

**Insurers/Takaful Operators-Repairers
Code of Conduct
Public Consultation**

Public Consultation on Insurers/Takaful Operators-Repairers Code of Conduct

Explanatory Notes

1. This draft Insurers/Takaful Operators-Repairers Code of Conduct (the “**Code**”) is expected to be drafted with the licensed insurers and licensed takaful operators’ (“**ITOs**”) and repairers’ (“**Repairers**”) agreement. The Code is modelled after the Australian Motor Vehicle Insurance and Repair Industry Code of Conduct and customised to Malaysia’s context. Specific questions have been posed in the Code to obtain feedback on certain areas and approaches that are being considered.
2. A series of engagements with ITOs and their associations, as well as with representative of Repairers that are members of the Federation of Automobile Workshop Owners’ Association of Malaysia (“**FAWOAM**”) were held in the 1H of 2023 to obtain preliminary feedback on the Code. The initial feedback received from these stakeholders have been incorporated into the Code where relevant and appropriate.
3. In our capacity as the regulator of the insurance and takaful industry, Bank Negara Malaysia (“**BNM**”) will require ITOs to abide by the requirements of the Code, including the minimum requirements expected to be incorporated into ITO’s Service Level Agreements (“**SLAs**”) with its panel of Repairers, which are primarily aimed at ensuring improved consumer outcomes and to enhance levels of professionalism and fair conduct in the business dealings between ITOs with Repairers.
4. Compliance with the Code will be mandatory for panel repairers by virtue of their SLAs with ITOs,
5. Meanwhile, the Code is expected to be voluntary standards for non-panel repairers to abide by. As a participant to the Code, non-panel repairers agree to the following:
 - a) to comply with the requirements of the Code;
 - b) all disputes that the non-panel repairers have with ITOs will be subject to the independent dispute resolution framework stipulated in the Code (paragraph 11); and
 - c) in the event there is a non-compliance to the Code, the non-panel repairers may no longer be able to utilise the Independent External Dispute Resolution (EDR process) i.e., arbitration.

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1 Introduction

- 1.1 A high level of professionalism and efficiency in the motor claims and repairs industry would enhance public trust and confidence in the role of Insurers, Takaful Operators (“**ITOs**”) and Repairers in providing such essential services.
- 1.2 In line with this, the Insurers and Takaful Operators-Repairers Code of Conduct (the “**Code**”) has been formulated to establish minimum standards on fair, timely and professional conduct to promote more effective collaboration between ITOs and Repairers.
- 1.3 In addition to the broad principles and specific obligations on minimum standards of fair, timely and professional services which the ITOs and Repairers must strive to meet, the Code also provides for the establishment of an ITOs-Repairers Independent Dispute Resolution Framework (“**IDRF**”) to resolve disputes between ITOs and Repairers in a fair, transparent and timely manner.
- 1.4 Notwithstanding the above, to preserve healthy competition in the motor claims and repairs industry that contributes to fairer outcomes for consumers, the Code **does not** intervene or intrude on matters pertaining to:
 - (a) the type of vehicle parts to be used in Repairs;
 - (b) the ITOs’ panel Repairer selection criteria;
 - (c) a compulsory choice of Repairer;
 - (d) requirements to allocate work among Repairers;
 - (e) particular conditions of guarantee;
 - (f) any cost components of ITOs and Repairers such as cost accounting formula, methods of computing costs;
 - (g) any sales- or production-related information, including sales volume and sales revenue target;
 - (h) any aspect of competitive bidding;
 - (i) business plans and strategies;
 - (j) details of engagement with suppliers, vendors, or customers; or
 - (k) limits or controls on production or output, or allocation of market.

2 Legal Provisions

- 2.1 The requirements in this Code are specified pursuant to sections 123 and 143 of the Financial Services Act 2013 (“**FSA**”) and section 135 and 155 of the Islamic Financial Services Act 2013 (“**IFSA**”).

3 Principles of the Code

Professional and Fair Conduct

- 3.1 ITOs and Repairers agree to observe high standards of honesty and integrity, and transact in good faith and comply with all relevant laws when conducting their business with each other and in providing services to Customers.
- 3.2 The Code specifies minimum standards of fair conduct and transparency in dealings between ITOs and Repairers. There should not be any alteration to the commercial relationships between individual ITOs and Repairers, other than as provided in this Code and in accordance with the principles of the Code.
- 3.3 ITOs and Repairers agree that they, their staff and their representatives shall behave in a professional and courteous manner at all times. This includes not engaging in, condoning, or permitting behaviour that is offensive, harassing, threatening, inappropriate, abusive, bullying or intimidating.

Effective and Transparent Dispute Resolution Process

- 3.4 The Code shall provide for fair, transparent and timely dispute resolution processes to address disputes which may arise between individual ITOs and Repairers.
- 3.5 ITOs and Repairers shall seek to resolve their disputes in accordance with the processes set out in paragraph 11 of the Code to avoid protracted delays in the motor vehicle claims process to ensure improved outcomes for consumers¹.

4 Definitions

- 4.1 In this Code:

“Administrator” refers to the Administrator established in accordance with paragraph 10 of this Code;

“Applicant” refers to the Person who initiates the dispute resolution process as set out in paragraph 11 of the Code;

¹ An example of poor consumer outcomes which this Code aims to prevent is the unfair practice of holding the consumer’s repaired Motor Vehicle at the workshop for extended periods pending the resolution of protracted disputes between the ITO and Repairer on claims settlement matters.

“**Claimant**” refers to a Policy Owner/Takaful Participant insured or covered by an insurance Policy/Takaful Certificate, as the case may be, or a person who has a claim against such the Policy Owner/Takaful Participant;

“**Code**” refers to the Insurers/Takaful Operators-Repairers Code of Conduct including any changes made thereto;

“**Customer**” refers to a Policy Owner, Takaful Participant and/or Claimant;

“**External Dispute Resolution**” or “**EDR**” refers to the independent external dispute resolution process which is carried out through Arbitration² under paragraph 11.3 of the Code;

“**Internal Dispute Resolution**” or “**IDR**” refers to Internal Dispute Resolution process established by an ITO under paragraph 11.2 of the Code;

“**Industry**” refers to the Motor Vehicle insurance/Takaful and motor repair (including motor smash repair) industries in Malaysia;

“**In-house Assessor**” refers to an ITO’s personnel who evaluates repair estimates for the purpose of apprising claims settlements by the ITO. For the avoidance of doubt, this does not include adjusters registered under subsection 2(1) of the FSA;

“**Insurer**” refers to general insurers licensed under the FSA and which, in the course of its business, engages or authorises Repairers to perform Repairs to Motor Vehicles;

“**Motor Vehicle**” refers to a motor vehicle insured or covered for damage under a Policy/Takaful Certificate;

“**Panel Repairer**” refers to a Repairer who is a member of ITO’s Panel Repairers Scheme;

“**Parties**” refers to the Applicant and the Respondent to a dispute arising under paragraph 11 of the Code;

“**Person**” refers to an individual or entity within the Industry;

“**Policy**” refers to a Motor Vehicle insurance policy for a Motor Vehicle issued by an Insurer, who is a participant to the Code;

² Refers to a private form of dispute resolution process presided over by an appointed arbitrator and in which the award is final and binding.

