/executive summary of the event itself in the "Loss Event Description".

30. What is the function of the "Event Valid Till" field?

The field is meant to remove a loss event from ORION. Please be noted that inputting a date value in this field does not signify the closure of the event.

31. How to determine the success of the batch excel uploading for LED?

Kindly refer to the Upload Status Report under LED.

32. Is there a threshold for reporting loss event?

No threshold to ensure sufficient industry data is collected to determine industry analysis, reports and trending. However, please be noted on the requirements of aggregate reporting for:

- (i) Card related fraud \leq RM5, 000
- (ii) Actual loss \leq RM1, 000
- (iii) All physical cash shortages

33. When do REs report suspected fraud cases to ORION?

All suspected fraud events (apart from card fraud – refer to **FAQ No. 53**) must be reported upon confirmation of **suspected** fraud by the Fraud Investigation Unit, Claim Unit or similar functions although the exact loss amount is yet to be ascertained.

Subsequently, the **suspected** fraud must be re-assessed and updated to reflect changes to the ORION loss event classification (e.g. from Potential to Actual) and latest loss description (e.g. confirmed actual loss amount).

34. Does application fraud “near miss” needs to be reported as loss events?

No. Application fraud events (e.g. banking facilities / financing application, opening of account) are not required to be reported to ORION as loss event unless if it is a new MO to the bank. Nonetheless, the number of these occurrences would need to be reported as KRI.

35. Please elaborate on New and Repeated events.

- New – New type of MO that impacted the REs for the first time (it does not refer to every new submission of events)
- Repeated – MO that has occurred previously at REs.

36. Do REs report Code of Ethics cases to ORION?

Code of Ethics cases are required to be reported as loss events only if there are actual / potential financial losses incurred (e.g. claims from customer on mis-selling).

Should the potential financial loss be less than RM1mil, the loss event can be submitted when the loss is charged to P&L. If the potential loss is \geq RM1mil, REs are required to report as ‘Potential Loss’ to ORION.

37. Do events occurred outside REs premises need to be reported too?

Yes. As long as the Operational Risk event is within the context of Table 2: ORION reporting types and timelines, as stated in the ORION policy document.

38. In an event which causes / involves two different operational risk ‘Event Types’ in ORION, should REs report as one or two events?

The loss event must be reported separately as follows:

Scenario A: Hacking on internet banking database system that causes customers’ data leakage.

(i) Event 1 (for hacking) –

Event Category: External Fraud > Systems Security > Hacking Damage.

(ii) Event 2 (for customers’ data leakage) –

Event Category: CPBP > Suitability, disclosure and fiduciary > Breach of Privacy.

Event 1 shall record the LED ID number of Event 2 in the Loss Event Description and vice versa. Another similar separate reporting required is for case in FAQ No. 39.

39. Does the cost incurred from repair / replacement resulted from Self-Service Terminals robbery and theft is included in the loss event reporting?

Yes. Please report the event as TWO separate events to ORION. Guiding examples are as follows:

Scenario A: Attempted robbery with no cash loss (no cash stolen from the Self-Service Terminals as the robbery was unsuccessful but there was some loss due to damage).

(i) Event 1 (for robbery event) –

Loss Event Name: Attempted Self-Service Terminals robbery.

Event Category: External fraud > Theft and fraud > Theft/robbery.

Event Classification: Near miss.

(ii) Event 2 (for repair work if the loss has been charged to P&L) -

Loss Event Name: Attempted Self-Service Terminals robbery repair cost.

Event Category: Damage to physical assets > Natural disaster & other losses > Vandalism.

Event Classification: Actual loss.

Scenario B: Successful robbery with cash loss (stolen cash from the Self-Service Terminal with loss due to damage)

1) Event 1 (for robbery event)

Loss Event Name: Self-Service Terminal robbery.

Event Category: External fraud > Theft and fraud > Theft/robbery.

Event Classification: Potential Loss (if the loss has yet to be charged to P&L)
Actual Loss (if the loss has been charged to P&L).

2) Event 2 (for repair work if the loss has been charged to P&L) -

Loss Event Name: Attempted ATM/CDM robbery repair cost.

