



Subject: Resolution 801 – Financial Criteria – Malaysia

Financial Criteria – Malaysia

1. GENERAL RULES

- 1.1 The minimum paid-up capital for new applicants and existing Agents is MYR100,000.00
- 1.2 The applicants are required to provide latest Bank Statement for the last 3 consecutive months and Bank Reference letter
- 1.3 Minimum office space is 400sq feet

2. FINANCIAL SECURITY

- 2.1 Notwithstanding whether an Agent obtains a satisfactory or unsatisfactory result in a financial review, all Agents must provide a Bank Guarantee of minimum MYR 100,000.00 or two (2) CASS billing periods of average sales for the past 12 months, whichever is the higher.
- 2.2 Alternatively, Agent may participate in the Default Insurance Program.
- 2.3 The financial security amount is reviewed on a quarterly basis and additional financial security will be requested if the current financial security provided is not sufficient to cover the amount specified in 2.1.
 - 2.3.1 Notwithstanding clause 2.3 above, if an Agent has had no irregularities (including Notice of Irregularity, Suspension, Default and Termination) in the past 24 months, the Agent will only be required to provide additional financial security when the average sales (based on two CASS billing periods of average sales for the past 12 months) exceeds 20% of the amount of the financial security on hand.
 - 2.3.2 Should the financial security review show that Agent's sales (based on two CASS billing periods of average sales for the past 12 months) is lesser than the financial security provided, Agent may opt to decrease the level of financial security accordingly.