“Policy Owner” refers to an individual or entity who holds a Policy for a Motor Vehicle with an Insurer;

“Presentation” refers to the visual appearance of the Repair performed on the Motor Vehicle;

“Registered Adjuster” refers to a registered person carrying on adjusting business as defined under subsection 2(1) of the FSA;

“Repair” refers to any work done by a Repairer to fix a Motor Vehicle including any of its components, systems or parts, where the work is insured or covered by a Policy/Takaful Certificate and where a claim is or will be made by a Claimant. Such work may include but is not limited to the following:

- (a) dismantling or assembling;
- (b) part or component replacement, adjustment, modification, installation or fitting; or
- (c) painting;

“Repairer” refers to appointed Repairers that handle Repairs of accident Motor Vehicles in Malaysia;

“Respondent” refers to the Person defending against the Applicant's complaint;

“Takaful Certificate” refers to a Motor Vehicle takaful certificate for a Motor Vehicle issued by a Takaful Operator, who is a participant to the Code;

“Takaful Operator” refers to a general takaful operator licensed under the IFSA which, in the course of its business, engages or authorises Repairers to perform Repairs to Motor Vehicles; and

“Takaful Participant” refers to an individual or entity who holds a Takaful Certificate for a Motor Vehicle with a Takaful Operator.

5 Obligations of ITO and Repairer

5.1 ITOs' Obligations

- (a) ITOs shall authorise Repairs with the following objectives of:
 - (i) restoring the safety, structural integrity, Presentation and utility of the Motor Vehicle; and
 - (ii) fulfilling their obligations to the Policy Owner/Takaful Participant in accordance with the provisions of their Policy/Takaful Certificate, the Specification Letters and Policy Documents issued by BNM including

- Policy Document on Claims Settlement Practices (“**PD on CSP**”)³ and Policy Document on Fair Treatment of Financial Consumers.
- (b) Where there is no Service Level Agreement (“**SLA**”) in place between the ITO and the Repairer, the ITO shall, as far as practicable –
 - (i) include an obligation for the Repairer to abide by the Code in the agreement between the ITO and the Repairer; and
 - (ii) the agreement shall be documented prior to approving the Repairs.
 - (c) ITOs shall not require Repairers to provide estimates or carry out Repairs that are not in accordance with the following:
 - (i) any guidelines which have been or may be introduced by relevant authorities, including but not limited to the Guidelines on Application of Structural Change for Vehicle Panel (Accident)⁴ issued by Jabatan Pengangkutan Jalan (“JPJ”);
 - (ii) methods that are consistent with standard Motor Vehicle warranty conditions and manufacturer’s technical specifications; or
 - (iii) any mandatory specifications and/or standards required by the law, having regard to the age and condition of the Motor Vehicle.
 - (d) ITOs’ approval of Repair estimates and Repairs carried out by Repairers should be guided by the Malaysian Standard on Motor Vehicle Aftermarket: Smash Repair Requirements issued by Jabatan Standard Malaysia⁵.
 - (e) With respect to dealings with Repairers in relation to a Repair, ITOs shall do the following:
 - (i) provide Repairers with relevant and sufficient details relating to the insurance/takaful claim that the Repairer requires in order to prepare an estimate or undertake the Repair;
 - (ii) consider estimates submitted by Repairers in a fair, transparent and timely manner, and shall not refuse to consider the estimate on unreasonable grounds such as rejecting a claim without providing valid reasons or solely on the basis that estimates on a supplementary claim for damages had not been discovered during the initial vehicle inspection; and
 - (iii) pay the Repairers the agreed amount for all completed Repairs that have been authorised or requested by the ITO in a timely manner.
 - (f) ITOs shall work together with Repairers to do the following:
 - (i) resolve Customer’s complaints that relate to ITO’s decision on the

³ To be issued by BNM in 1H 2024. Upon issuance, the PD on CSP will be publicly available and will supersede the existing Guidelines on Claims Settlement Practices.

⁴ Issued in April 2019 and any subsequent amendments to it or any instruments replacing it.

⁵ The Smash Repair Requirements is in the process of finalisation by Jabatan Standard Malaysia and is expected for issuance in Q1 2024.

- approval amount or scope of work in a timely and transparent manner; and
- (ii) promote seamless consumer experience through digitalisation efforts, as far as practicable⁶.
- (g) ITOs shall ensure that their In-house Assessors comply with the minimum requirements on professionalism and fair conduct as provided in the PD on CSP, as follows:
- (i) ITOs shall ensure that their In-house Assessors are –
 - (A) adequately qualified and competent to carry out objective assessments on the cause and circumstances of a loss and to ascertain the quantum of the loss in relation to a motor insurance/takaful claim;
 - (B) provided with relevant and continuous training to keep pace with the latest technical, technological, environmental and other developments in the motor ecosystem in order to deliver high-quality claims assessments;
 - (C) guided by clear internal policies and procedures to ensure that the claims assessment process is conducted in an independent, objective and professional manner;
 - (D) subject to adequate monitoring and controls to avoid any conflict-of-interest situations that can result in unfair outcomes for policy owners/takaful participants. This includes ensuring that the remuneration and incentives provided to In-house Assessors are not tied to claims costs; and
 - (E) acting with due care and diligence when conducting investigations and assessments of loss;
 - (ii) With respect to sub-paragraphs (i)(A) and (B), ITOs should be guided by the qualification and training requirements under the Policy Document on Registration Procedures and Requirements on Professionalism of Adjusters⁷;
 - (iii) ITOs shall establish a mechanism⁸ to ensure new and inexperienced In-house Assessors are closely supervised by a senior In-house Assessor⁹ for at least 1 year before they are allowed to conduct adjusting work independently;
 - (iv) ITOs shall ensure that claims assessments prepared by their In-house Assessors contain sufficient details on key information, such as the facts, assumptions, methods, sources of information and databases used or referred to in producing its final assessment; and

⁶ For example, reducing reliance or requiring the submission of physical copies of documents in favour of digital documentation.