Event Category: Damage to physical assets > Natural disaster & other losses > Vandalism.

Event Classification: Actual loss.

40. Should cash shortages for Self-Service Terminal outsourced to vendor be reported to ORION despite losses being absorbed by a third party?

All Self-Service Terminals cash shortages either at the bank's branch, offsite Self-Service Terminal including those outsourced to vendor irrespective of whether the losses are borne by the bank or third party, has to be reported – to record the losses in aggregated amount. Please refer to **Appendix 10: Aggregate Reporting Requirements**.

41. Do REs need to report gains?

No.

42. The BCM Guideline specifies that escalation of major disruption must be reported to BNM within 2 hours, which is less than the ORION requirement. Which one prevails?

REs must notify any major disruption (LoD 2 and above) within 2 hours to the relevant stakeholders in BNM (Relationship Managers and/or Supervisors) as stipulated in the BCM Guideline. Nonetheless, reporting of BDSF events to ORION must be in accordance with Table 2: ORION Reporting Types and Timelines.

43. How do we map the event type, business lines or causal categories?

The principle is that the taxonomies must be mapped to the closest ORION taxonomies for event type, business line or causal categories. This includes the following circumstances:

- (i) The existing taxonomies in the reporting entities are not as granular.
- (ii) The event that occurred impacted several business lines/ branches. In this case REs must establish a principle of allocating the loss, e.g. to the most impacted business activity like deposit hence allocated to commercial banking.
- (iii) The use of "Others" must be done after REs have tried to exhaust all possible options in the taxonomies. If it is genuinely new e.g. new modus operandi for fraud, BNM must be immediately notified.

Overseas loss event reporting

44. What are the types of entities subjected to overseas operational risk event reporting?

Only banking and insurance-related foreign and offshore subsidiaries or branches of the REs are subjected to this requirement.

45. How to report losses incurred by overseas branches and/or overseas subsidiaries to ORION?

- (i) Please use the **Overseas Subsidiary Form** to report losses incurred by overseas branches and/or overseas subsidiaries.
- (ii) There is no excel template available for the purpose of reporting overseas losses.
- (iii) Only **Actual Loss** events are required to be reported.
- (iv) Losses must be reported by **Country** of loss.
- (v) Monthly submission of overseas losses reporting - by the 15th calendar day of the following month or earlier.
- (vi) Reporting of these losses must be in accordance with the reporting requirement as set out in **Appendix 11: Overseas loss event reporting requirements - Table 15:**
 - a. Events with amount < RM1 million must be aggregated by country.
 - b. Events with amount that are ≥ RM1 million must **NOT** be aggregated and must be reported as a single event by country in ORION.

46. How to report losses incurred by overseas branches and/or subsidiaries that are ≥ RM1 million to ORION?

For events ≥ RM1 million, to submit loss event individually by country. e.g., There were 3 loss events ≥ RM1 million that occurred from 1 January to 31 January as per below:

- Thailand – RM2.5 million
- Singapore – RM1.7 million
- Singapore – RM1.5 million

RE must submit 3 reports to ORION by 15 February or earlier (1 to 14 February).

- Report 1: Thailand RM2.5million;
- Report 2: Singapore RM1.5 million;
- Report 3: Singapore RM1.7 million.

In ORION, to select the relevant Level 1 'Business Line' and Level 1 'Event Type'. The chronology of the event detailing how the event happened, root cause along with the remedial actions and mitigation action plans must be included in the 'Loss Event Description' field.

47. How are losses incurred by overseas branches and/or subsidiaries that are < RM1 million reported to ORION?

For events < RM1 million, to submit the loss event **aggregated by country**.

e.g., There were 5 loss events < RM 1 million that occurred from 1 January to 31 January as per below:

- Thailand – RM20k
- Singapore – RM2k
- Singapore – RM3k
- Vietnam – RM3k
- Vietnam – RM1k

RE must submit 3 reports to ORION by 15 February or earlier (1 to 14 February).

- Report 1: Thailand RM20k;
- Report 2: Singapore RM5k;
- Report 3: Vietnam RM4k

In ORION, Level 1 'Business Line' and Level 1 'Event Type' are not required for the aggregate reporting of events < RM1 million. However, due to the mandatory field setting of the Business Line and Event Category, RE is to select any from the drop down list. For Loss Event Description field, please put 'N/A'.

