



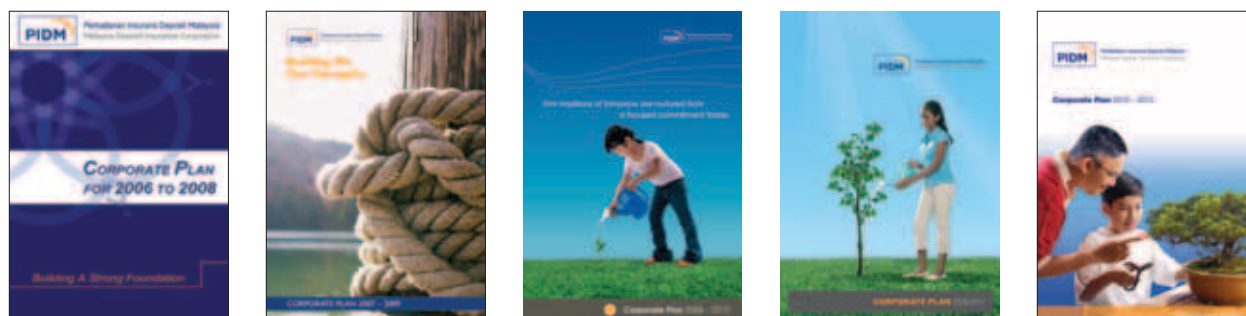
Perbadanan Insurans Deposit Malaysia
Protecting Your Insurance And Deposits In Malaysia





‘PIDM Project MoneySmart’ is an education programme developed to inculcate good saving habits and healthy money management among Malaysian students, with the ultimate aim of building a firm foundation for prudent financial management throughout life. Every component of the education programme, including the MoneySmart Board Game, has been meticulously designed and planned to engage and empower the younger generation with knowledge and skills to achieve personal financial success and contribute to Malaysia’s future economic growth.

Like the PIDM Project MoneySmart, every initiative embarked on by PIDM, from conceptualisation to execution, is a journey that begins with a vision. This strategic direction sets into motion a plan that is developed and implemented based on sound knowledge and expertise, enthusiasm and energy, efficiency and teamwork, as well as a keen eye for detail, to effectively deliver on targeted goals and achieve desired objectives.



PIDM stresses on responsible management in all aspects of our work. This is reflected in the environmentally friendly paper specially chosen for the production of the Corporate Plan. This paper is certified by the Forest Stewardship Council (FSC), a worldwide body that supports the highest standards for forest management.

► Our Vision

- A best practice insurer

► Our Mission

We shall:

- Protect Islamic and conventional deposits
- Protect takaful and insurance benefits
- Fulfil our mandate in an efficient and effective manner, having regard to the interests of our key stakeholders and our employees

► Our Strategic Thrusts

- Operational excellence
- Sound governance
- Public confidence in the financial system

► Our Corporate Objectives

- Educated and informed stakeholders
- Effective partnerships
- Well-governed and well-managed organisation
- Robust risk assessment, monitoring and resolution capability
- Sound business and financial practices
- Competent and knowledgeable workforce
- Conducive corporate environment

► Our Corporate Values

- Financial Stewardship
- Excellence and Professionalism
- Respect and Fairness
- Integrity and Trustworthiness
- Communications and Teamwork

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SUMMARY OF OUR CORPORATE PLAN 2011 - 2013

The Corporate Plan of Perbadanan Insurans Deposit Malaysia (PIDM) for the 2011 to 2013 planning period sets out our strategic direction, focus and priorities as well as the supporting financial plan for 2011. It is a three-year rolling Corporate Plan that serves as our primary guide in moving us in the direction of readiness to fulfil our mandate effectively and work towards our vision to be a best practice insurer.

We continued to adopt an integrated approach in developing our Corporate Plan, whereby we identify and assess the challenges and significant risks facing PIDM using the Enterprise Risk Management (ERM) framework. Similar to the previous year, we adopted the scenario planning approach in our strategic planning process with the aim of responding effectively in the unlikely event of an intervention in a troubled member institution which may derail our approved plan. We also ensured that our key focus and initiatives are aligned to our strategic direction and corporate objectives.

Our Achievements in 2010

During 2010, we achieved our planned key initiatives and undertook the development and implementation of insurance compensation schemes. We also developed and recommended a new Act to replace the current PIDM Act. Both of these major initiatives were unplanned and did not form part of our Corporate Plan initiatives for 2010. With this increased workload, we necessarily deferred several corporate initiatives. All of the initiatives were completed within the approved financial plan.

Enhanced Financial Consumer Protection Package

As part of the Government’s continued commitment to enhance financial consumer protection and to further promote public confidence in the financial system, the Ministry of Finance on 11 May 2010 announced an Enhanced Financial Consumer Protection Package that includes:

- an increase of the deposit insurance limit to RM250,000;
- a new Provision of Information on Deposit Insurance Regulations; and
- an expanded role for the Corporation to administer insurance compensation schemes to protect owners of insurance policies and takaful certificates.

The package also includes additional powers to provide a comprehensive toolkit to deal with troubled member institutions.

In response to the announcement, PIDM recommended a new Act to incorporate a package of amendments to replace the Malaysia Deposit Insurance Corporation Act (PIDM Act) 2005. The new PIDM Act came into operation on 31 December 2010. Under the new legislation, PIDM is mandated to administer a takaful and insurance benefits protection system (TIPS).

Our Plan Moving Forward

Our strategic direction and corporate objectives remain current and relevant with the expansion in the Corporation’s mandate, roles and responsibilities. For the 2011 to 2013 planning period, we will continue to focus our key efforts on supporting the state of readiness of the Corporation in several key areas, including:

- building our capacity and capability in terms of operational readiness as well as intensifying risk assessment and monitoring activities;
- promoting public awareness including enhancing education initiatives;
- improving our operational efficiency and effectiveness; and
- putting in place the required infrastructure, systems, policies and resources to effectively administer a takaful and insurance benefits protection system.

The strategies undertaken by PIDM in this Corporate Plan are essential to advance the Corporation’s mandate, vision and mission in an efficient and effective manner and ultimately, promoting and maintaining public confidence in our financial system.

Conclusion

Since our establishment five years ago, we have made significant progress in building a strong foundation for realising our vision of being recognised as a best practice deposit insurer. Given our expanded mandate, we have been entrusted with more responsibilities to contribute to the stability of the financial system and to enhance public confidence in it. Therefore, we will continue to focus our efforts and resources on building our capacity and capability in all core areas of operations including raising public awareness about PIDM’s protection schemes for deposits and insurance products.

Our Corporate Planning Approach



OUR CORPORATE PLANNING APPROACH

Strategic Management Framework

In support of the Corporation's mandate, PIDM develops and maintains a three-year strategic plan which sets out its strategies, initiatives and targets. Each year, our Board of Directors sets our strategic direction and Management develops supporting corporate initiatives to ensure we fulfil our mandate, vision and mission respectively. We continued to adopt a comprehensive strategic management framework, which incorporates the external environmental scan of our operating environment and the identification and assessment of the Corporation's significant risks using our ERM framework. With that, we adjust the planning assumptions on which our Plan is based.

The strategic planning process requires us to consider:

- the external and internal environment in which we operate;
- the key planning assumptions used for the planning period;
- the strategic direction and corporate initiatives to be undertaken during the planning period;
- the budget required to support the corporate initiatives; and
- the outcomes that we want to achieve.

An overview of our strategic management framework is illustrated below.

Mandate

The objects of the Corporation are to:

- Administer a deposit insurance system and a takaful and insurance benefits protection system;
- Provide insurance against the loss of part or all deposits for which a deposit-taking member is liable and provide protection against the loss of part or all of takaful or insurance benefits for which an insurer member is liable;
- Provide incentives for sound risk management in the financial system; and
- Promote or contribute to the stability of the financial system.

In achieving its objects under paragraphs (b) and (d), the Corporation shall act in such manner as to minimise costs to the financial system.

Vision

A best practice insurer.