⁷ Issued by BNM on 1 June 2023 and published on the BNM's website ([Policy Document on Registration Procedures and Requirements on Professionalism of Adjusters](#)).

⁸ This mechanism must be documented and subject to periodic review to ensure its relevance and adequacy for this purpose.

⁹ Senior In-house Assessor refers to in-house assessor who has acquired at least 5 years of adjusting experience in the subject matter being assessed.

- (v) ITOs shall ensure that claims assessments produced by their In-house Assessors with less than 5 years of adjusting work experience are reviewed and signed-off by a senior In-house Assessor.

Question 1

Are there any other obligations on ITOs that need to be provided apart from those proposed under paragraphs 5.1 (a) to (g)? Please provide clear justifications and the rationale for any additional obligations you view as important to impose on ITOs.

5.2 Repairers' Obligations

- (a) The objectives of Repairers in carrying out Repairs are as follows:
- (i) to restore the safety, structural integrity, Presentation and utility of the Motor Vehicle; and
 - (ii) to fulfil their obligations to the ITOs under the provision of the applicable contract of repair in accordance with the SLA with the ITO.
- (b) The Repair estimates and Repairs carried out by Repairers –
- (i) shall be in accordance with the following:
 - (A) any guidelines which have been or may be introduced by relevant authorities, including but not limited to the Guidelines on Application for Vehicle Panel Structure Repair or Conversion (Accident Cases) issued by JPJ;
 - (B) methods that are consistent with standard Motor Vehicle warranty conditions and manufacturer's technical specifications; or
 - (C) any mandatory specifications and/or standards required by the law, having regard to the age and condition of the Motor Vehicle; and
 - (ii) should be guided by Malaysian Standard on Motor Vehicle Aftermarket: Smash Repair Requirements issued by Jabatan Standard Malaysia;

Question 2

- (a) In relation to sub-paragraph 5.2(b)(i)(B), we wish to seek your feedback whether Repairers:
- (i) have access to information on methods that are consistent with standard Motor Vehicle warranty conditions and manufacturer's technical specifications; and
 - (ii) have capabilities (i.e. in terms of personnel skills, facilities and equipment) to handle repair in accordance to the manufacturer's technical specifications?
- (b) In relation to sub-paragraph 5.2(b)(i)(C), are there any lawful mandatory specification and/or standards that provides requirements relating to repair estimates or Repairs carried out by Repairers?

(c) In relation to sub-paragraph 5.2(b)(ii), we propose to include the following requirement i.e., the estimates and repair works carried out by Repairers should be guided by Malaysian Standard on Motor Vehicle Aftermarket: Smash Repair Requirements issued by Jabatan Standard Malaysia. In this regard, we would like to seek your feedback on whether sub-paragraph 5.2(b)(ii) should be included in the Code. If you disagree with this proposal, please provide clear justifications to support your view.

- (c) With respect to dealing with ITOs in relation to Repairs, Repairers shall do the following:
- (i) prepare estimates that provide an accurate and appropriate account of the scope of Repairs as well as ensure that all Repairs are carried out in a safe, ethical, timely and professional manner and in accordance with the method of Repair and the parts specified and approved by the ITO;
 - (ii) refer to the centralised database for motor repairs estimations of Motordata Research Consortium Sdn Bhd. (“**MRC**”) or any other credible database used by the ITO to facilitate repairs estimations, including replacement parts prices and labour times; and
 - (iii) not dismantle a Motor Vehicle for the purpose of preparing an estimate or report unless requested or authorised to do so by the ITO.
- (d) Repairers shall not commence any Repair without obtaining the relevant ITO’s agreement and authorisation to proceed. Where there is no SLA in place between the ITO and the non-panel Repairer, the non-panel Repairers shall do the following:
- (i) agree to abide by the Code in carrying out the Repairs as authorised by the ITO; and
 - (ii) the agreement shall be documented prior to commencing the Repairs.
- (e) Repairers shall provide equivalent standard spare parts related to the Repairs and reasonable warranty for the affected spare parts.
- (f) Repairers shall repair Motor Vehicles in a timely manner and keep the Claimant and the ITO informed of the completion time or any changes to the Repair estimate, including any hidden damage that requires the submission of supplementary claims.
- (g) Repairers should support ITOs digitalisation initiatives to promote seamless consumer experience¹⁰.

¹⁰ For example, reducing reliance on and requiring physical copies of documents, where possible, particularly when digital copies are available.

Question 3

In relation to paragraph 5.2 (f) and (g), do you foresee any operational issues or challenges in implementing the requirements? If yes, please elaborate and provide clear explanations to support your view.

- (h) Repairers shall ensure that staff assigned to repair works –
 - (i) have the relevant qualifications and/or experience as specified in the Malaysian Standard on Motor Vehicle Aftermarket: Smash Repair Requirements issued by Jabatan Standard Malaysia; and
 - (ii) undertake repair works and conduct themselves in a professional manner in keeping with the relevant requirements of the automotive industry including those set by the relevant authorities.

- (i) Repairers shall handle Customer complaints promptly, fairly and effectively. To this end, Repairers shall –
 - (i) have in place proper processes and documented procedures for complaints handling, including clearly identified contact points for the proper handling of complaints from Customers. The procedures shall be clear, easily understood and readily accessible by Customers;
 - (ii) escalate a complaint to the ITO - within 1 working day from the date of receipt of the complaint or date of inspection of the vehicle by the Repairer (where an inspection is required) - if the complaint relates to the ITO's decision on the approval, claims settlement amount or scope of work. In relation to this, the Repairer shall work together with the ITO to resolve the Customer's complaints;
 - (iii) address each complaint in an objective and timely manner, and shall adhere to the following timelines in its complaints handling:
 - (A) Repairers shall inform the Customer of the outcome no later than 5 working days from the date of receipt of the complaint;
 - (B) where the case is complicated or involves complex issues that require further investigation, the Repairer shall inform the Customer in writing on reasons for the delay and the estimated time needed to resolve the complaint; and
 - (C) in any event, Repairers shall convey to the Customer a decision on the complaint no later than 30 calendar days from the date the complaint was first lodged.

Question 4

- (a) In relation to paragraph 5.2(i), what are your views on the timelines stipulated for handling of Customer complaints by Repairers? If you disagree with any of the timelines above, please suggest reasonable timelines supported with relevant data, illustrations, or justifications.
- (b) In addition to the handling of Customer complaints by Repairers, Repairers should consider establishing a credible and transparent online platform for submission and compilation of data on customer feedback or satisfaction. This would include:
 - i. Transparent rating system for customer's to providing ratings

- on services of repairers, which can be publicly accessed; or
- ii. Online channel for customers to submit feedback forms after completion of repair works; and
 - iii. Online channels for filing of complaints and to monitor status of complaints.

