

GENERAL INSURANCE ASSOCIATION OF SINGAPORE



FIT & PROPER CRITERIA

APPENDIX A OF GIARR



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1. Eligibility for Registration

1.1 In order to qualify for registration and to continue to be registered as an Agent, Nominee Agent or Trade Specific Agent (TSA) with the Agents' Registration Board ("the Board") of the General Insurance Association of Singapore ("GIA") an applicant, Agent, Nominee Agent or TSA must satisfy the following conditions and requirements:-

- a) Threshold Conditions
- b) Competence Entry Requirements
- c) Continuing Professional Development Requirements
- d) Financial Soundness
- e) Honesty, Integrity and Reputation

1.2 TSAs are exempted from fulfilling Clause 2.1 (c).

2. Threshold Conditions

2.1 An Agent or Nominee Agent, including a Nominee of a TSA, who is a natural person must be:-

- a) at least 18 years of age;
- b) a Singapore citizen or a Singapore Permanent Resident or a foreigner holding a valid Work Permit or Employment Pass issued by the Ministry of Manpower; and
- c) in possession of minimum academic qualifications equivalent to or higher than 3 GCE "O" Level credit passes or the Basic Competency Examination Certificate awarded by the Singapore College of Insurance.
- d) such persons already exempted by the board as of 1 October 1990 shall continue to be an Agent, Nominee Agent, or Agent of a TSA unless they fail to remain registered with the Board, by which time the threshold conditions set out in 2.1 (a) to (c) shall apply.

2.2 An applicant, Agent or TSA which is a company registered with the Accounting and Corporate Regulatory Authority of Singapore ("ACRA") must have a minimum paid-up capital of S\$25,000.00 at the time of application and must maintain the same level of paid-up capital during the currency of its registration with the Board. This Clause does not apply to employment agencies registered with Ministry of Manpower.



3. Competence Entry Requirements

3.1 An Agent, or Nominee Agent (including a Nominee Agent of a TSA), who is a natural person must possess:

a) Certificate in General Insurance (CGI) which comprises:

- i. Basic Insurance Concept & Principles (BCP) and Personal General Insurance (PGI) if he wishes to sell only personal insurance products; or
- ii. BCP and Commercial General Insurance (ComGI) if he wishes to sell only commercial insurance products; or
- iii. BCP, PGI and ComGI if he wishes to sell both personal and commercial insurance products.

OR

b) Acceptable qualifications in lieu of CGI as set out in Annex 1 to MAS Notice 211 on “Minimum and Best Practice Training and Competency Standards for Direct General Insurers”.

4. Continuing Professional Development (CPD) Requirement

4.1 To remain registered with the Board, Agents, Nominee Agents and Nominee Agents of a TSA, who are natural persons are required to undergo and complete CPD training for a minimum number of hours each year as may be determined by the Board.

4.2 The CPD training shall comprise such training and include such activities as may be determined by the Board from time to time.

5. Financial Soundness

5.1 An Agent, Nominee Agent, or Nominee Agent of a TSA who is a natural person must be financially sound. For the purpose of this section, a person who is not financially sound shall be one who:

- a) is or has been unable to fulfil any of its or his financial obligations, whether in Singapore or elsewhere;
- b) has entered into a compromise or scheme of arrangement with its or his creditors or made an assignment for the benefit of its or his creditors, bring a compromise or scheme of arrangement or assignment that is still in operation, whether in Singapore or elsewhere;
- c) is subject to a judgment debt which is unsatisfied, either in whole or in part, whether in Singapore or elsewhere;



d) in addition to sub-paragraphs (a) to (c), in the case where the relevant person is an individual:

- i. is or has been the subject of a bankruptcy petition, whether in Singapore or elsewhere and is pending;
- ii. has been adjudicated a bankrupt and the bankruptcy is undischarged, whether in Singapore or elsewhere; or
- iii. is or has been subject to any other process outside Singapore that is similar to those referred to in sub-paragraph (i) and (ii).

