



LABUAN FINANCIAL SERVICES AUTHORITY
(LEMBAGA PERKHIDMATAN KEWANGAN LABUAN)

Our Ref.: LFSA.900-24/CPTPP/2025 (1)
Date : 4 March 2025

Ms. Annie Undikai
Chairman
Labuan International Insurance Association (LIIA)
Level 16(A), Main Office Tower
Financial Park Complex Labuan
87000, Labuan F.T.
Malaysia

Dear Ms. Annie,

EXEMPTION ORDERS FOR LABUAN (RE)INSURER TO UNDERWRITE MALAYSIAN:

**(a) PRODUCT LIABILITY INSURANCE AND REINSURANCE; AND
(b) DIRECTORS AND OFFICERS LIABILITY INSURANCE.**

We refer to the above.

2. We are pleased to inform that Bank Negara Malaysia (BNM) has issued two (2) Exemption Orders for Labuan (re)insurer as follows:

- a) **Financial Services (Labuan Directors and Officers Liability Insurance) (Exemption) Order 2025** [P.U.(A) 60] which will come into effect on 29 November 2027; and
- b) **Financial Services (Labuan Product Liability Insurance and Reinsurance) (Exemption) Order 2025** [P.U.(A) 61] which came into effect on 18 February 2025.

3. These exemptions are part of Malaysia's market access commitment under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). To facilitate the implementation of these exemption orders, Labuan FSA has also obtained the Minister of Finance's approval for an exemption from Section 113(1) of the Labuan Financial Services and Securities Act 2010. With these exemptions in effect, Labuan (re)insurers are now permitted to underwrite product liability insurance and reinsurance, and directors and officers (D&O) liability insurance for Malaysian risks, in accordance with the above exemption orders.

4. In this regard, we seek your assistance to circulate the attached exemption orders to all members of the association for their information and reference. Should you require any clarification, please do not hesitate to contact our officers:

Name	Contact No.	Email Address
Pn. Doreen Fadli	03-8873 2015	doreen@labuanfsa.gov.my
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Thank you.

For and on behalf of
Labuan Financial Services Authority



Jaffree Ismail

Deputy Director General
Market Development and Operations