What are your views on the proposal above? Please provide clear justifications to support your view.

5.3 **Motor parts trade discounts, labour rate and labour time**

- (a) The motor parts trade discounts and labour rate per hour should be negotiated between ITOs and Repairers and the agreement on this matter should be stipulated in the relevant SLA between ITOs and Repairers. If these terms are not provided in the SLA, or where no SLA is signed between the ITO and the non-panel Repairer, the ITO shall ensure that the parts trade discounts and labour rate per hour are negotiated, and the agreement shall be documented, before the commencement of the Repair. In this regard, the determination of the hourly labour rate shall take into consideration the types of vehicles.
- (b) Where the labour time for a Repair is unable to be determined using the MRC database, ITOs and Repairers shall agree on the appropriate reference point to determine the standard hours for repair work. This may include recommendations by the appointed registered adjuster or reference to a credible database used by the ITOs, and this agreement shall be disclosed in the SLA. Where no SLA is signed between the ITO and the non-panel Repairer, the ITO shall ensure that the reference point used to determine the standard hours for repair work is discussed with the non-panel Repairer, and the agreement shall be documented, before the commencement of the Repair.
- (c) With respect to paragraph 5.3(b), the ITOs shall ensure that the database provider being referred to determine the standard hours for a Repair is credible, which adheres to the following principles:
 - (i) Resilient: The database provider has a secure database and is able to preserve the continuity of critical services in adverse situations;
 - (ii) Interoperable: The database provider's system is easily linked or integrated with other ITO-related systems; and
 - (iii) Comprehensive: The database provides wide coverage and data on labour times that allows for better and faster comparison of prices to reduce price subjectivity.

5.4 ITOs and/or Repairers shall not –

- (a) make misleading or deceptive statements about the quality, capability or timeliness of a Repairer or group of Repairers;
- (b) make misleading or deceptive statements about the quality, safety or timeliness of Repairs against an ITO or the approach the ITO uses to allocate Repairs or manage claims; and

- (c) make statements or engage in actions or behaviour designed or intended to prevent or discourage a Customer from having any necessary rectification work to their Motor Vehicle following a Repair undertaken by the Repairer who had completed the original Repairs, as the case may be.

6 Panel Repairers of ITOs

6.1 Notification of Opportunities to Apply for Membership to become Panel Repairers of ITOs

- (a) ITOs that have Panel Repairers Schemes (PRS) shall document and publish¹¹ the criteria for membership¹² of the PRS.
- (b) ITOs shall establish mechanisms for Repairers to register their interest in joining the PRS. These mechanisms shall be documented and be made publicly available.
- (c) ITOs shall also confirm a Repairer's registration of interest in writing and provide details of the criteria used by the ITO to select a member of its PRS.

6.2 Disclosure of information on PRS

- (a) ITOs shall provide Repairers who are members of its PRS with the following:
 - (i) the criteria and requirements for retaining their membership status;
 - (ii) the key performance indicators (KPIs) used to evaluate the performance of the Repairer;
 - (iii) regular feedback on the Repairer's performance against the KPIs; and
 - (iv) the circumstances under which a Repairer's status in the PRS can be changed, including being terminated or suspended.

6.3 Terms of Service Level Agreement

- (a) ITOs shall enter into a SLA with each Repairer that has been selected to become a member of its PRS.
- (b) At minimum, the SLA shall provide for, but is not limited to, the following:
 - (i) the period of the SLA between ITOs and Panel Repairers, which shall be fair and reasonable, that is, not less than 3 years. This is intended to give due consideration to the time and investment a Repairer has to make to gain and/or maintain their status as a Panel Repairer with the ITOs;
 - (ii) disclosure of information as set out in paragraph 6.2 of this Code;

¹¹ For example, publication on the publicly accessible pages of an ITO's websites.

¹² The criteria may include minimum qualification and experience of relevant technicians, as well as minimum requirements relating to site area, facilities, security at workshop and insurance coverage requirements.

- (iii) for own damage claims, ITOs reserve the right to require their Panel Repairers to carry out repairs expediently, in any case, not more than 10 working days from the date of approval of repair estimates by the ITO. The timeline specified is subject to exceptional circumstances such as extensive damage to the vehicle or non-availability of parts;
- (iv) ITOs reserve the right to require their Panel Repairers to retain all replacement parts for re-inspection for a period of 30 calendar days from the date of completion of repair works;

Question 5

- (a) In relation to sub-paragraph 6.3(b)(iv), concerns were raised that the requirement for Repairers to retain the replacement parts for 30 calendar days is too long and not practical due to issues such as space constraint to store the damaged parts, incentivising theft as well as contributing to mosquito breeding and rodent infestations issues. As such, reducing the timeline for this may be warranted.

Please suggest a reasonable timeline for Repairers to retain replacement parts for reinspection purposes, supported with relevant data, illustrations, or justifications. The suggested timeline should consider interest of all relevant parties involved.

- (b) In line with the Malaysian Standard on Motor Vehicle Aftermarket: Smash Repair Requirements to be issued by Jabatan Standard Malaysia, we are considering ensuring proper disposal of ATL motor vehicle and as far as practicable¹³, to send the ATL vehicle to the Authorised Automotive Treatment Facility (AATF) within 5 working days after deregistration.

Depending on the arrangement between ITOs and repairers, ITOs are usually the party responsible for sending the ATL vehicle to the AATF. However, in circumstances where the ATL vehicle is sold to the repairer and where an agreement has been reached between the ITO and repairer, the repairer is usually responsible for sending the ATL vehicle to the AATF. In view of the above, additional obligations will be imposed on both the ITOs and repairers (as an obligation under the SLA under this Code), to require the responsible party to ensure timeliness on surrendering of ATL vehicles to the AATF within 5 working days after deregistration of the ATL vehicle.

- (i) Please provide your views, supported by clear justification, on the appropriateness of requiring ITOs or repairers (as relevant) to serve as the responsible party for sending ATL vehicles to the AATF.

¹³ The relevant party may consider other means of proper disposal of ATL vehicle where the option of sending the ATL vehicle to AATF is not available.

- (ii) Please provide your views, supported by clear justification, on whether the proposed 5 working days is reasonable; and
- (iii) Do you foresee any challenges in operationalising this requirement? If yes, please suggest measures to overcome the challenges identified.