Mission

We shall:

- Protect Islamic and conventional deposits;
- Protect takaful and insurance benefits; and
- Fulfil our mandate in an efficient and effective manner, having regard to the interests of our key stakeholders and employees.

Corporate Values

- Financial Stewardship
- Excellence and Professionalism
- Respect and Fairness
- Integrity and Trustworthiness
- Communications and Teamwork

Strategic Thrusts

- Operational excellence
- Sound governance
- Public confidence in the financial system

Corporate Objectives

- Educated and informed stakeholders
- Effective partnerships
- Well-governed and well-managed organisation
- Robust risk assessment, monitoring and resolution capability
- Sound business and financial practices
- Competent and knowledgeable workforce
- Conducive corporate environment



Our strategic management pyramid above shows how we build our Corporate Plan by aligning the initiatives to the corporate objectives and strategic thrusts to achieve our vision and mission and ultimately, fulfil our mandate. The accountability and reporting regime at the bottom of the pyramid entails regular monitoring and reporting of our progress against the Corporate Plan.

Strategic Thrusts

We will continue to adopt three broad strategic thrusts to fulfil our mandate. These are:

Sound Governance

We strive towards a well-governed and well-managed organisation by keeping abreast of leading edge governance practices and adopting relevant best practices.

This includes having in place sound governance and management practices, strong risk management and internal controls.



Operational Excellence

We demonstrate operational excellence by fulfilling our role as an effective and proactive insurer.

This includes having in place effective and efficient operational infrastructure, as well as acquiring and retaining the right talents with the necessary skills and experience, supported by a conducive working environment.

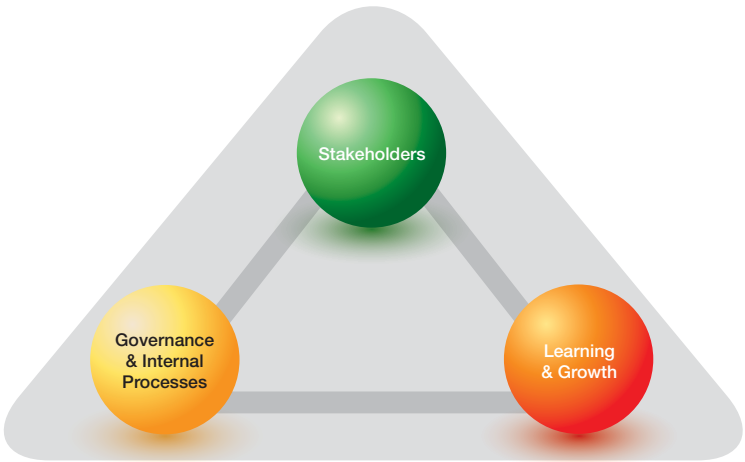
Public Confidence in the Financial System

We instill confidence in the financial system by establishing sound public awareness and education programmes to inform and educate our stakeholders and the general public about our deposit insurance system and takaful and insurance benefits protection system.

We also provide incentives for sound risk management through our Differential Premium Systems, our policies and regulations as well as a robust risk assessment and monitoring framework.

Corporate Objectives

Our corporate objectives, which are the building blocks of our strategy, are based on three perspectives:



Stakeholders

Educated and Informed Stakeholders

Well-informed stakeholders are integral to the effectiveness of the deposit insurance system and the takaful and insurance benefits protection system. We will continue to engage all stakeholders, to educate them through our comprehensive public awareness campaign and education programmes as well as to consult extensively with our stakeholders when developing our Regulations and Guidelines.

Effective Partnerships

Given our business model, effective partnerships are critical to the fulfilment of our mandate. We will continue to work closely with our strategic partners including Bank Negara Malaysia, other regulators, other deposit insurers and key suppliers. We will also continue to maintain good relationships with our member institutions.

Governance and Internal Processes

Well-Governed and Well-Managed Organisation

We shall demonstrate that we are well governed and well managed through our sound business conduct and governance practices, as well as by adopting effective enterprise-wide risk management and internal control framework.

Robust Risk Assessment, Monitoring and Resolution Capability

In ensuring fulfilment of our mandate and as readiness remains a key aspect of the Corporation, we will continue to maintain a robust risk assessment and monitoring capability, as well as build the capacity and capabilities to effectively manage intervention and failure resolution activities.

Sound Business and Financial Practices

To effectively administer our deposit insurance system and takaful and insurance benefits protection system, we will continue to maintain sound policies, processes, procedures and infrastructure to be current and relevant. The sound practices that govern our operations will be based on relevant domestic and international best practices. We will also continue to build on our capacity and capabilities to ensure we can fulfil our roles and responsibilities.

Learning and Growth

Competent and Knowledgeable Workforce

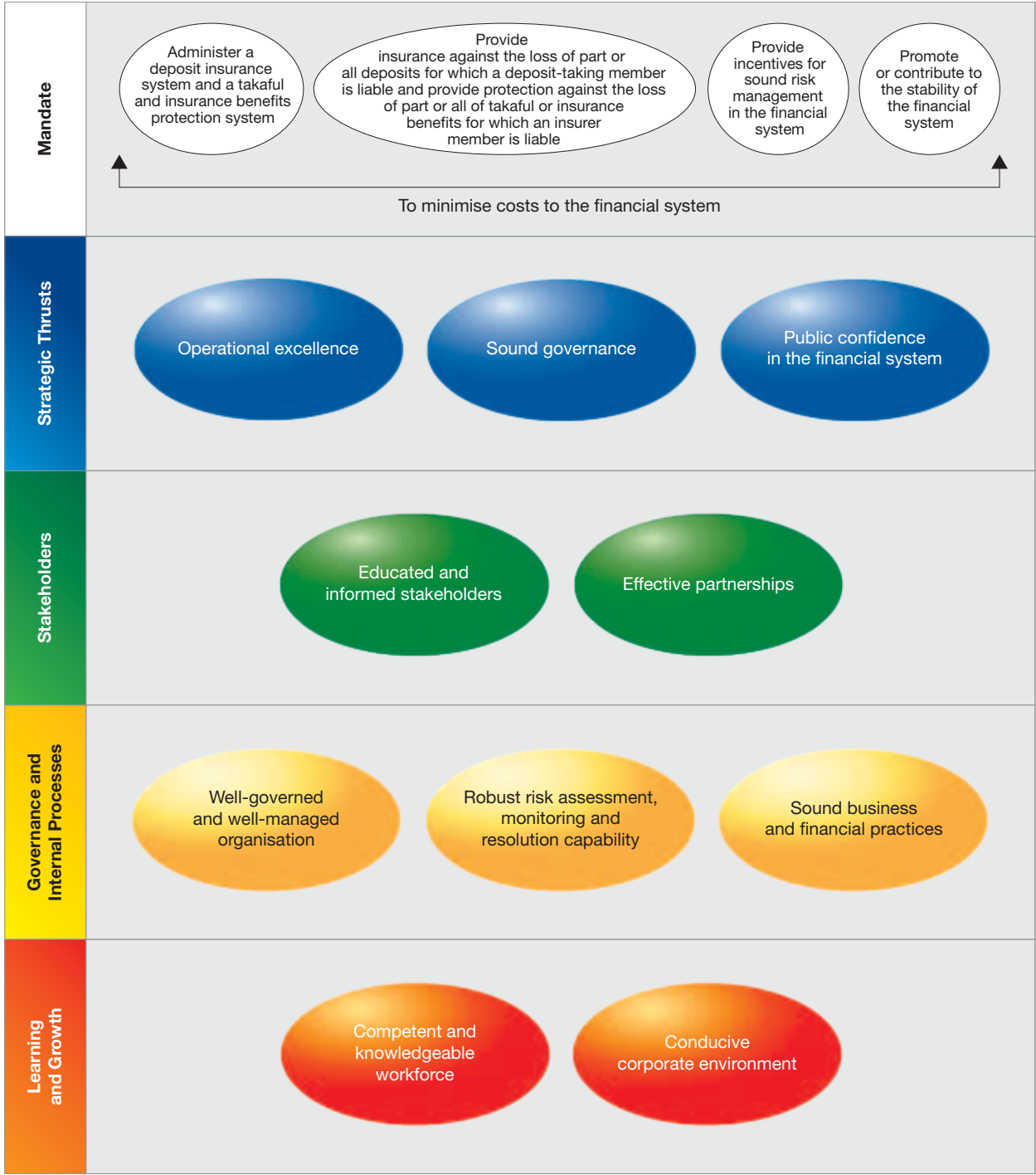
Our people are our most important asset. We provide competitive compensation packages and programmes to attract and retain the right people with the right skills, experience and attitude. We are committed to provide employees with opportunities for continuous learning and development, so as to meet their full potential.