Customer information breaches loss event reporting

48. Should customer information details be included in ORION when reporting a customer information breach event?

The reporting of customer information breach in ORION must include an executive summary of the case, covering the areas specified in Appendix 6 of the ORION policy document. Confidential information of the affected customer or any other individuals (e.g. name, I/C number, **account number** and other personal information) must not be included.

49. Should customer information details be included in the detailed investigation report submitted to BNM's Jabatan Konsumer dan Amalan Pasaran?

The investigation report must include all the details **as set out in Appendix I of the policy document on Management of Customer Information and Permitted Disclosures**.

50. The ORION reporting requirements state that customer information breaches must be reported within 1 working day upon completion of investigation tabled to the Board. Where do we input the date in ORION?

For the purpose of reporting customer information breaches in ORION, please use 'Date of detection' field in reference to 'Date of investigation tabled to Board'.

Payment-related loss event reporting

51. What is e-money?

As stated in the E-money Guidelines and in accordance with the Payment Systems (Designated Payment Instruments) Order 2003, e-money refers to a payment instrument, whether tangible or intangible that;

- (i) stores funds electronically in exchange of funds paid to the issuer; and
- (ii) is able to be used as a means of making payment to any person other than the issuer.

Example of e-money is Touch n' Go card scheme and International brand prepaid card issued by banking institutions.

52. Do cases of forged / counterfeit notes need to be reported?

Yes. All fraud cases must be reported to ORION irrespective of the event classification of actual, potential or near miss.

Any counterfeit Malaysian currency notes accepted via Cash Deposit Machine (CDM) and Cash Recycler Machines (CRM) must be reported under BDSF when the system fails to detect and reject the counterfeit notes. The incident must be reported in ORION even if there is no loss incurred.

53. Please elaborate on 'attempted fraud' in terms of payment-related transactions.

Attempted fraud refers to an event whereby the issuer managed to detect the fraudulent transaction and managed to stop the transaction from going through (no loss and no charge back).

54. If a customer disputes 10 credit card transactions, should it be reported to ORION on a per transaction basis or per customer basis?

The reporting must be per transaction basis. Transactions with amount involved \leq RM5k must be aggregated for reporting to ORION. Transactions with amount involved $>$ RM5k threshold must be submitted as a single event to ORION. Please refer to **Appendix 10: Aggregate reporting requirements**.

55. At what stage should the RE report a Card fraud?

At the point of detection.

56. For events involving fraudulent altered cheque which the collecting Bank has tagged as Non Conformance Flag in CTCS and fraud did not take place, are these "near miss" events required to be reported to ORION?

No, unless there is additional mitigation actions (e.g. calling up customers to verify the cheques that are suspected to be fraudulent) taken by the issuing Bank to verify if these altered cheques that have been tagged as Non Conformance by collecting Bank are fraud or genuine.

57. Who should report cheque fraud events? Issuing banks or collecting banks?

The issuing bank must report cheque fraud irrespective of whether the loss is borne by the issuing bank or collecting bank.

- If the loss is borne by issuing bank, please input the amount accordingly as per below -

Incurring by	Actual Loss / Potential Loss (In RM)	Recovery Amount (In RM)	Comments
RE / Issuing Bank	Xx		
Collecting Bank			
Customer			
Others			

- If the loss is borne collecting bank, issuing will be reporting the loss on collecting bank's behalf by inputting the amount accordingly as per below -

Incurring by	Actual Loss / Potential Loss (In RM)	Recovery Amount (In RM)	Comments
RE / Issuing Bank			
Collecting Bank	xx		To input the name of the bank that is absorbing the loss
Customer			
Others			

58. How do I report credit card cases (loss and chargeback) whereby the RE can fully recover losses from the Acquirer / Merchant (if it complies with the relevant requirements of Visa / MasterCard)?