- (v) specific, measurable and relevant KPIs that include KPIs on the following:
 - (A) quality of repair work;
 - (B) accuracy of repair estimate quotes; and
 - (C) customer complaints and feedback;
- (vi) an obligation for the Panel Repairer to do the following:
 - (A) comply with the applicable standards and requirements imposed by the relevant authorities such as JPJ's Guidelines on Application for Vehicle Panel Structure Repair or Conversion (Accident Cases); and
 - (B) be guided by Malaysian Standard on Motor Vehicle Aftermarket: Smash Repair Requirements issued by Jabatan Standard Malaysia, in carrying out its smash repair works;
- (vii) circumstances or events which can result in the removal of a Repairer from the ITO's panel, including in the event there is evidence of collusion involving the Repairer;
- (viii) avenues for a Panel Repairer to resolve any disputes with the ITO on actions taken by the ITO in response to the following:
 - (A) the failure of a Panel Repairer to meet the obligations under the SLA or to achieve the performance criteria or standard as agreed upon between the ITO and the Panel Repairer; and
 - (B) non-compliance with any standards or turnaround time set out in CSP PD, where applicable;
- (ix) an obligation for the Panel Repairer to abide by the Code¹⁴;
- (x) a requirement for Panel Repairer to notify the ITO on any change in the business ownership structure of the Panel Repairer within 14 working days from the date of change of ownership. Related to this, the ITO shall determine whether a new evaluation of membership is necessary;
- (xi) the termination clauses as set out in paragraph 6.4 of this Code; and
- (xii) the execution of this SLA shall not conflict with any introduction, imposition or variation of any laws, rules, regulations, directives or any requirement by authorities. The parties hereby agree to be bound by any notice on changes arising from any laws, rules, regulations, directives or any requirement by authorities.

¹⁴ Subject to the final amendments made by the industry with the agreement of all stakeholders.

Question 6

- (a) In relation to sub-paragraph 6.3(b)(i), please provide your views on whether the proposed minimum period of 3 years is reasonable. If not, please provide suggestions supported with clear justifications.
- (b) In relation to sub-paragraph 6.3(b)(xi), please provide your view on whether the proposed timeline on the notification of ITO i.e. within 14 working days from the date of change of ownership is reasonable?

- (c) The terms and conditions of the SLA shall take into consideration the Panel Repairers' feedback on matters such as parts price discounts and hourly labour rate and be subject to periodical review.

Question 7

- (c) Are there any suggestions on additional areas under paragraph 6.3 that need to be covered or specific requirements that you disagree with? Please support your responses with clear justifications.

6.4 Termination of SLA

- (a) An ITO may review its business arrangement with their Panel Repairer, including the termination of panelship, in the event that the Panel Repairer –
 - (i) becomes a bankrupt or is insolvent¹⁵;
 - (ii) is convicted of a serious criminal offence;
 - (iii) has been engaged in fraudulent activities, particularly in connection with the operation of the Panel Repair business, or has engaged in any other types of serious misconduct¹⁶;
 - (iv) committed a breach of SLA requirements. In the occurrence of such breach, an ITO shall:
 - (A) notify the Panel Repairer as soon as possible and inform the Panel Repairer what the ITO requires the Panel Repairer to do in order to remedy the breach; and
 - (B) allow the Panel Repairer to remedy the breach within 30 calendar days.If the breach is remedied in accordance with sub-paragraph 6.4(a)(iv)(A) above, the ITO cannot terminate the SLA because of that breach unless it is a recurring matter; or
 - (v) failed to meet the performance criteria or standard provided in the SLA. However, this is subject to ITOs providing a written notice to inform the Panel Repairer on the details of the breach and provide

¹⁵ Refers to company becoming bankrupt.

¹⁶ Examples of serious misconduct include but are not limited to submission of false claims, collusion between repairer and customer to manipulate the circumstances of accident, replace new with used parts.

the Panel Repairer with a reasonable time to meet the performance criteria or standards.

- (b) With the exception of the expiry of the SLA term and except where a cause of termination under paragraph 6.4(a) above is triggered, an ITO shall not unreasonably terminate the SLA without due notice. As such, ITOs shall at minimum provide 6 months' notice of its intention to terminate the SLA while providing explicit grounds and reasons for such proposed termination.
- (c) ITOs shall give Panel Repairers a reasonable opportunity to make a representation to the ITO within 10 working days from the date of notice of its intention to terminate the SLA. Upon expiry of the 10 working days' period and having considered the representation made by the Panel Repairer, the ITO shall decide whether to proceed with the termination or to retain the Panel Repairer's membership status. In this regard, the ITO shall give the Panel Repairer a written notice of the decision, and the decision shall take effect from the date specified in the notice.
- (d) A Panel Repairer may terminate the SLA by giving the ITOs at least 6 months' notice while providing explicit grounds and reasons for such proposed termination.

Question 8

- (a) Are there any suggestions on additional areas under paragraph 6.4 that need to be covered or specific requirements that you disagree with? Please support your responses with clear justifications.
- (b) In relation to paragraph 6.4(b), please provide your views on the reasonable period proposed for ITO to provide the notice of termination to Panel Repairers.
- (c) Do you anticipate any issues or challenges in relation to the requirements on termination of panelship by ITOs under sub-paragraphs 6.4(a)(iv) and (a)(v) and 6.4(b)? Please support your responses with clear justifications or explanations.

7 Estimate, Repair and Authorisation Process

7.1 Where estimates are sought:

- (a) ITOs and Repairers shall ensure the estimation process is fair, transparent and timely;
- (b) ITOs and Repairers shall ensure that estimates are comprehensive, complete and inclusive of all ascertainable damage;
- (c) In determining whether a damaged part of a Motor Vehicle needs to be replaced or repaired, factors for considerations should include the severity of the damage and safety of the Motor Vehicle after repair. With respect

to this, consideration to replace a damage part should not be based on the age of the Motor Vehicle or costs to the ITO;

- (d) ITOs shall ensure that Repairers are provided with access to view the assessments and recommendations of Registered Adjusters or In-house Assessors on motor claim estimates¹⁷ via the claims estimating systems;
- (e) In the event a Repairer does not have access to the claims estimating systems and submits their motor claim estimates manually, the ITO shall provide a copy of the claims assessments and recommendations of the Registered Adjuster or In-house Assessor to the Repairer; and
- (f) With respect to paragraphs 7.1 (d) and (e), for the avoidance of doubt, the provision of access to the claims assessments and recommendations of the Registered Adjuster or In-house Assessor provided to the Repairer may:
 - (i) be limited to repair estimates and areas relevant to deriving the repair estimate only; and
 - (ii) exclude confidential information, such as information relating to suspected fraud which require further investigations.