Conducive Corporate Environment

We foster a conducive corporate culture and environment by instilling our corporate values as well as promoting a safe, healthy, harassment-free work environment and work-life balance.

Our Strategy Map

Our strategy map depicts the relationships between our mandate, strategic thrusts and corporate objectives in the three perspectives.



Performance Against Previous Corporate Plan



PERFORMANCE AGAINST PREVIOUS CORPORATE PLAN

Highlights of Our Accomplishments Against 2010 – 2012 Plan

Our key focus for the 2010 - 2012 Plan was to continue our efforts in raising public awareness on deposit insurance and understanding of PIDM, ensuring operational effectiveness and readiness to manage intervention and failure resolution activities as well as intensifying risk assessment and monitoring activities. We also continued to enhance our governance practices and embarked on initiatives to develop talents in core competencies.

PIDM's performance is summarised in the 2010 Corporate Scorecard on pages 12 to 14. The scorecard shows that we have successfully completed our planned key initiatives with eight initiatives progressing, a development which is further explained on page 14. During 2010, we undertook the development and implementation of insurance compensation schemes. We also developed and recommended a new Act to replace the current PIDM Act. Both of these major initiatives were unplanned and did not form part of our Corporate Plan initiatives for 2010. With this increased workload, we necessarily deferred eight corporate initiatives as stated below:

- Develop and implement interest and dividend payable guidelines / rules for members;
- Research the need for core principles for sound business and financial practice for member institutions;
- Compliance programme for member institutions to comply with PIDM Act and regulations;
- Establish an Asset Management Company;
- Develop and implement a Human Resource Information System;
- Develop and implement a Knowledge Management framework;
- Develop an executive information management system; and
- Employee satisfaction survey.

All of the initiatives were completed within the approved financial plan.

Highlights of our key achievements in 2010:

Stakeholders	<ul style="list-style-type: none">• We developed and implemented the transition package to exit the Government Deposit Guarantee including reviewing the deposit insurance limit and scope of coverage. The new PIDM Act came into operation on 31 December 2010.• We officially launched the PIDM Project MoneySmart, an education programme for secondary schools and tertiary students, throughout Malaysia as part of our ongoing initiatives to further enhance public understanding of deposit insurance.• We continued to demonstrate our commitment towards corporate social responsibility by implementing our multi-year Scholarship Programme, whereby we awarded scholarships for the first time to five deserving individuals.• We developed the Provision of Information on Deposit Insurance Regulations 2011.• We continued to implement our Integrated Communications Plan initiatives, including advertising via various channels such as television, radio and print media. We also educated our stakeholders through on-the-ground activities such as briefings and road shows, amongst others.• In conjunction with PIDM's 5th anniversary, we featured a series of five advertorials in major print dailies in English, Bahasa Malaysia and Chinese and held a <i>Hari Raya</i> Open House for our stakeholders.• We continued to participate in international fora by attending, organising and hosting various events. We also participated in and conducted various briefings, seminars, talks and conferences at the local, regional and international levels.• We continued to maintain good relationships with other deposit insurers around the world through our participation in the International Association of Deposit Insurers (IADI) as well as organised and hosted study visits for other deposit insurers.• We participated in the Tripartite Meeting between PIDM, Deposit Protection Agency (DPA) Thailand and Indonesia Deposit Insurance Corporation (IDIC). A Memorandum of Understanding (MOU) between the three organisations was executed. The MOU is aimed at promoting cooperation and collaboration amongst the three deposit insurers for the purposes of developing and enhancing the effectiveness of our respective systems through the transfer of knowledge.
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Governance and Internal Processes	<ul style="list-style-type: none">• We continued to maintain a strong accountability regime and effective working relationship with our Board of Directors. We conducted two Board Education sessions on the topics of “Demonstration of an Effective Payout System” and “Target Fund Framework” and continued to implement the Board succession plan.• We developed several ERM Board Risk Policies, namely Insurance Powers Risk Policy, Market Risk Policy and Liquidity Risk Policy.• We supported the Financial Institutions Directors' Education (FIDE) Programme and the establishment of a company limited by guarantee for the FIDE Alumni as well as the transfer of the FIDE Programme to The ICLIF Leadership and Governance Centre.• We continued to maintain a sound risk assessment and monitoring process and system to effectively monitor our member institutions. We issued the enhanced Differential Premium Systems (DPS) Consultative Paper to member institutions and developed the enhanced DPS framework and regulations.• We continued to build our readiness by conducting two corporate-wide employees training on Intervention and Failure Resolution (IFR) Framework, Contingency Plan, two resolution areas, namely Financial Assistance and Assumption of Control as well as the first simulation exercise on IFR. We also continued the development of detailed IFR policies, processes and procedures to support the IFR activities.• We completed the majority of the strategic and operational initiatives and activities as set out in our 2010 Information Technology Strategic Plan. The strategic initiatives include:<ul style="list-style-type: none">- implementing the corporate-wide Enterprise Portal;- enhancing the Depositor Liabilities Information Management System and Depositor Support Management System; and- developing Phase 1 of the Early Warning System.• We relocated our office to Quill 7, Kuala Lumpur Sentral to accommodate our expanded employee strength.
Learning and Growth	<ul style="list-style-type: none">• We continued to develop our employee talents through a comprehensive Learning and Development needs analysis.• We continued to implement the competency model and succession planning based on the Board-approved framework for key positions.• We hired additional talent to implement our succession plans and to provide us with additional resources and skill sets to achieve our expanded mandate.• We continued to reinforce our corporate values through employee-related activities such as conducting the CPR First Aid Certification course, talk on and on-site vaccination for H1N1, off-site teambuilding session for employees, off-site retreat programme for top management, a refresher briefing on the Work Life Coaching (WLC) programme, the Conflict of Interest Code and the Code of Business Conduct and Ethics briefing to employees and our Annual Dinner.

Snapshot of 2010 Corporate Scorecard

- P

Progressing as scheduled; and / or within budget
- A
- Target achieved, initiative completed
- F
- Not yet initiated / future date

D

Corporate Objectives		Key Performance Indicators	Target 2010	Forecast Results*
Stakeholders	A	Educated and informed stakeholders	1. Public awareness index (general awareness of deposit insurance)	P ¹
			2. Engagement and responsiveness to other stakeholders' needs	A
			3. Successful completion of key initiative(s): a. Review and implement Integrated Communications Plan (including meeting the objectives of the Government Deposit Guarantee):	
			i. Implement advertising programme	A
			ii. Implement public relations programme	A
			iii. Implement stakeholder engagement programme	A
			b. Implement education programme	A
			c. Implement and administer scholarship programme	A
			d. Develop and implement transition package to exit Government Deposit Guarantee including review of deposit insurance limit and coverage	A
			e. Develop and implement policies and procedures on information regulations	A
	B	Effective partnerships	4. PIDM's relationship with:	
			a. Bank Negara Malaysia	A
			b. Member institutions and other guaranteed financial institutions	A
			c. Suppliers	A
			d. Other deposit insurers	A
			5. Participate in international fora	A
			6. Number of strategic partners:	
			a. Establish and maintain base of key strategic partners	A
	C	Sound governance	7. Board assessment on:	
			a. Best practices of governance adopted and complied with	A
			b. Significant policies and practices adopted and complied with	A
			c. Timeliness and relevance of information and quality of recommendation provided by Management for the Board to make informed decisions and fulfil responsibilities	A
			8. Successful completion of key initiative(s):	
			a. ERM Board Risk policies and practices	P ²
			b. Recommend amendments to PIDM Act and related laws	A
			c. Involvement in the Financial Institutions Directors' Education (FIDE) Programme	A

