
REGULATORY NEWSLETTER

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Despite the sweeping wind and rain, or even when typhoon signal No. 8 was hoisted in the city, the Global Financial Leaders' Investment Summit still went ahead as scheduled showing the strong message that Hong Kong is back at the center of the world stage after the pandemic. Following the successful launch of the Summit and much-awaited Rugby Sevens, our city leader pledged and promised that "the worst is behind us". In fact, more and more high-profile events catering foreign investors and travelers will be held. We believe opportunity and timing are right here in Hong Kong.

No matter if Hong Kong economy is in a boom or a tough, be it a sunny or rainy day and be it in good times or bad, ComplianceDirect, as always, joins hands together to take your company forward along the correct path and shape the better tomorrow by providing our professional compliance services.

REGULATORY UPDATES

Request for timely assistance from the Independent Commission Against Corruption on cases involving the insurance sector

10 October 2022

The ICAC has recently contacted the IA and drawn our attention to the fact that whilst, in the case of some insurers they receive timely responses to requests for evidence when preparing a case for prosecution where the insurer has been the victim (e.g. calculation of losses to the insurer), for others the timing of such responses could be improved. Where there is a delay in the provision of such collection of evidence, there is a consequent delay in justice being served. Such delays have, perhaps, been exacerbated by work-from-home arrangements implemented by insurers during the fifth wave of the pandemic.

As the insurance regulator, the IA considers that timely responsiveness and assistance to the ICAC when preparing evidence in cases where an insurer has been a victim of corruption or related incidents,

should be integral to an insurer's corporate governance and corporate culture. This is imperative to ensure the integrity of the insurance industry (and the individual insurer) is safeguarded. We therefore ask authorized insurers for their continued assistance in ensuring their governance processes and corporate culture reflect this important need.

Please find some recent examples of ICAC cases concerning the insurance sector by clicking [this](#).

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Updates to the Interpretation Notes for the Guideline on Sale of Investment-Linked Assurance Scheme ("ILAS") Products ("GL26 Interpretation Notes")

12 October 2022

The IA issued a circular on 28 December 2021 regarding its "Note on the Green Light Process for Assessment of Investment-Linked Assurance Scheme ("ILAS") Products against Standards in Guideline on Underwriting Class C Business (GL15)" and the consequential updates to the GL26 Interpretation Notes.

To provide greater flexibility in product development, the IA has updated the criteria of the Protection Linked Plan ("PLP") as set out under Q&A 11A of GL26 Interpretation Notes to the effect that the provision of at least one of the investment choices facilitating de-risking of policy holders towards retirement shall become optional from 12 October 2022.

Please find a copy of updated version of the GL26 Interpretation Notes at https://www.ia.org.hk/en/legislative_framework/circulars/reg_matters/files/GL26_Interpretation_Notes_QnA_11A.pdf

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Sustainable Finance Internship Initiative

12 October 2022

The Green and Sustainable Finance Cross-Agency Steering Group ("CASG") has launched the Sustainable Finance Initiative ("the Initiative") which is aimed to create more green and sustainable finance ("GSF") internship opportunities for students in Hong Kong, as part of a collaborative effort to nurture talents and build capability for the industry.

The IA, the Hong Kong Monetary Authority, the Securities and Futures Commission and the Mandatory Provident Fund Schemes Authority are jointly to invite the industry to join this Initiative. Please find enclosed a copy of the joint letter with details of the Initiative at

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