Question 9

- (a) What are your views on Repairers being provided access to see the claims assessments and recommendations of the Registered Adjuster or In-house Assessor relating to repair estimates and areas relevant to deriving the repair estimate?
- (b) Are there any other key areas of the assessment or recommendation above that is required for Repairers to facilitate better claims processing and timely repair works?

8 Repair Warranties¹⁸

- 8.1 Repairers shall provide the necessary warranty for workmanship as stipulated in paragraph 7.5 of the Malaysian Standard on Motor Vehicle Aftermarket: Smash Repair Requirements issued by Jabatan Standard Malaysia as follows:

¹⁷ In relation to parts and labour.

¹⁸ ITOs shall reflect the requirements under paragraphs 8.1 and 8.2 in its SLA with Panel Repairers. With respect to non-panel Repairers, where no SLA is in place between the ITO and the non-panel Repairer, the ITO shall, as far as practicable, obtain the Repairer's agreement to abide by the Code and such agreement shall be documented.

- (a) **Body Panel Repair – Minimum 6 months or 5,000km (whichever comes first)**
Body panel repairs are warranted against shrinking, leaking or cracking. The Repairer shall not be responsible for the cracking of old body filler on previous repairs.
- (b) **Structural Replacement – Minimum 6 months or 5,000km (whichever comes first)**
All materials used in the structural panel replacement are warranted. However, if additional or hidden damage which affect the performance of the Motor Vehicle is found during or after the smash repair process, the Motor Vehicle owner/customer should be responsible for any additional cost required to make the necessary repairs. This warranty is voided should the repaired Motor Vehicle be involved in a subsequent accident, or if structural problem results from an original equipment manufacturer (“OEM”) design flaw, or if the Motor Vehicle is affected subsequently by natural disaster events, such as submersion in a flood. The Motor Vehicle shall be de-registered and sent to an Authorised Automotive Treatment Facilities (“AATF”).
- (c) **Rust Repair – Minimum 6 months or 5,000km (whichever comes first)**
The Repairer shall not be responsible of corrosion cause by dirt and moisture accumulating due to automotive designs.
- (d) **Surface Repairs – Minimum 6 months or 5,000km (whichever comes first)**
The Repairer shall cover surface repair warranty including dent, crack, burr, sharp edge and related surface defect.
- (e) **Painting Warranty – Minimum 6 months or 5,000km (whichever comes first)**
Panel painting is warranted against cracking, peeling, delamination, blister, blemish or orange peel. The Repairer shall not offer a warranty on the paint of any area where a motor vehicle owner/customer did their own body work as noted on the repair order.

8.2 Warranty on replacement parts and components

Repairers shall provide a warranty on parts and components as follows:

- (a) Reuse parts and components – not less than 30 calendar days;
(b) Repair parts and components – not less than 45 calendar days; and
(c) New or remanufactured parts and components – not less than 90 calendar days or as provided by the manufacturer, distributor, supplier or importer of the parts, whichever is longer.

Question 10

- (a) What are your views on Repairers providing warranty on new or remanufactured parts as provided by the manufacturer, distributor, supplier or importer of parts?

- (b) Are there any circumstances where manufacturer, distributor, supplier or importer of the parts do not provide warranty on new or remanufactured parts and components? If yes, please provide clear explanation on those circumstances.

9 Payment for Repairs

- 9.1 ITOs shall make full payment to the Claimant or to his or her authorised representative, as the case may be, within 7 working days –
- (a) from the date of receipt of the acceptance of offer or Discharge Voucher and all relevant documents; or
 - (b) from the receipt of the sealed court order in relation to payment of court judgement sum.
- 9.2 For the avoidance of doubt, with respect to own damage claims, the ITO may make payment of claims referred to under paragraph 9.1 to the Repairer handling the own damage claim.

10 Administration of the Code

- 10.1 The Code shall be administered by an Administrator.
- 10.2 The Chairperson of the Administrator shall be responsible for ensuring adequate administrative support for the Administrator's activities, including sufficient resources.
- 10.3 The Administrator's key responsibilities include the following:
- (a) responding to queries on the interpretation of any requirements in this Code¹⁹;
 - (b) monitoring compliance with the Code. This includes the following:
 - (i) receiving and handling information relating to alleged breaches of the Code, which includes ITO's or Repairer's failure to carry out their obligations under this Code;
 - (ii) determining if any non-compliance with the Code should lead to the removal of parties as a participant to the Code; and
 - (iii) publishing an aggregated statement detailing results, findings and outcomes of the independent EDR, if necessary;

¹⁹ This is intended for the Administrator to handle the queries as the first stage. Only where there are disagreements raised by either ITO or Repairer which the Administrator is unable to resolve, such queries should be escalated for BNM's review.

- (c) submitting a quarterly report to BNM detailing the parties involved, quantum, nature and outcome of disputes raised under the independent EDR process;
- (d) managing funding obtained from the general ITO industry for the administration of the Code and independent EDR process;
- (e) developing a framework for the appointment, establishment and operation of a national panel of Arbitrators²⁰ in respect to the independent EDR process; and
- (f) ensuring that periodic reviews on the operation of the Code is carried out where the Administrator shall –
 - (i) conduct an initial internal review of the operation of the Code, 12 months after the commencement of operation of the Code on [DD/MM/YYYY]; and
 - (ii) ensure an external review²¹ of the operation of the Code is carried out every 2 years from the commencement of the operation of the Code.

10.4 The Administrator shall treat all information it receives in the course of the dispute resolution process i.e. IDR and EDR, as confidential and not disclose it to any other person unless required by law to do so.

Question 11

- (a) Following a series of engagements with the ITO industry and the Federation of Automobile Workshop Owners' Association of Malaysia (FAWOAM), there is general consensus from ITOs and FAWOAM members for PIAM and MTA to serve as the Administrator of the Code for their respective sectors.

BNM fully supports the proposal above given the operational and technical nature of this Code and the disputes that will be handled via the IDR arrangements. Notwithstanding this, BNM will ensure ITOs compliance to the Code's requirements. Any subsequent enhancements or reviews to the Code will be subject to BNM's review and approval.

Do you have any objections to this? Please provide clear justifications for your view.

²⁰ Refers to an independent person or committee appointed to preside over a dispute via an arbitration in accordance with the Arbitration Act 2005.

²¹ This shall be carried out by an independent party not associated with the Administrator of the Code. This scope of this review should include the effectiveness of dispute resolution processes under the Code, the awareness and accessibility of the Code, ITOs' and Repairers' compliance with the Code and the effectiveness and adequacy of governance of the Code and Administrator.

- (b) In relation to sub-paragraph 10.3(f)(ii), please provide your views on whether the proposed minimum period of 2 years is reasonable. If not, please provide suggestions supported with clear justifications.