* Forecast results are as at December 2010

Corporate Objectives		Key Performance Indicators	Target 2010	Forecast Results*
Governance and Internal Processes	D	Robust risk assessment, monitoring and resolution capability	9. Successful completion of key initiative(s):	
			a. Review DPS and Total Insured Deposits framework including validation process	Review & enhance A
			b. Review and enhance comprehensive Risk Assessment and Monitoring framework	Review & enhance P ³
			c. Develop Early Warning System (EWS)	Develop Phase 1 A
			d. Develop and implement components of Intervention and Failure Resolution framework including processes, policies and procedures	Develop P ⁴
			e. Develop and implement policies and regulations for members:	
			i. Interest and dividend payable guidelines / rules	Develop & implement D
			ii. Premium surcharge	Develop & implement P ⁵
			iii. Research the need for core principles for sound business and financial practice for member institutions	Research D
			f. Develop and implement Payout system, policies and procedures:	
			i. Phase 1: Develop Depositor Liabilities Information Management System and Depositor Support Management System	Simulate & enhance A
			ii. Phase 2: Develop Payout Payment Management System and Product Registry System	Develop & implement P ⁶
			iii. Phase 3: Develop Dynamic Deposit Database	- F
			g. Compliance programme for member institutions to comply with PIDM Act and regulations	Develop D
			h. Establish an Asset Management Company	Develop D
	E	Sound business and financial practices	10. Actual vs. approved expenditure budgets	±10% variance A ⁷
			11. Successful completion of key initiative(s): a. Develop and implement funding framework:	
			i. Phase 1: Government borrowings	Complete Phase 1 & develop Phase 2 P ⁸
			ii. Phase 2: Funding from capital market	
			b. Develop and implement the framework for:	
			i. Target Fund and Provisioning	Develop & implement A
			12. Internal control compliance	Strong A
			13. Internal customer satisfaction survey	75% A
			14. Successful completion of key initiative(s):	
			a. Implement annual Information Technology Strategic Plan initiatives	Complete P ⁹
			b. Develop and implement Business Continuity and Disaster Recovery Plans:	
			i. Business Continuity Plan	Test & enhance A
			ii. Disaster Recovery Plan and infrastructure	Develop & implement P ¹⁰

* Forecast results are as at December 2010

Corporate Objectives		Key Performance Indicators	Target 2010	Forecast Results*
Governance and Internal Processes	E	Sound business and financial practices		
		c. Develop Crisis Communications Manual	Complete	A ¹¹
		d. Develop and implement Human Resource Information System	Implement Phase 2 & develop Phase 3	D
		e. Develop and implement Knowledge Management framework and system:		
		i. Phase 1: Develop and implement Knowledge Management framework	Develop & implement	D
		ii. Phase 2: Develop and implement Knowledge Management policies, processes and infrastructure	-	F
		f. Implement a Corporate Enterprise Portal	Develop & implement Phase 2	A
		g. Develop executive information management system	Develop	D
Learning and Growth	F	Competent and knowledgeable workforce		
		15. Implementation of annual learning and development plan	80% completion against plan	A
		16. Successful completion of key initiative:		
	G	Conducive corporate environment		
		a. Continue to implement succession planning based on the Board-approved framework which is integrated with the competency model	Implement	A
		17. Employee satisfaction index	75%	D
		18. Successful completion of key initiative:		
		a. Implement employee-related programmes to promote a conducive corporate environment	Complete	A

* Forecast results are as at December 2010

¹ The consumer survey results will be reported in our Annual Report 2010.

² The development of the Board Risk Policies is progressing as scheduled. We will continue to develop the remaining Board Risk Policies in 2011.

³ Due to regulatory developments in the banking industry, we are in the midst of reviewing the ratios used for risk assessment. Thus, the required enhancement to the Risk Assessment System has been deferred to 2011.

⁴ This three-year project to develop the policies and procedures for the Intervention and Failure Resolution framework is progressing as scheduled. To date, we have completed the documentation for seven of the 13 areas identified.

⁵ The draft premium surcharge framework will be presented to the Board for approval in 2011.

⁶ The development of the Payout Payment Management System and Product Registry System is in progress. Both systems will be implemented in 2011.

⁷ We achieved positive variance for both operating and capital expenditures.

⁸ The draft facility agreement with the Government has been completed and forwarded to Treasury for their consideration. We have commenced the development of Phase 2 of the funding framework which is expected to be completed in 2011.

⁹ We have completed the majority of the strategic and operational initiatives as set out in PIDM's Information Technology Strategic Plan except for the following corporate initiatives which have been deferred in light of recent developments in the operating environment:

- Develop and implement a Human Resource Information System; and
- Develop an executive information management system.

¹⁰ We are in the midst of implementing our Disaster Recovery Plan and infrastructure. The implementation will take place by mid 2011.

¹¹ The draft Crisis Communications Manual will be finalised by 2011.

Past Financial Performance – Year 2010

A. Operating Results

	2010 Forecast*	2010 Budget	Variance	
Revenues	RM'000	RM'000	RM'000	(%)
Premiums	105,687	122,000	(16,313)	(13)
Investments	9,000	8,000	1,000	13
Total Revenues	114,687	130,000	(15,313)	(12)
Operating Expenditures				
Salaries and Benefits	28,765	29,340	575	2
General and Administration	23,575	27,650	4,075	15
Communications	6,555	8,010	1,455	18
Total Operating Expenditures	58,895	65,000	6,105	9
Net Surplus	55,792	65,000	(9,208)	(14)

B. Capital Expenditures

	2010 Forecast*	2010 Budget	Variance	
Capital Expenditures	RM'000	RM'000	RM'000	(%)
Furniture, Fittings and Office Refurbishment	10,500	10,500**	-	-
Computer Systems and Office Equipment	3,100	4,600	1,500	33
Total Capital Expenditures	13,600	15,100	1,500	10

*2010 Forecast = Actual (Jan-Oct 2010) + Forecast (Nov-Dec 2010)

**Revised budget as approved by the Board for office renovation and relocation to new office at Quill 7, KL Sentral.

C. Commentary on 2010 Financial Performance

Operating Results

We forecast a net surplus of approximately RM55.8 million compared to RM65 million as budgeted in our Corporate Plan. The expected surplus is lower by RM9.2 million, primarily due to the lower premiums received during the year compared to budget.

Revenues

- Total premiums collected during the year was RM105.7 million or 13% lower than budget of RM122 million. This was mainly due to the general overall improvements in the Differential Premium Systems ratings for member institutions.
- Investment income is higher than budget due to higher actual average yield as compared to the budgeted yield.

Operating Expenditures

- Total operating expenditures up to 31 December 2010 are forecast at RM58.9 million, which is RM6.1 million or 9% below budget.
- The positive variance of RM4.1 million or 15% on General and Administration costs is mainly attributed to lower professional and consultancy fees, in particular, lower expenses for engagement of consultants for the development of Intervention and Failure Resolution processes, policies and procedures as well as lower fees on engagement of legal advisors.
- For Communications, we forecast a total cost of RM6.6 million which is RM1.5 million or 18% lower compared to budget of RM8 million. The overall favourable variance is mainly due to reprioritisation of advertising initiatives.
- During the year, we incurred expenditures for the establishment of and preparation to administer TIPS amounting to RM0.5 million.

Capital Expenditures

- Our capital expenditures are expected to reach RM13.6 million or 10% lower than budget. The positive variance is mainly attributed to reprioritisation of several IT business support systems implementation and rescheduling of certain initiatives due to priorities relating to the office relocation and expanded mandate.