Report as "Actual Loss" with losses tied to merchant accordingly as per below –

Incurring by	Actual Loss (In RM)	Recovery Amount (In RM)	Comments
RE / Issuer		xx	
Card holder / Customer			
Acquirer / Merchant	xx		

Aggregate loss event reporting

59. How should REs report aggregate card-related fraud ≤ RM5k?

Aggregate reporting for card-related fraud event is based on the Amount Involved per Table 14 in ORION Policy Document. For example, a credit card fraud with amount involved of RM3,500 would be reported on an aggregated basis (by card type) as the amount involved is ≤ RM5k.

Whereas, a credit card fraud with amount involved of RM7,500 must not be aggregated as the amount involved is > RM5k. Instead, this event must be reported as a single event to ORION.

60. What is the basis of reporting aggregate loss events ≤ RM1k?

Aggregate reporting for loss events is based on Net Actual Loss.

BDSF-related loss event reporting

61. What are the critical business functions or systems subjected to ORION reporting for critical BDSF events?

a. Any system failure or system execution failure occurred at REs or outsourced service provider affecting the critical business functions or systems listed below irrespective of breaching or not breaching RTO timeline must be reported to ORION. This includes but not limited to:

- (i) Core Banking System
- (ii) Core Insurance System
- (iii) Payment Systems
 - eSpick
 - RENTAS
 - Interbank Fund Transfer (IBFT, MEPS IBG)
- (iv) Treasury System
- (v) Self-Service Terminals (SSTs include CRM, CDM & ATM)
- (vi) Internet Banking System (Retail and Corporate)
- (vii) Mobile Banking System
- (viii) Call Centre
- (ix) Insurance eCover note
- (x) Internet Insurance System (for public and agents, e.g.: motor & travel insurance)
- (xi) Card System
- (xii) SWIFT

Note: The list of critical systems above is not exhaustive and REs should assess whether other systems should be considered as critical, with consideration that the application system supports the provision of critical banking, insurance or payment services, where failure of the system has the potential to significantly impair the financial institution's provision of financial services to customers or counterparties, business operations, financial position, reputation, or compliance with applicable laws and regulatory requirements

b. Any counterfeit Malaysian currency notes accepted via Cash Deposit Machine (CDM) and Cash Recycler Machines (CRM) must be reported under BDSF when the system fails to detect and reject the counterfeit notes. The incident must be reported in ORION even if there is no loss incurred.

62. If a system disruption has impacted both conventional and Islamic entities, how would the reporting of such event be done in ORION?

Please submit two separate LED reporting for each entity. Any financial loss resulted from the event must be split accordingly.

63. What are the parameters to define business disruption? Does this include disruption of just 5 to 10 minutes (or less)?

Any business disruption must be reported irrespective of the duration of disruption. However, event severity must be confirmed in accordance to:

- (i) Any business disruption of LoD 1 event involving failure at main branch or processing hub irrespective of breaching or not breaching MTD timeline including network.
- (ii) Any business disruption of LoD 2 and above irrespective of breaching or not breaching MTD timeline including network.

64. Is critical system failure/outage with low severity level required to be reported?

Any system failure is to be reported irrespective of event severity as long as the systems are listed in **FAQ No. 61**.

65. Are 'minimal' system failures resulting from batch overruns for few minutes required to be reported in ORION?

Yes, system failures resulting from batch overruns regardless of short or long duration, is required to be reported in ORION.

66. What is the definition of 'Main Branch' or 'Processing Hub' in reporting a business disruption event in ORION?

Any business disruption involving the RE's main branch and where there are significant business operations taking place to support the functionality of the RE's operations i.e. centralised operations centres.

67. What is the definition of 'New' and 'Repeated' in the context of IT incidents

Select "**New**" if New MO is applied.

I.e. The first DDoS attack was impacting bank's network by flooding it with data packets, and the second DDoS attack MO is by affecting the bank's system application instead of the network

Select "**Repeated**" if the same MO has been applied in previous attack.

Cyber Event-related loss event reporting

68. How do REs classify cyber incidents and events in ORION?

All cyber incidents and events must be reported to ORION as per below:

(i) **Cyber incident** > Event classification: Actual Loss

Defined as a cyber event that:

- jeopardizes the cyber security of an information system or the information the system processes, stores or transmits; or
- violates the security policies, security procedures or acceptable use policies, whether resulting from malicious activity or not.