11 Independent Dispute Resolution Framework (IDRF)²²

11.1 IDRF Process

- (a) The objective of the IDRF²³ is to serve as an effective dispute resolution process to address disputes between ITOs and Repairers in a fair, transparent and timely manner. This is intended to reduce protracted delays in the motor vehicle claims process that result in poor consumer outcomes.
- (b) The Parties shall resolve disputes raised by Repairers against ITOs arising from alleged lapses or breaches of this Code –
- (i) in accordance with the IDR dispute resolution process set out in paragraph 11.2; and
 - (ii) in the event that the Parties fail to resolve the dispute at IDR, Repairers may escalate the dispute to the independent EDR process in accordance with paragraph 11.3.
- Failure to resolve disputes in accordance with the process stipulated in this Code amounts to a non-compliance with the Code.
- (c) To ensure the objective of IDRF is met, ITOs shall ensure the SLA with its panel of repairers must, at minimum, include an obligation for the repairer to abide by the Code.

11.2 Scope of ITO's Internal Dispute Resolution (IDR) Process²⁴

- (a) The IDR process applies to all disputes raised by Repairers on ITOs relating to alleged lapses or breaches with the Code except for the following²⁵:
- (i) complaints relating to coverage, liability, insurable interest and breach of conditions under the motor insurance policy/motor takaful certificate;
 - (ii) complaints relating to or with an element of fraud;
 - (iii) cases under investigation involving authorities e.g. criminal cases or illegal activities;

²² In order for Repairers to leverage on the IDRF process specified in this Code, the Repairer must be a participant to the Code which means that the Repairer has agreed to adhere to all requirements of the Code i.e. at the point of becoming a participant.

²³ For the avoidance of doubt, the IDRF consist of ITO's IDR process and ITOs-Repairers Independent EDR process.

²⁴ Where no SLA is signed between the ITO and the non-Panel Repairer, the ITO shall ensure that the IDR process under paragraph 11.2 is agreed upon, and the agreement shall be documented, before the commencement of the IDR process.

²⁵ For the avoidance of doubt, all disputes relating to non-compliance of the Code shall go through the IDR as a first step. This includes disputes relating to ITO's in-house assessor's assessments.

- (iv) where a lawyer or a legal firm has been appointed to act on the matter;
- (v) disputes time barred under the Limitation Act 1953 or Limitation Ordinance (Sabah) (Cap.72) or Limitation Ordinance (Sarawak) (Cap. 49);
- (vi) matters filed or referred to OFS, Court and any arbitration process outside of the Code;
- (vii) repudiated cases such as cases where the policyowner/takaful participant is making an appeal on the cost of repair and not the Repairer; and
- (viii) matters set out in paragraph 1.4.

Question 12

Do you have any views on the proposed areas that will be excluded from ITOs' IDR process? Please provide relevant data, illustrations and justifications to support your views.

- (b) All ITOs shall establish an IDR process that provides for fair, transparent and timely resolution of complaints submitted by Repairers.
- (c) All ITOs shall ensure staff involved in the IDR process –
 - (i) are not or have not been involved in the assessment or handling of the claims relating to the complaint; and
 - (ii) possess adequate qualification and experience in motor vehicle claims assessment matters. For example, staff who has sound knowledge on current industry practices, possess the relevant technical expertise and who can demonstrate reasonable skill, care and diligence in reviewing the complaint.
- (d) All ITOs shall ensure the IDR process is independent and impartial, as far as practicable. This shall include ensuring an independent senior staff or a committee²⁶ is involved in the deliberation and decision-making process under the IDR process.
- (e) In relation to paragraph 11.2(d), ITOs may consider designating an existing structure such as a Panel Workshop Management Committee or Vendor Management Department to carry out the responsibilities under paragraphs 11.2 (c) and (d).
- (f) The Repairer shall lodge and track the notification of complaint with the ITO through the Merimen system.

²⁶ With respect to paragraphs 11.2 (c) and (d), where ITOs have established a committee, the committee shall comprise a mix of representatives such as Senior Officers of ITOs, representatives from registered adjusters and representatives from its Panel Repairers.

- (g) With respect to paragraph 11.2(f), the notification of complaint shall, at minimum, contain the information as stated in **Appendix 1**.
- (h) The ITO shall acknowledge the complaint in writing within 1 working day from the date of receipt of complaint notification. Repairers and ITOs will conclude the IDR process no later than 10 working days from the date of complaint notification lodged with the ITO in accordance with paragraph 11.2(f).
- (i) If the Repairer disagrees with the outcome of an ITO's IDR process, the Repairer may escalate the complaint to the independent EDR process except for:
 - (i) complaints relating to paragraph 6 which includes termination of panel Repairers; and
 - (ii) sub-paragraphs 11.3(a)(i-v) which includes complaints excluded from the independent EDR process.

11.3 ITOs-Repairers Independent External Dispute Resolution (EDR) Process

- (a) The EDR process applies to all disputes relating to alleged non-compliance with the Code except for the following:
 - (i) disputes arising from sub-paragraphs 6.1, 6.2, 6.3 and 6.4 which includes termination of panel Repairers;
 - (ii) disputes excluded from the IDR process i.e. sub-paragraphs 11.2(a)(i-viii);
 - (iii) general business disputes relating to general commercial contracts;
 - (iv) disputes where no offer has been made to the Repairer due to insufficient documentation; and
 - (v) where the disputed amount is below RM10,000;

Question 13

Do you have any views on the proposed areas that will be excluded from the independent EDR process under paragraph 11.3(a)? Please provide relevant data, illustrations, and justifications to support your views.

- (b) The Parties are encouraged to resolve their disputes using the IDR process as a first step before pursuing the independent EDR process. Please refer to **Appendix 2** for the flowchart on the overall IDRF.
- (c) Under the independent EDR process, both Parties agree to be subject to the following conditions:
 - (i) participation in the independent EDR process is mandatory for both Parties, in the event an EDR process is invoked;
 - (ii) the Parties agree that the dispute escalated through the independent EDR process shall be settled via Arbitration by a recognised and properly qualified Arbitration service provider;
 - (iii) the Parties will share the costs of Arbitration equally;
 - (iv) the venue of the Arbitration shall take place online;

- (v) the Parties shall pay for their own costs of attending the Arbitration, if any²⁷;
- (vi) throughout the EDR process, the Parties shall agree not to have legal representation, such as engaging the services of a lawyer or a legal firm, in relation to the dispute raised through the independent EDR process;
- (vii) the Parties agree that the decision made by the Arbitrator shall be final and legally binding, i.e. the Parties shall be bound by the decision made by the Arbitrator; and
- (viii) if a party has filed the dispute in court²⁸ or commenced any dispute resolution process not stipulated in this Code²⁹, the party cannot revert to the Code's dispute resolution processes.

