

# SERVICE GUIDE

This service guide will provide you an understanding on the range of financial adviser's representative (FAR)

## Who We Are?

A FAR is appointed by a financial adviser (FA) to provide financial advisory services relating to insurance and takaful. A FA is regulated by Bank Negara Malaysia (BNM) under the Financial Services Act 2013 (FSA) and/or Islamic Financial Services Act 2013 (IFSA).

## What You Need To Know?

The Financial Services Act 2013 (FSA) and Islamic Financial Services Act (IFSA) regulate companies and individuals that provide advice on Insurance and Takaful products to consumers. The laws also provide Bank Negara Malaysia with the necessary regulatory and supervisory oversight powers to ensure business conduct and consumer protection compliance.

## Who is A Financial Adviser?

A Financial Adviser (FA) is a company approved by Bank Negara Malaysia under the FSA to carry out financial advisory business.

## Who is A Financial Adviser's Representative?

A "Financial Adviser's Representative" (FAR) means an individual, however styled, in the direct employment of acting, acting for or by arrangement with an approved FA, who performs for the FA any services relating to financial advisory business.

## Who is An Islamic Financial Adviser?

An Islamic Financial Adviser (FA) is a company approved by Bank Negara Malaysia under the IFSA to carry out Islamic financial advisory business.

## Who is An Islamic Financial Adviser's Representative?

An "Islamic Financial Adviser's Representative" (IFAR) means an individual, however styled, in the direct employment of acting, acting for or by arrangement with an approved FA, who performs for the IFA any services relating to Islamic financial advisory business.

## Our Services

FARs understand your financial needs and desires and provide personal advice, strategies and solutions to achieve your life and wealth goals. Our advice typically encompass the following:

### **Building Wealth**

- Education Planning
- Retirement Planning
- Wealth Accumulation

### **Protecting Wealth**

- Income and Asset Protection
- Family and Personal Protection
- Business Ownership Protection
- Estate Planning

**Managing Wealth**

- Tax strategies for individuals, trusts and business owners
- Debt management for individuals, trusts and business owners
- Education and retirement fund management

**The products commonly employed in our solutions:**

- Life Insurance and Family Takaful products
- General Insurance and Takaful products
- Labuan and other international offshore products
- Will, Trust and Foundation

**Work Scope of A Financial Adviser / Islamic Financial Adviser**



**What Is The Difference Between A Financial Adviser / Islamic Financial Adviser And An Insurance / Takaful Agent?**

These differences are illustrated in the table below:

	<b>Insurance Agent</b>	<b>Takaful Agent</b>	<b>FA / IFA</b>
<b>Represents</b>	<b>Insurance Company</b>	<b>Takaful Operator</b>	<b>Customer</b>
<b>Approved / Registered by:</b>	<b>PIAM (General Agents) or LIAM (Life Agents)</b>	<b>Malaysian Takaful Association</b>	<b>Bank Negara Malaysia</b>

## **What Are The Requirements To Be A Financial Adviser / Islamic Financial Adviser?**

- Must be a body corporate with a minimum paid-up capital
- Must have a minimum professional indemnity insurance coverage in order to protect consumers in cases of professional negligence
- Subject to compliance with specified licensing requirements for annual renewals

## **What Are The Requirements To Be A Financial Adviser's Representative / Islamic Financial Adviser's Representative?**

- Possesses minimum professional qualifications specified by Bank Negara Malaysia, to ensure that they have the appropriate level of competency required to provide advice to the consumers
- Must fulfill minimum hours of continuous professional development programme annually, to ensure that they continuously maintain and enhance their abilities, skills and knowledge.

## **How Does A Financial Adviser And Financial Adviser's Representative Benefit Me?**

- In dealing with consumers, FA / IFA representatives must have a reasonable basis for the recommendation they make. They have to take into account your financial objectives, financial situation, and personal needs when recommending a financial product.
- A FA / IFA representative must take all reasonable steps to ensure that the product he / she recommends is suitable for you, taking into account the information you gave.
- Consumer should provide complete and accurate information to ensure that the FA / IFA representative is able to recommend a suitable product / solution.

## **What Should I Do If I Received An Unsolicited Call To Purchase An Insurance Product?**

- You should find out where is the person calling from, the company he / she represents and whether he / she is an agent or a Bank Negara Malaysia approved FAR / IFAR.
- For further verification, please check the Bank Negara Malaysia website at <https://www.bnm.gov.my> under the List of Financial Adviser's Representatives or contact the approved FA / IFA firm.

## **Who Can Claim To Be A Financial Adviser / Islamic Financial Adviser Representative?**

- Financial Adviser is a restricted word under section 139 of the FSA. No person shall in its name, description or title uses such words, unless such person is approved under this Act to carry on financial advisory business.
- Islamic Financial Adviser is a restricted word under section 151 of the IFSA. No person shall in its name, description or title uses such words, unless such person is approved under this Act to carry on Islamic financial advisory business.
- Any person who contravenes these sections commits an offence and shall, on conviction, **be liable to imprisonment for a term not exceeding eight years or to a fine not exceeding twenty-five million ringgit or to both.**

## In The Event Of Dispute, Who Should I Contact?

- Contact your FAR / IFAR and discuss over the matter.
- If your complaint is not satisfactorily resolved within the next seven working days, please contact the FA / IFA company. They will endeavour to resolve your complaint quickly and fairly. Or:
- Contact Ombudsman for Financial Services (OFS) and Bank Negara Malaysia for any dispute related to banking / financial, insurance and Takaful issues.

	<b>Insurance Dispute</b>	
	<b>Ombudsman for Financial Services (OFS)</b>	<b>Bank Negara Malaysia</b>
<b>Address</b>	Level 14, Main Block Menara Takaful Malaysia No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur.	Ground Floor, Block D, Bank Negara Malaysia. Jalan Dato' Onn, 50480 Kuala Lumpur
<b>Contact Number</b>	+603 - 2272 2811	1-300-88-5465 (Overseas : +603 - 2174 1717)
<b>Facsimile Number</b>	+603 - 2272 1577	+603 - 2174 1515
<b>Email</b>	<a href="mailto:enquiry@ofs.org.my">enquiry@ofs.org.my</a>	<a href="mailto:bnmtelelink@bnm.gov.my">bnmtelelink@bnm.gov.my</a>
<b>Website</b>	<a href="https://www.ofs.org.my">https://www.ofs.org.my</a>	<a href="http://www.bnm.gov.my">www.bnm.gov.my</a>