(ii) **Cyber event** > Event classification: Near Miss

Defined as any observable occurrence of cyber threat in an information system. Cyber events sometimes provide indication that a cyber incident is occurring (i.e. cyber threat which could potentially compromise REs IT equipment, system, operations, data, services or users).

Shariah non-compliance loss event reporting

69. Do REs still need to declare nil SNC as per the previous requirements?

No.

70. Is the officer in charge (OIC) mentioned in Appendix 8 - SNC event reporting requirements, the same as the ORION submission officer mention in the main document?

No. The ORION submission officer is responsible to consolidate and liaise with relevant parties, including the OIC in matters pertaining to submission to BNM.

71. Illustration on reporting actual loss and potential loss for SNC.

It should be highlighted that actual loss and potential loss are operational risk categorisation hence are NOT the same as actual SNC and potential SNC. REs must be mindful of the operational risk loss category when reporting SNC events. SNC events can be differentiated by flagging the Islamic Business and Actual SNC boxes (selected as "Yes") in the system.

- (i) **Actual SNC** is reported when Shariah Committee confirmed that the event is SNC. Regardless of whether the SNC event is with or without financial losses, the SNC event is to be reported to ORION as "Actual Loss" under the event classification field and to select "Yes" in the SNC box. Non-financial impact must be reported for actual SNC with nil financial loss.

Scenario 1: SC has confirmed that the event is an SNC event but there was no financial loss as FI managed to rectify the matter within 30 days (i.e. new contract was issued before income was recognised). FI is to classify the event as "Actual Loss" to reflect that it is an Actual SNC although there was no financial loss.

Scenario 2: SC has confirmed that the event is an SNC event and there was financial loss (estimate) but the actual amount is yet to be ascertained and has not impacted the FI's P&L. FI is to classify the event as "Actual Loss" to reflect that it is an Actual SNC.

- (ii) **Potential SNC** is reported immediately (T+1 working day) upon event confirmation by an officer within the control function regardless if the event has been tabled to Shariah Committee or not. In ORION, to select "Yes" in SNC box and event classified as "Potential loss".
- (iii) If the Shariah Committee decided that a potential SNC is a not an SNC event, FI must assess if the event is operational risk related or not:
 - a. **If the event is an operational risk event**, the event must be reported as such by amending the SNC field previously selected as "Yes" to "No". The details of the event must be retained for the purpose of reporting to BNM.
 - b. **If the event is neither an operational risk event**, the event must be removed from ORION by inputting a date in the "Event Validity" field to end date the event.

- 72. On the requirement to conduct ad-hoc Board meeting to meet the 30-day period to obtain Board's approval on the rectification plan, can it be in the form of circularisation?**

No. A formal meeting or discussion session must take place. Board's approval in the form of circularisation and/or memorandum is not permissible.

- 73. On the requirement to submit rectification plan approved by the Board within 30 calendar days, can it be a principle based / brief plan?**

In order to meet the 30-day period, the rectification plan that is to be submitted does not have to be a full blown plan and it can be of a principle based plan approved by the Board. However, the detailed rectification plan must be submitted and updated in ORION later.

- 74. Must SNC events be reported at entity level?**

Yes, SNC issues must be reported by the entity where the business belonged to. I.e. Investment bank A have SNC issues of which the loss is impacting the GL in Islamic bank A. In this case, Islamic bank A is required to report the SNC event to ORION and indicate in the Loss Event Description that the loss occurred at Investment bank A.

- 75. Can RE request for extension should they fail to table the potential SNC event to Shariah Committee within the 14 working days timeline?**

RE is strictly required to observe the timeline of the 14 working days. However, any request for time extensions need to be supported with strong justifications and it has to be through a formal request to the Bank.

Insurance specific loss event reporting

- 76. Misappropriation of insurance premium by Agent – how shall REs select business line level 2 as the premium owed by the agent encompasses various classes of policies?**

The business line level 2 is to be reported under each affected class of business.

- 77. For "Ordinary Life Investment" under business line level 2 for Life business, does it meant for with-profit business/participating fund?**

Yes.