In summary, we achieved positive variance in both our operating and capital expenditures as we practised prudent financial management and sound internal control. During the year, we carried out our planned key initiatives as set out in our Corporate Plan and undertook the development and implementation of insurance compensation schemes. We also developed and recommended a new Act to replace the current PIDM Act. Both of these major initiatives were unplanned and did not form part of our Corporate Plan. All these initiatives were completed within the approved financial plan.

Our Three-Year Plan 2011 - 2013



OUR THREE-YEAR PLAN 2011 - 2013

Operating Environment

We acknowledge that maintaining public confidence in the stability of the nation's financial system is critical and reaffirm that the safety net framework plays an important role in ensuring such stability. As an integral part of this safety net, PIDM is required to keep abreast of issues and risks that may affect its membership. We continuously assess issues related to the economy, our members' operating environment and relevant international matters. We examined the operating environment by assessing both the global and domestic trends and developments as well as undertaking an analysis of our strengths, weaknesses,

opportunities and threats. Internally, we continued to adopt the ERM framework to identify and assess risks which might potentially impact the Corporation.

Despite the uncertainties arising from the sovereign debt crisis in several economies, the Asian economy is expected to remain strong and continues to sustain strong growth, supported by robust domestic and external demand. In that regard, the overall domestic financial system remains resilient, and we do not expect any failures in our membership during the planning period.

Enhanced Financial Consumer Protection Package

As part of the Government's continued commitment to enhance financial consumer protection and to further promote public confidence in the financial system, the Ministry of Finance on 11 May 2010 announced the Enhanced Financial Consumer Protection Package that includes:

- an increase of the deposit insurance limit to RM250,000;
- a new Provision of Information on Deposit Insurance Regulations; and
- an expanded role for the Corporation to establish and administer insurance compensation schemes to protect owners of insurance policies and takaful certificates.

The package also includes additional powers to provide the Corporation with a comprehensive toolkit to deal with troubled member institutions. One of the objectives of the package is to ensure that owners of insurance policies and takaful certificates will enjoy a similar level of consumer protection as that provided by PIDM for depositors in commercial and Islamic banks.

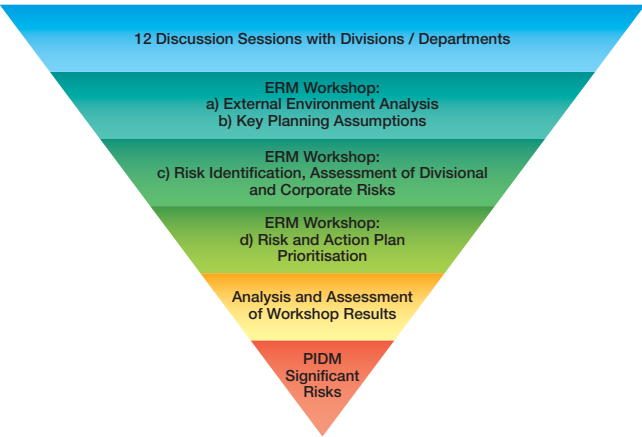
In response to the announcement, PIDM developed a new Act, which came into operation on 31 December 2010, to replace the PIDM Act 2005.

Under the new legislation, PIDM is mandated to administer a comprehensive takaful and insurance benefits protection system (TIPS) whereby policy owners are financially protected in the event of an insurance company or takaful operator failure. PIDM has implemented regulations setting out the limits and scope of coverage in regard to benefits protected. PIDM has also implemented a new regulation whereby the deposit insurance limit has been increased from RM60,000 to RM250,000 effective 31 December 2010.

This expanded mandate to protect policy owners means we now need to monitor a larger number of member institutions. We will continuously assess and monitor closely the risks impacting our expanded member institutions and continue to promote sound risk management practices, including the maintenance of strong capital buffers.

Enterprise Risk Management Review

PIDM conducts an annual ERM assessment to identify, assess and evaluate significant risks affecting the Corporation and to develop action plans and initiatives for addressing them. The following activities were carried out to achieve the annual ERM assessment:



As a best practice, the results of the annual ERM assessment have been synergised and integrated as part of the strategic management process of the Corporation. This symbiotic process enables PIDM to adopt a risk-based approach in its Corporate Plan where the result of ERM helps to prioritise the Corporation's initiatives.

The significant risks can be categorised into four areas: Strategic and Governance Risk; Insurance Risk; Operational Risk; and Reputation Risk. The key initiatives that have been proposed to address the significant risks identified are depicted below.

Strategic and Governance Risk

We initiated a project to reprioritise the Key Performance Indicators according to our new operational requirements and expanded mandate, and incorporated them into the Corporate Plan for 2011 to 2013.

Insurance Risk

With TIPS envisaged to be operational from first quarter of 2011, we plan to continue the transfer of knowledge with subject matter experts locally and abroad, as well as the takaful and insurance industry and other stakeholders. We will also benchmark TIPS procedures, practices and related legislation against international best practices, where available. We will review, stress-test, and propose amendments to the PIDM Act every five years.

PIDM has embarked on a project to develop and implement the Risk Assessment and Monitoring Methodology, Framework and System for TIPS, including the Guidelines on Return of Total Protected Policies and the Differential Premium Systems Framework.

PIDM has also expanded the deliverables of the Intervention and Failure Resolution project to incorporate takaful and insurance-related considerations into its policy and procedures. In addition, we will continue the annual simulation exercises on Intervention and Failure Resolution as well as Payout.

Operational Risk

PIDM plans to continue the development and implementation of a Competency Model and a Knowledge Management framework to identify and attract the right talent and to bridge employees' competency gaps respectively.

We will continue to enforce our Information Classification Policy and enhance our Corporate Information Management System by implementing the Corporate Information Security Infrastructure which includes encryption and information access management.

PIDM is also committed to assess the effectiveness and efficiency of our current policies and procedures, processes and practices to ensure our operations are guided by robust policies and procedures in achieving the Corporation's objectives.

Reputation Risk

For reputation risk that arises as a consequence arising from other risks such as operational risk, PIDM will continue with its sound governance practices and internal control system to ensure transparency and best practice corporate governance. In managing external reputation exposure, PIDM will continue to implement the five-year Integrated Communications Plan to increase public awareness about PIDM, the deposit insurance system and TIPS to achieve our desired level of public awareness.

The key risk action plans and initiatives that have been developed to address the significant risks are embedded in this Corporate Plan.

Key Planning Assumptions

The strategic direction, strategies, plans and supporting resource budgets outlined in this Corporate Plan are based on the key planning assumptions set out below.

Stakeholders
<ul style="list-style-type: none">We do not expect any intervention or failure resolution activity during the planning period.We will need to develop and implement all key policies, processes and systems, including intervention and failure resolution approaches relevant to TIPS.
Governance and Internal Processes
<ul style="list-style-type: none">Premium revenues for 2011 will increase due to the new proposed deposit insurance limit, scope of coverage and growth in Total Insured Deposits. A revised Differential Premium Systems will apply to banks in 2011.A flat rate premium will be assessed against insurance companies and takaful operators for the years 2011 to 2013.Our business model will continue to rely on a core team of employees supported by key suppliers, partners and ongoing good relationships with key stakeholders as well as effective processes, systems and infrastructure.The average return on investment of 2.8% per annum is assumed for Islamic and conventional investment portfolios.
Learning and Growth
<ul style="list-style-type: none">We will continue to maintain and develop existing talents as critical talents relevant to PIDM's mandate remain scarce.

Strategic Direction

The next several years will be more challenging for PIDM given the expansion of our mandate, roles and responsibilities. After taking into consideration the current operating environment and PIDM's significant risks, our strategic direction and corporate objectives remain current and relevant. We will continue to build the Corporation's readiness in terms of its overall capacity and capabilities to be ready to intervene promptly and effectively in the affairs of a troubled member institution. Specifically, we will focus our resources on the implementation and delivery of TIPS, including raising public awareness focused on depositors and policy owners.

