
REGULATORY NEWSLETTER

2021 Vol. 04



May!

May is the fifth month in a year, it is a representation of love and hope. But what is more important? The second Sunday of May is Mother's Day. It is a significant festival to express our greatest thanks and gratitude to our mother. Gathering our families and treating our mothers with a fantastic meal is one of the best celebrations.

ComplianceDirect wishes every mother a Happy Mother's Day.

REGULATORY UPDATES (IA)

Continuing Professional Development ("CPD") Requirements –

CPD Compliance Reporting Procedures for Assessment Periods 2019/20 and 2020/21

1 Apr 2021

The Insurance Authority ("IA") has updated the Continuing Professional Development (CPD) requirements. Licensed insurance intermediaries are required to be fit and proper persons to carry on regulated activities.

The CPD assessment period from 23 September 2019 to 31 July 2020 and the CPD assessment period from 1 August 2020 to 31 July 2021 ("Combined CPD Assessment Periods") have been combined due to the ongoing pandemic. Individual licensees will be considered as CPD-compliant if they have earned sufficient CPD hours required for the Combined CPD Assessment Periods on or before 31 July 2021.

All individual licensees are required to report their CPD compliance for the Combined CPD Assessment Periods and submit a duly completed CPD Declaration Form to their appointing principal by 30 September 2021. For details of the CPD compliance reporting procedures, please refer to the circular issued by the IA on 1 April 2021.

The transitional CPD arrangement will end on 31 July 2021. From 1 August 2021 onwards, the minimum number of CPD hours for individual licensees (except for restricted scope travel business) will be increased to 15 CPD hours for each Assessment Period, including a minimum of 3 compulsory CPD hours on "Ethics or Regulations"

courses. The CPD requirements and the number of CPD hours an individual licensee must complete are set out in the “Guideline on Continuing Professional Development for Licensed Insurance Intermediaries” (GL24).

[View Circular](#)

Prescribed Scenarios for Long Term Insurance Business in relation to GL21

11 Jan 2021

The Prescribed Scenarios for long term insurance business (“Prescribed Scenarios”) in relation to Guideline on Enterprise Risk Management (“GL21”) has been published. The Prescribed Scenarios shall be adopted for the first Own Risk and Solvency Assessment (“ORSA”) Report, which is required for the financial year ended 31 December 2020. As this is the first set of Prescribed Scenarios under the GL21, IA will review the Prescribed Scenarios for the next ORSA Report and may revise some of the scenarios in future having regard to market conditions.

The Prescribed Scenarios and the summary of comments are available from the IA’s Guidelines website and the Insurer’s Collaboration Corner respectively.

[View Circular](#)

Applications for new licences by deemed licensees

8 Jan 2021

The “deemed licensee” is any licensed individual insurance agent, licensed insurance broker company, licensed insurance agency, licensed technical representative (broker) or licensed technical representative (agent), who or which was automatically granted a licence under the new regulatory regime as at 23 September 2019, by reason of their being registered with one of the former self-regulatory organizations immediately prior to that date. Every deemed licensee has a licence which runs from 23 September 2019 to 22 September 2022 (“transitional period”). During this transitional period, every deemed licensee needs to apply for a new licence from the Insurance Authority (“IA”) if they wish to continue carrying on regulated activities after 22 September 2022.

[View Circular](#)



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