- 78. Does the ORION Policy Document and FAQ supersede other insurance related policies and guidelines?**

No. ORION Policy Document and FAQ does not supersede the Guidelines on Claims Settlement Processes and other insurance related policy document unless otherwise stated in the ORION Policy Document and FAQ. Insurance companies and Takaful operators must continue to ensure compliance with the Guidelines on Claims Settlement Processes and other insurance related policy documents as well as refer to the supervision department.

KRI Reporting

79. How to amend previously submitted KRI to ORION?

Only the latest submission (latest quarterly/monthly/yearly submission) can be edited. To amend, click on the KRI module tab, select KRI Submission Report and then select your Reporting Entity Type and Reporting Entity Name accordingly. From the list of KRIs submitted populated, select the KRI that you would like to amend. Click on the pencil icon on your top right to edit and submit. On historical data, however, all amendments must be emailed to oprisku@bnm.gov.my .

80. Will BNM be sharing the industry threshold for KRIs?

No.

Generic KRI

81. What is the scope to report ‘Number of application fraud near-miss’?

For Banking Sector:

Remittance/cheque book/trading bill applications must not be included in the KRI.

For Insurance Sector:

- (i) “Application” here refers to insurance proposal (proposal form);
- (ii) The KRI includes new policy, upgraded policy application, reinstatement of insurance, endorsement, claim applications etc.;
- (iii) The KRI only captures confirmed fraud cases;
- (iv) New agent application / registration or employee application / staff recruitment must not be included in this KRI.

82. What type of reprimands needs to be reported as KRI?

Only severe formal and/or official written reprimands that are substantiated with documentation are to be reported as KRI in ORION irrespective of monetary or non-monetary penalty imposed. Reprimands received directly from BNM (e.g. Statistical Department, Consumer Market Conduct) are not required to be reported in this KRI.

83. What is the scope of reporting the KRI on “Number of New Litigation Cases Initiated against the FI”?

- (i) Where FI was served with Letter of Demand (LOD), to report in the KRI;
- (ii) Where the reported LOD is translated into a real litigation, FIs are not required to include in the following quarter;
- (iii) Where FI was served with court order without prior LOD, FIs are to report in the KRI;
- (iv) Industrial Court related -For case initiated by staff/ex-staff, only cases where unable to be resolved through reconciliation proceedings and subsequently referred to the Court are deemed litigation case that has to be reported under this KRI;
- (v) Insurance claims-related litigation are not required to be reported.

84. Is the turnover rate calculation includes deceased and/or staff that has retired in “Staff Attrition Rate” KRI?

Yes

85. Are supervisory / regulatory findings required to be reported in the “New Audit Findings” KRI?

No.

Technology KRI

86. Please elaborate on the KRI “Number of incidents relating to transactional reporting or updating errors of critical system”.

The KRI is to capture incidents related to errors caused by production system. Any errors caused by human intervention shall not be included in this KRI.

For example:

- (i) Erroneous financial or transactional reporting caused by system which could affect decision making, analysis or general understanding of the business by anyone who have access to the report.
- (ii) Errors in computation or processing of financial transactions which result in customers' account being wrongly credited or debited.
- (iii) Material errors in the total outstanding loans figures or total premiums income reported in the annual report.
- (iv) Material errors in the financial reporting to BNM as at a specific reporting period.
- (v) Customers' statements (whether in electronic or paper form) showing wrong account balances or transaction history - if this is due to programming errors, this can be reported as one incident even though it affects many customers.
- (vi) Incorrect interest or dividend amounts were credited into customers' accounts due to errors in batch jobs - this is also treated as one incident although the erroneous crediting of interest or dividend payments affected many customers
- (vii) Customers' policy/statements (whether in electronic or paper form) showing wrong sum insured, premium amount or transaction history of payments made - if this is due to programming errors, this can be reported as one incident even though it affects many customers.

87. What is the definition of Critical Systems vs. Critical Services?

Critical services = critical business function.

Critical systems are those systems supporting the critical services.