We will also continue our efforts in completing the initiatives for the deposit insurance system. In addition, we will continue to improve our operational efficiency and effectiveness in support of the above strategies to ensure fulfilment of our mandate and achievement of our vision and mission.

Corporate Scorecard 2011 - 2013

The corporate initiatives, some of which are long-term projects, that we will undertake over the planning period 2011 - 2013 and the respective targets are set out in our Corporate Scorecard in the following pages. Adopting the Balanced Scorecard approach, the Corporate Scorecard is used as a performance management tool to assist us in monitoring and measuring our performance against targets throughout the planning period. It manages our strategies by aligning our corporate objectives, performance measures and initiatives to the strategies at all levels. The financial plan that supports our plans and initiatives is included in pages 23 to 24 of this Corporate Plan.

Corporate Scorecard 2011-2013

Corporate Objectives		Key Performance Indicators (KPIs) / Corporate Initiatives	Targets		
			2011	2012	2013
Stakeholders	A	1. Public awareness index: a. General awareness of PIDM b. General awareness of deposit insurance system (DIS) c. General awareness of takaful and insurance benefits protection system (TIPS)	35% 30% 10%	40% 35% 15%	45% 40% 20%
		2. Engagement and responsiveness to external stakeholders' needs	100% responsiveness	100% responsiveness	100% responsiveness
		3. Successful completion of key initiative(s): a. Review and implement Integrated Communications Plan b. Education programme c. Provision of Information on Deposit Insurance Regulations 2011	Complete Implement and review Implement	Complete Implement and monitor -	Complete Implement and review -
	B	4. PIDM's relationship with: a. Bank Negara Malaysia b. Member institutions c. Key suppliers and strategic partners d. Other deposit insurers e. Other stakeholders	Strong Satisfactory Strong Strong Satisfactory	Strong Satisfactory Strong Strong Satisfactory	Strong Satisfactory Strong Strong Satisfactory
		5. Participate in international fora	Active participation	Active participation	Active participation
Governance and Internal Processes	C	6. Board assessment on: a. Best practices of governance adopted b. Significant policies and practices complied with c. Timeliness and relevance of information and quality of recommendation provided by Management for the Board to make informed decisions and fulfil its responsibilities	High satisfaction High satisfaction High satisfaction	High satisfaction High satisfaction High satisfaction	High satisfaction High satisfaction High satisfaction
		7. Successful completion of key initiative(s): a. Remaining ERM Board Risk policies and practices: i. Strategic and Governance Risk ii. Operational Risk iii. Intervention and Failure Resolution (IFR) Risk b. Involvement in the Financial Institutions Directors' Education (FIDE) Programme	Develop and implement Develop and implement Develop Active participation	Review and enhance Review and enhance Develop and implement Active participation	Review and enhance Review and enhance Review and enhance Active participation
	D	8. Successful completion of key initiative(s): a. Differential Premium Systems (DPS), Total Insured Deposits (TID) and Total Protected Policies (TPP) framework: i. Review and enhance regulations and order for DPS and TID framework for DIS ii. Develop and implement DPS and Return on TPP framework for TIPS: a(ii)(1). Premiums assessed against insurance company a(ii)(2). Guidelines on Return of TPP: Calculation of TPP, Premium and Completion of Returns a(ii)(3). Supervisor validation on Return of TPP a(ii)(4). DPS Framework a(ii)(5). Guidelines on DPS and the regulations a(ii)(6). External auditor validation on guidelines on Return of TPP b. Continuous enhancement to the Risk Assessment and Monitoring Methodology and Framework: i. Banks ii. Insurance companies and takaful operators: b(ii)(1). Risk Assessment Methodology and Framework b(ii)(2). Insurance Risk Assessment System c. Develop and implement Early Warning System (EWS) for banks d. Components of Intervention and Failure Resolution Framework including processes, policies and procedures: i(1). Develop and implement the final components for banks i(2). Develop and implement Least Cost Model and System ii(1). Assess amendments required to the IFR policies and procedures for insurance companies and takaful operators	Develop and implement Implement Develop and implement Develop Research and develop - - Review and implement Develop and implement Research Research and develop Complete Research Develop	- - - Implement Develop Consult Research and develop Develop and review Review and enhance Develop Develop and validate Review and enhance Develop Complete	Review and enhance - Review and enhance - Implement Implement Implement Review and implement Review and enhance Develop and implement Implement Review and enhance Develop and implement Review and enhance

Corporate Scorecard 2011-2013

Corporate Objectives		Key Performance Indicators (KPIs) / Corporate Initiatives	Targets		
			2011	2012	2013
Governance and Internal Processes	D	e. Develop and implement policies and regulations for banks: i. Interest and dividend payable guidelines / rules ii. Premium surcharge iii. Research on standard of sound business and financial practices for member banks f. Develop and implement policies and regulations for insurance companies and takaful operators: i. Terms and conditions of membership ii. Provision of TIPS Information Regulations g. Conduct simulation on: i. Payout ii. Intervention and Failure Resolution h. Develop and implement Payout system, policies and procedures: i. Phase 2 – Integrate Payout Payment Management System ii. Phase 3 – Develop Dynamic Deposit Database i. Develop audit programme to ensure integrity of Payout Data, System and Processes j. Develop and implement claims management system, policies and procedures for insurance companies and takaful operators: i. Phase 1a: Product Registry System ii. Phase 1b: Claims Management System iii. Phase 1c: Policy Holders Support Management System iv. Phase 2: Payment Management System k. Member institutions' compliance programme	Develop and implement Develop and implement Complete Develop Research Complete Complete Develop - Develop and implement Research Research Research - Develop	- - - Implement Develop Complete Complete Implement - Review and enhance Develop Develop Develop Research Implement	- - - - Implement Complete Complete - Research Review and enhance Implement Implement Implement Develop Review and enhance
	E	9. Reporting through: a. Annual Report b. Corporate Plan 10. Actual vs. approved expenditure budget 11. Internal Control Compliance 12. Internal Customer Satisfaction 13. Successful completion of key initiative(s): a. Financial accounting related systems and processes upgrade and enhancement b. Develop and implement funding framework for Phase 1 – Government Borrowings, Phase 2 – Funding from capital market c. Implement Target Fund framework for banks d. Implement annual Information Technology Strategic Plan e. Business Continuity Plan f. Disaster Recovery Plan and infrastructure g. Corporate Information Management System: i. Phase 2: Enhancements ii. Phase 3: Intranet Portal Communication h. Corporate Information Security Infrastructure: i. Phase 1(a): Information Security ii. Phase 1(b): Identity Management and Digital Signature iii. Phase 2: Remote Access i. Executive Information System: i. Phase 1: Research ii. Phase 2: Corporate Dashboard	Complete Complete ±10% variance Strong 75% Develop and implement Complete Complete Complete Review and test Review and test Develop and enhance Develop and implement Develop Implement - - -	Complete Complete ±10% variance Strong 75% Implement - - Complete Review and test Review and test - - Develop and implement - - Research -	Complete Complete ±10% variance Strong 75% - - - Complete Review and test Review and test - - - Develop
Learning and Growth	F	14. Develop and implement corporate-wide and employees' annual learning and development plan	Develop	Implement	-
		15. Successful completion of key initiative(s): a. Continue to implement the competency model b. Develop and implement Knowledge Management framework and system: i. Phase 1: Knowledge Management framework ii. Phase 2: Knowledge Management policies and processes	Implement Develop and implement -	Review and enhance Review and enhance Develop	Review and enhance - Implement
	G	16. Employee satisfaction index (survey conducted once every two years) 17. Successful completion of key initiative: a. Implement employee-related programmes to promote conducive corporate environment	75% Complete	- Complete	75% Complete

Our Financial Plan 2011

Our financial plan has been developed to support the achievement of our planned initiatives and is set out below.