Question 14

Do you disagree with any conditions stipulated under paragraph 11.3(c) which both ITOs and Repairers shall abide to in escalating disputes through the EDR process? Please provide justifications and suggestions, if any.

- (d) To commence an Arbitration process, the Applicant shall serve a notification of dispute to the Administrator and the Respondent.
- (e) The notification of dispute shall, at minimum, contain the following information as stated under **Appendix 3**:
 - (i) the names and contact details of the ITO and the Repairer;
 - (ii) specific and detailed information about the nature of the dispute;
 - (iii) supporting documentation about the dispute; and
 - (iv) in the event the Repairer disagrees with the IDR, an explanation as to Repairer's disagreement.
- (f) The Administrator shall acknowledge the dispute notification in writing within 1 working day from date of dispute notification.
- (g) The Administrator shall immediately notify the Parties of the date of commencement of the arbitration³⁰ and other relevant information, as required.

²⁷ Arbitration shall be conducted via online channels as per sub-paragraph (c)(iv) and will not incur additional expenses to attend. However, in the event, the repairer is unable to attend through an online medium and requires physical attendance, then Parties shall pay their own travel and relevant expenses such as accommodation and share the costs of booking a meeting venue, if any.

²⁸ This includes if the dispute has been decided by the court or has been through a court appointed mediation.

²⁹ This includes commencing a dispute through an arbitration process which is not governed and stipulated by this Code.

³⁰ The refers to the date of dispute notification delivered to the Respondent.

- (h) The Administrator shall ensure an Approved Arbitrator is appointed from the panel developed by the Administrator under paragraph 10.3(e) within 1 working day from the date of acknowledgement on dispute notification.

Question 15

In view of the general consensus reached between ITOs and FAWOAM members for PIAM and MTA to serve as the Administrator of the Code (under paragraph 10), PIAM and MTA are also expected to carry out the role of the Administrator of the independent EDR process under paragraph 11.3(f), (g) and (h). The role as an Administrator of the EDR process is confined to administrative matters only, such as acknowledging the dispute notification in writing, notifying Parties involved in the dispute, and to ensure an Approved Arbitrator is appointed on a timely basis.

In relation to this, as the regulatory authority who will be issuing the Code under FSA/IFSA, the Bank will be responsible for enforcing the Code, but will not be carrying out the administrative role of operationalising and implementing the Code.

In view of PIAM and MTA's role as the industry association that represents ITOs, what are your views on PIAM and MTA carrying out the role of the Administrator of the Code and the EDR process? Please provide clear justifications to support your views.

- (i) The Parties shall submit relevant and sufficient documents to the appointed arbitrator within 3 working days from the date of appointment of the Approved Arbitrator.
- (j) The Parties involved in the Arbitration will ensure confidentiality on all information relating to or in connection with the Arbitration, including the terms of any settlement, unless otherwise agreed by the Parties in writing, except where disclosure is required by law.
- (k) The appointed arbitrator shall make a final and binding decision no later than 10 working days from full receipt of documents submitted by the Parties to the appointed arbitrator.

Question 16

Do you disagree with any of the timelines stipulated under the IDR (see paragraph 11.2(h)) and independent EDR process? If you disagree, please suggest other reasonable timelines supported with relevant data, illustrations, or justifications.

- (l) In the event any Party fails to comply with the binding decision³¹ of the appointed arbitrator:
- (i) appropriate actions will be taken against ITOs by the relevant authorities;
 - (ii) may lead to removal of the Repairer from ITO's panelship; and
 - (iii) non-panel Repairers will no longer be able to refer any disputes they may have with ITOs to the independent EDR process.

Question 17

Paragraph 11.3(l) stipulates the implications of non-compliance by the Parties involved i.e. ITOs or Repairers, to the binding decision of the Appointed Arbitrator. This is to ensure that there is finality to the appointed arbitrator's decision and to avoid prolonged delays in disputes between ITOs and Repairers which negatively affects consumer's interest.

What are your views of the implications of non-compliance with binding decision of the appointed arbitrator under paragraph 11.3(l)? If you disagree, please suggest what the implications should be in the event of non-compliance of the binding decision of the appointed arbitrator.

³¹ ITOs and repairers may seek enforcement of the arbitrator's decision through a court proceeding which will incur legal costs. As such, this approach should be the last resort taken by the Parties.

Appendix 1

NOTIFICATION OF COMPLAINT	
A. Details of Complaint	
1.	Date of reporting to insurer/takaful operator (ITO)
2.	The names and contact details of the ITO and the Repairer
3.	Nature of the complaint
4.	Date of incident
5.	Time of incident
6.	Place of incident
7.	Other information ³²
B. Affairs or Account of Policyowner/Takaful Participant Involved	
1.	Name of policyowner/ takaful participant involved
2.	Types / details of policy/takaful certificate involved (<i>Please provide the copy of relevant document</i>)
3.	Details of claim

³² Any other information that Repairers are of view is relevant for ITOs to obtain to better assess and resolve the complaint.

Appendix 2

The ITO-repairer independent dispute resolution framework (IDRF) is a 2-step process as follows:

1st Step

Internal Dispute Resolution (IDR)*

Complaints raised by repairers in relation to alleged non-compliance of the Code

**Consistent with Australia and Ombudsman of Financial Services i.e., resolved by ITOs first before being escalated*

Timeline: Not more than 10 working days

2nd Step

External Dispute Resolution (EDR)

Mode: Arbitration i.e. appointed arbitrator to preside over the dispute and decision made is binding on both parties, ITOs and repairers.

Timeline: Not more than 15 working days

Total timeline for the IDRF: Not more than 25 working days

Appendix 3

NOTIFICATION OF DISPUTE	
A. Details of Dispute	
1.	Date of reporting to insurer/takaful operator (ITO)
2.	The names and contact details of the ITO and the Repairer
3.	Nature of the dispute (<i>Please provide the copy of relevant supporting documents including those provided under Appendix 1</i>)
4.	Explanation on Repairer's disagreement on the outcome of the internal dispute resolution (IDR), where relevant
5.	Date of incident
6.	Time of incident
7.	Place of incident
8.	Other information ³³
1.	Name of policyowner/takaful participant involved
2.	Types / details of policy/takaful certificate involved (<i>Please provide the copy of relevant document</i>)
3.	Details of claim

³³ Any other information that Repairers are of view that is relevant for ITOs to obtain to better assess and resolve the complaint.