

REGULATORY NEWSLETTER



2022 Vol.10



Happily we bask in this warm September sun, it is the month of maturity where there are the heaped baskets with maple leaves and the shades of red. Besides, ComplianceDirect will continuously provide you with professional consultation and compliance advice which ensures your progress runs smoothly and advice addresses questions you need answers to. Remember that the pandemic will not last forever and we are starting to see some good signs. Let's strive to be better in the coming future!

REGULATORY UPDATES

Extension of Phase 2 of the temporary facilitative measures to tackle the outbreak of COVID-19 9 Sep 2022

Further to our circulars on 27 March, 15 June, 4 September, 2 December 2020, 24 February, 27 May, 13 September 2021 and 4 March 2022 regarding Phase 2 of the temporary facilitative measures ("TFM") to obviate the need to conduct face-to-face ("F2F") meetings in order to minimize the risk of infection during the sale process of insurance policies, the IA sees the need to extend it in view of the current pandemic situation.

In this regard, Phase 2 of the TFM will be extended by seven months to 30 April 2023 (based on policy application date) unless otherwise varied by the IA. For the avoidance of doubt, the scope of products covered and the implementation details remains unchanged.

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CPD (“Continuing Professional Development”) Penalty Framework and CPD Compliance Reporting for the Assessment Period 2021/2022

27 Sep 2022

By circulars dated 25 March and 31 May 2022, the IA announced that for the CPD Assessment Period 2021/2022, individual licensees would only be required to complete 12 CPD hours, rather than 15 (with travel agents licensed to carry on regulated activities in restricted scope travel insurance business only, being excused altogether from the CPD requirement for that Assessment Period).

To reflect the reduction, the IA has adjusted the CPD Penalty Framework (originally issued on 23 July 2021) as it applies for the Assessment Period 2021/2022. The amended CPD Penalty Framework for the Assessment Period 2021/2022 is summarized in the Annex to this circular.

The deadline for individual licensees (i.e. licensed individual insurance agents, technical representatives (agent) and technical representatives (broker)) to complete their CPD hours for the Assessment Period 2021/2022 expired on 31 July 2022. In line with the CPD Penalty Framework, we take this opportunity to remind individual licensees who had a shortfall of 6 CPD hours or less as at 31 July 2022, that they have until **31 October 2022** to rectify the shortfall in order to avoid any licence suspension (albeit they still face a fine of HK\$600 per hour of shortfall as at 31 July 2022).

Further, individual licensees are reminded that they must submit their CPD Declaration Forms to their appointing principals or directly to the IA by 30 September 2022, even if they have a shortfall as at 31 July 2022, but intend to make good the shortfall by 31 October 2022.

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