A. Operating Budget	2011		2010		2010	
	Budget***		Forecast**		Budget*	
Revenues	RM'000	(%)	RM'000	(%)	RM'000	(%)
Premiums	242,700	96	105,687	92	122,000	94
Investments	11,000	4	9,000	8	8,000	6
Total Revenues	253,700	100	114,687	100	130,000	100
Operating Expenditures						
Salaries and Benefits	44,309	49	28,765	49	29,340	45
General and Administration	35,436	40	23,575	40	27,650	43
Communications	9,755	11	6,555	11	8,010	12
Total Operating Expenditures	89,500	100	58,895	100	65,000	100
Net Surplus	164,200		55,792		65,000	
B. Capital Budget	2011		2010		2010	
	Budget***		Forecast**		Budget*	
Capital Expenditures	RM'000	(%)	RM'000	(%)	RM'000	(%)
Furniture, Fittings and Office Refurbishment	550	7	10,500	77	10,500	70
Computer Systems and Office Equipment	6,950	93	3,100	23	4,600	30
Total Capital Expenditures	7,500	100	13,600	100	15,100	100

* Only for deposit insurance system
** 2010 Forecast = Actual (Jan-Oct 2010) + Forecast (Nov-Dec 2010), only for deposit insurance system
*** Includes both deposit insurance system and TIPS

C. Commentary on Operating and Capital Budget

- Revenues**
- Premiums budgeted for the deposit insurance system for 2011 is RM160.8 million, based on the Differential Premium Systems rate structure. In 2010, the limit and scope of coverage was increased from RM60,000 to RM250,000. As premiums are assessed based on Total Insured Deposits held by each member bank, the level of premiums is expected to increase.
 - In relation to the administration of TIPS, we have budgeted premiums of RM81.9 million from insurance companies and takaful operators. The premium is calculated based on flat rates applied on Total Protected Policies.
 - Investment income is budgeted based on average yield of 2.8% return on investment.
- Operating Expenditures**
- Salaries and Benefits costs include the annual compensation costs for 134 employees planned for 2011 and incorporate the costs of market adjustments that are in line with our approved compensation and benefit policy. The resources have been planned to ensure operational effectiveness as well as succession and for administering PIDM's expanded mandate.
 - General and Administration costs mainly relate to the day-to-day costs of administering our operations. The increase in the budget is primarily due to higher ongoing costs of our new office premises, in particular office lease, telecommunication charges and utilities. We have also planned required resources to support all our identified key initiatives for 2011.
 - We will continue to implement our five-year Integrated Communications Plan to increase the level of awareness and understanding of PIDM including the introduction of TIPS as our new mandate. In this regard, a significant amount of resources are allocated to support these activities especially on advertising campaigns, public relations activities, media engagement and education programmes.

- Capital Expenditures**
- Our capital expenditures have been planned to support our key initiatives as well as enhancements to our infrastructure to ensure operational effectiveness.
 - These include enhancements to our Payout systems as well as other operational IT systems.

- Cost Allocation Methodology**
- We will track, distinguish, capture and allocate the operating and capital expenditures between the two compensation systems and the respective six funds. We will allocate all direct costs to the specific funds and indirect costs to the respective funds based on the proportions of premiums assessed.

D. Pro Forma Balance Sheet

	2011 Budget Total	2010 Forecast* Total	2010 Budget Total
	RM'000	RM'000	RM'000
ASSETS			
Cash and cash equivalents	8,757	17,666	7,000
Investments	565,945	382,904	408,400
Other assets	3,135	4,588	16,000
Property and equipment	26,699	24,336	13,800
TOTAL ASSETS	604,536	429,494	445,200
LIABILITIES			
Payables	14,656	3,814	14,330
TOTAL LIABILITIES	14,656	3,814	14,330
DEPOSIT INSURANCE FUNDS			
Beginning balance	425,680	369,888	365,870
Surplus for the year	112,128	55,792	65,000
	537,808	425,680	430,870
TAKAFUL AND INSURANCE BENEFITS PROTECTION FUNDS			
Beginning balance	-	-	-
Surplus for the year	52,072	-	-
	52,072	-	-
TOTAL FUNDS	589,880	425,680	430,870
TOTAL LIABILITIES AND FUNDS	604,536	429,494	445,200

* 2010 Forecast = Actual (Jan-Oct 2010) + Forecast (Nov-Dec 2010)

E. Pro Forma Cash Flow Statement

	2011 Budget	2010 Forecast*	2010 Budget
	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Premium receipts from member institutions	242,700	105,687	122,000
Receipts of investment income	8,800	7,503	6,400
Payments in the course of operations to suppliers and employees	(95,082)	(62,793)	(48,040)
Net cash flows from operating activities	156,418	50,397	80,360
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investment securities	554,944	527,168	469,910
Purchase of investment securities	(712,771)	(555,670)	(543,640)
Purchase of property and equipment	(7,500)	(12,648)	(6,500)
Net cash flows used in investing activities	(165,327)	(41,150)	(80,230)
Net (decrease) / increase in cash and cash equivalents	(8,909)	9,247	130
Cash and cash equivalents at the beginning of the year	17,666	8,419	6,870
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	8,757	17,666	7,000

* 2010 Forecast = Actual (Jan-Oct 2010) + Forecast (Nov-Dec 2010)

Conclusion

CONCLUSION

Corporate Plan Derailment

The achievement of this Plan will challenge and stretch all the resources available to PIDM. But numerous factors give us confidence that we shall achieve our goals including sound governance and planning; increased workforce; competent, dedicated and knowledgeable workforce; ongoing training and development; and reliance on key stakeholders and suppliers. In addition, we have put in place a sound infrastructure and we continue to build capacity and capability to fulfil our mandate.

However, there are certain events that could impede the achievement of our Plan, such as an intervention in a troubled member institution or the loss of key employees. Such events would potentially necessitate a reprioritisation of our planned initiatives and focusing our resources on

the task at hand. In view of this, we have developed action plans to mitigate the risks that may derail us from this Plan:

- Should an intervention and failure resolution event occur during the planning period, we shall reprioritise our initiatives and realign our resources while maintaining operations in all critical functions; and
- We have also put in place a comprehensive succession plan for key positions to mitigate the impact of loss of key people.

While such events are not within our total control, we will continue to monitor our operating environment to ensure that the risks that could derail us from achieving our Plan are managed and their effects mitigated.

Summary

Since PIDM's establishment in August 2005, we have made significant progress in building a strong foundation towards being recognised as a best practice deposit insurer. PIDM has now been entrusted with the responsibility to administer TIPS. PIDM will need to administer this new protection scheme in a manner to contribute to the stability of the financial system and to promote public confidence in the financial system. This will require a substantial number of initiatives to be completed in 2011 and our public awareness campaign will need to focus on educating not only depositors but also insurance policy and takaful certificate owners.

For the 2011 - 2013 planning period, we shall intensify efforts and resources to boost our state of readiness in terms of our overall capacity and capabilities to fulfil our mandate effectively and efficiently. Towards this end, we will focus our resources on the implementation and delivery of TIPS while continuing to complete the initiatives for the deposit insurance system. In ensuring that we are well governed and well managed in all aspects of our business and affairs, we will continue to enhance our policies, processes, procedures and infrastructure, adopt and promote best practices in governance as well as develop talent in core competencies.

Appendix: About PIDM



APPENDIX: ABOUT PIDM

Our Corporation

Perbadanan Insurans Deposit Malaysia (PIDM) is a statutory body established under the Malaysia Deposit Insurance Corporation Act (PIDM Act). Our role under the PIDM Act is to administer and provide deposit insurance as well as protection scheme for owners of insurance policies and takaful certificates in the event of a failure of a member institution.

As an integral part of the national financial safety net, we have wide-ranging powers to promote and contribute to

the stability of the financial system, to provide incentives for sound risk management in the financial system, to intervene in and resolve troubled member institutions and to act in the best interest of depositors and policy owners.

PIDM reports to Parliament through the Minister of Finance. We are also known as the Malaysia Deposit Insurance Corporation (MDIC), especially within the international context.