88. Please elaborate the KRI “Number of instances response time for critical services exceeded SLA”.

Response time here refers to system response time (from the moment an instruction is entered into the system until the user gets the system response). This KRI intends to capture delay in response time for SLA between the bank and their customers (outsourcing contracts SLA are excluded).

Insurance KRI

89. What is the scope of reporting the KRI “Instances of delay in issuance of policies” for number of policy issuance exceeding 30 days for Motor and 60 days for Non-motor from the acceptance of risk until issuance of policies?

- (i) For Motor, acceptance of risk refers to the date cover note was issued.
- (ii) For Non-motor, acceptance of risk refers to policy inception date.
- (iii) The 30 days for Motor and 60 days for Non-motor refers to calendar days.
- (iv) FIs are expected to track all policies issued including by franchise.

90. What is the scope of reporting the KRI “Instances of delay in payment of claims” for payment of claims > 35 working days from receipt of the last supporting document for assessment for example medical report and / or final adjuster’s report until issuance of payment voucher?

- (i) Issuance of claim advice can be the last checkpoint if it is regarded same as payment voucher.
- (ii) The KRI is applicable to all recipient of claims paid out, including third party claimants (except payment made by medical claim administrator)
- (iii) The KRI includes Life and Personal Accident Death claim cases.

91. On the number of replacement of life policy / certificate (ROP / ROC) KRI, is the indicator meant for internal or external ROP?

Both internal and external ROP / ROC must be recorded under the KRI.

92. Would the KRI “Number of replacement of life policy / certificate” be applicable to banks that engage in bancassurance / bancatakaful activity i.e. marketing insurance on behalf of 3rd parties?

Yes.

93. What is the scope of reporting the KRI “Number of delay in death claims” where number of death claims paid > 60 days after the notification date?

- (i) This is only applicable to Life and Personal Accident Death claims including Foreign Workers Compensation Scheme.
- (ii) The 60 calendar day timeline will commence upon receipt of notification of the claim irrespective complete documentation received or not.

[Please refer to Schedule 10 Section 130 Paragraph 12(1) Financial Services Act 2013]

[Please refer to Schedule 10 Section 142 Paragraph 12.1 Islamic Financial Services Act 2013]

94. What is the scope of reporting the KRI “Instances of delay in appointing licensed / in-house adjuster” that was done >7 working days from receipt of completed claims documents?

The decision whether to appoint adjusters is as defined by REs’ internal policy and procedure.

The definition of completed claims documents is as defined by REs’ internal policy and procedure and to comply with the requirements as set out in BNM/RH/GL/003-9 Guideline on Claims Settlement Practices (Consolidated) and BNM/RH/GL/004-17 Guideline on Claims Settlement Practices (Consolidated) Takaful.

Treasury KRI

95. On the number of trade / deal cancellations and amendments KRI

a) What is the definition of a deal/trade in this KRI?

The deal/trade is defined from the point of dealer/trader capture/input data in the Treasury system. Hence, any deal/trade amendment/cancellation made by trader/dealer subsequent to the deal creation, need to be captured as this KRI.

The following are scenarios below required reporting in ORION for this Treasury KRI:

b) Any cancellations or amendments made by trader/dealer due to customer's instruction;

The KRI is meant to monitor traders' and/or dealers' behaviour. Hence, any cancellations due to customer's instruction are not required to be reported as those are genuine cancellation.

c) Any cancellations or amendments that have suspicious / fraud elements;

Cancellations or amendments due to suspicious / fraud elements are required to be reported only upon confirmation of fraud as a Loss Event.

d) Any cancellations or amendments due to human error / unintentional ;

Cancellations or amendments due to unintentional human error are required to be reported.

e) Any cancellations or amendments without reasoning / justifications.

Cancellations without reasoning / justification has to be reported under this KRI.

Scenario Analysis

96. Please define the scenario analysis that BNM is referring to.

The scenario analysis will be initiated as an instruction to REs. The instruction can be categorised as follows:

- (i) Assessment – An assessment initiated by BNM for REs to conduct scenario analyses on the top risks that are unique to the RE.
- (ii) Assignments – A detailed instruction to perform specific scenario analysis on one specific risk area.
- (iii) Workshops – A detailed instruction to perform analysis on a few scenarios.