Our Mandate

PIDM's mandate is set out in the PIDM Act and its objects are to:

- a) Administer a deposit insurance system and a takaful and insurance benefits protection system;
- b) Provide insurance against the loss of part or all deposits for which a deposit-taking member is liable and provide protection against the loss of part or all of takaful or insurance benefits for which an insurer member is liable;
- c) Provide incentives for sound risk management in the financial system; and
- d) Promote or contribute to the stability of the financial system.

In achieving its objects under paragraphs (b) and (d), the Corporation shall act in such manner as to minimise costs to the financial system.

Our Members

PIDM's member institutions comprise:

- commercial and Islamic banks, including domestic and locally incorporated foreign banks, licensed under the Banking and Financial Institutions Act 1989 or the Islamic Banking Act 1983; and
- insurance companies and takaful operators licensed under the Insurance Act 1996 or the Takaful Act 1984.

As at 31 December 2010, PIDM's member institutions are as follows:

Commercial Banks (23)

1. Affin Bank Berhad
2. Alliance Bank Malaysia Berhad
3. AmBank (M) Berhad
4. Bangkok Bank Berhad
5. Bank of America Malaysia Berhad
6. Bank of China (Malaysia) Berhad
7. Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad
8. CIMB Bank Berhad
9. Citibank Berhad*
10. Deutsche Bank (Malaysia) Berhad
11. EON Bank Berhad
12. Hong Leong Bank Berhad
13. HSBC Bank Malaysia Berhad
14. J.P. Morgan Chase Bank Berhad
15. Malayan Banking Berhad
16. OCBC Bank (Malaysia) Berhad
17. Public Bank Berhad
18. RHB Bank Berhad
19. Standard Chartered Bank Malaysia Berhad
20. The Bank of Nova Scotia Berhad
21. The Royal Bank of Scotland Berhad
22. United Overseas Bank (Malaysia) Berhad
23. Industrial and Commercial Bank of China (Malaysia) Berhad

**this institution provides Islamic banking services*

Islamic Banks (17)

1. Affin Islamic Bank Berhad
2. Alliance Islamic Bank Berhad
3. Al-Rajhi Banking and Investment Corporation (Malaysia) Berhad
4. Amlslamic Bank Berhad
5. Asian Finance Bank Berhad
6. Bank Islam Malaysia Berhad
7. Bank Muamalat Malaysia Berhad
8. CIMB Islamic Bank Berhad
9. EONCAP Islamic Bank Berhad
10. Hong Leong Islamic Bank Berhad
11. HSBC Amanah Malaysia Berhad
12. Kuwait Finance House (M) Berhad
13. Maybank Islamic Berhad
14. OCBC Al-Amin Bank Berhad
15. Public Islamic Bank Berhad
16. RHB Islamic Bank Berhad
17. Standard Chartered Saadiq Berhad

Insurance Companies (38)

1. ACE Synergy Insurance Berhad
2. Allianz General Insurance Company (Malaysia) Berhad
3. Allianz Life Insurance Malaysia Berhad
4. American International Assurance Bhd.
5. AmG Insurance Berhad
6. AmLife Insurance Berhad
7. AXA Affin General Insurance Berhad
8. AXA Affin Life Insurance Berhad
9. Berjaya Sampo Insurance Berhad
10. BH Insurance (M) Bhd.**
11. Chartis Malaysia Insurance Berhad
12. CIMB Aviva Assurance Berhad
13. Etiqa Insurance Berhad
14. Great Eastern Life Assurance (Malaysia) Berhad
15. Hong Leong Assurance Berhad
16. ING Insurance Berhad
17. Jerneh Insurance Berhad
18. Kurnia Insurance (Malaysia) Berhad
19. Lonpac Insurance Berhad
20. Malaysian Assurance Alliance Berhad
21. Manulife Insurance Berhad
22. MCIS Zurich Insurance Berhad
23. MSIG Insurance (Malaysia) Bhd.
24. MUI Continental Insurance Berhad
25. Multi-Purpose Insurans Berhad
26. Oriental Capital Assurance Berhad
27. Overseas Assurance Corporation (Malaysia) Berhad
28. Pacific & Orient Insurance Co. Berhad
29. Progressive Insurance Berhad
30. Prudential Assurance Malaysia Berhad
31. QBE Insurance (Malaysia) Berhad
32. RHB Insurance Berhad
33. Tahan Insurance Malaysia Berhad***
34. The Pacific Insurance Berhad
35. Tokio Marine Insurans (Malaysia) Berhad
36. Tokio Marine Life Insurance Malaysia Bhd.
37. Uni.Asia General Insurance Berhad
38. Uni.Asia Life Assurance Berhad

With effect from 1 January 2011:

***this institution has been merged with AXA Affin General Insurance Berhad*

****this institution has been taken over by Overseas Assurance Corporation (Malaysia) Berhad*

Takaful Operators (9)

1. CIMB Aviva Takaful Berhad
2. Etiqa Takaful Berhad
3. Great Eastern Takaful Sdn. Bhd.
4. Hong Leong Tokio Marine Takaful Berhad
5. HSBC Amanah Takaful (Malaysia) Sdn. Bhd.
6. MAA Takaful Berhad
7. Prudential BSN Takaful Berhad
8. Syarikat Takaful Malaysia Berhad
9. Takaful Ikhlas Sdn. Bhd.

Our Board of Directors

PIDM is governed by a seven-member Board of Directors, with a balanced representation from the public and private sectors. The Board is responsible for the conduct of the business and affairs of PIDM.

A non-executive Chairman heads the Board while other representatives include two *ex-officio* members, namely the Governor of Bank Negara Malaysia and the Secretary General of the Treasury, one director from the public sector and three directors from the private sector with one having relevant banking and financial sector experience. The Chairman and all non *ex-officio* members are appointed by the Minister of Finance.



Tan Sri Dato'
Abdul Aziz bin Haji Taha
Chairman



Tan Sri Dato' Sri Dr. Zeti
Akhtar Aziz
Board Member



Tan Sri Dato' Sri Dr. Wan
Abdul Aziz Wan Abdullah
Board Member



Dato' Halipah binti Esa
Board Member



Datuk Dr. Abdul Samad
bin Haji Alias
Board Member



Mr. George Anthony
David Dass
Board Member



Mr. Lim Tian Huat
Board Member

Our Executive Management Committee

PIDM's Executive Management Committee (EMC) is chaired by the Chief Executive Officer who is not a member of the Board of Directors. The EMC is a forum for discussions on issues relating to the management and day-to-day operations of PIDM. Its members comprise the Heads of Division who are also responsible for supporting the Board of Directors in fulfilling its governance responsibilities. The EMC is intended to facilitate effective communication, teamwork, adaptability to change and effective collaboration throughout all areas of PIDM, as well as serve as a conduit for information to all employees.



Jean Pierre Sabourin
Chief Executive Officer



Md Khairuddin
bin Hj Arshad
Chief Operating Officer



Wan Ahmad Ikram
Wan Ahmad Lotfi
**Chief Financial Officer
and General Manager,
Finance and Administration**



Lim Yam Poh
**General Counsel and
Corporate Secretary**



Lai Wai Keen
**General Manager,
Policy and International**



S. Loganathan
**General Manager,
Communications and
Public Affairs**



Siti Zubaidah Haron
**General Manager,
Human Capital**



Noorida Baharuddin
**Chief Internal Auditor and
General Manager,
Audit and Consulting Services**



Lee Yee Ming
**Chief Risk Officer and
General Manager,
Enterprise Risk Management**



Rafiz Azuan Abdullah
**General Manager,
Insurance, Risk Assessment
and Monitoring**



Lim Kong Kuan
**General Manager,
Intervention and
Failure Resolution**



Chua Ee Leen
**Senior Manager,
Strategic Planning**

Contact Us

For more information about PIDM

- Contact our Customer Service Call Centre at:
Toll Free **1-800-88-1266**
From 8.30 am to 5.30 pm, Mondays to Fridays
- Visit our website at **www.pidm.gov.my**
- E-mail to **info@pidm.gov.my**
- Write to:
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Perbadanan Insurans Deposit Malaysia
Level 12, Quill 7,
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