5.2 An Agent or TSA which is a company registered with the Accounting and Corporate Regulatory Authority of Singapore (“ACRA”) must be financially sound. For the purpose of this section, an Agent or TSA who is not financially sound shall be one who (in addition of paragraphs 5.1(a) to (c)):

- a) is or has been the subject of a winding up petition, whether in Singapore or elsewhere and is pending;
- b) is in the course of being wound-up or otherwise dissolved, whether in Singapore or elsewhere;
- c) is or has been a corporation where a receiver, receiver and manager, judicial manager, or such other person having the powers and duties of a receiver, receiver and manager, or judicial manager, has been appointed, in relation to, or in respect of any property of, the corporation, whether in Singapore or elsewhere; or
- d) is or has been subject to any other process outside Singapore that is similar to those referred to in sub-paragraphs (i) to (iii).

5.3 An Agent, Nominee Agent or TSA must not have entered into a compromise or a scheme of arrangement with creditors, being a scheme of arrangement that is still in operation.

6. *Honesty, Integrity & Reputation*

6.1 An Agent, Nominee Agent or TSA must not be convicted of:-

- a) an offence under the Insurance Act (Chapter 142) or any regulations made thereunder;
- b) an offence under The Penal Code (Chapter 224);



- c) an offence specified under the Third Schedule of the Registration of Criminal Act (Chapter 268);
- d) an offence under the Corruption, Drug Trafficking and Other Serious Crime (Confiscation of Benefits) Act (Chapter 65A);
- e) an offence under any Act or regulations administered by the Monetary Authority of Singapore;
- f) a criminal offence involving fraud, misrepresentation or dishonesty;
- g) an offence involving the financial enrichment of one party at the financial detriment of another party, or any other form of financial misconduct; or
- h) an offence under any statute which is a re-enactment Act, repealing Act or a consolidation Act in respect of any of the legislations referred to above.

6.2 Subject to paragraph 7 hereof, an Agent, Nominee Agent or TSA must not:-

- a) be the subject of criminal proceedings which are pending in Court or have been, at any time (including prior to his registration as an Agent, Nominee Agent or TSA), convicted of a criminal offence, under any law in any jurisdiction;
- b) have been refused the right or restricted in its or his right to carry on any trade, business or profession for which a specific license, registration or other authorisation is required by law in any jurisdiction;
- c) be the subject of a prohibition order or any order made by the Monetary Authority of Singapore or have been prohibited from operating in any jurisdiction by any financial services regulatory authority;
- d) have been or be involved with a corporation which has been censured, disciplined, suspended or refused membership or registration by MAS, any regulatory authority of any business or profession; an operator of a market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere; or
- e) have had any judgment (including the finding of fraud, misrepresentation or dishonesty) given against him/it in any civil proceedings in Singapore or elsewhere, or be a party to any pending proceedings that may lead to such a judgment.



- f) have accepted civil liability for fraud or misrepresentation under any law in any jurisdiction;
- g) have had any civil penalty enforcement action taken against it or him by MAS or any other regulatory authority under any law in any jurisdiction;
- h) have contravened or abetted another person in breach of any laws or regulations, business rules or codes of conduct, whether in Singapore or elsewhere, and;
- i) have been the subject of any investigations or disciplinary proceedings or been issued a warning or reprimand by MAS, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere;
- j) have been refused a fidelity or surety bond, whether in Singapore or elsewhere;
- k) have demonstrated an unwillingness to comply with any regulatory requirement or to uphold any professional and ethical standards, whether in Singapore or elsewhere;
- l) have been untruthful or provided false or misleading information to MAS or been uncooperative in any dealings with MAS or any other regulatory authority in any jurisdiction;
- m) in addition to sub-paragraphs (a) – (l), where the relevant person is an individual:
 - (i) is or has been a director, partner, substantial shareholder or concerned in the management of a business that has been censured, disciplined, prosecuted or convicted of a criminal offence, or has been the subject of any disciplinary or criminal investigation or proceeding, in Singapore or elsewhere, in relation to any matter that took place while the person was a director, partner, substantial shareholder or concerned in the management of the business;
 - (ii) is or has been a director, partner, substantial shareholder or concerned in the management of a business that has been suspended or refused membership or registration by MAS, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere;



- (iii) has been a director, partner, substantial shareholder or concerned in the management of a business that has gone into insolvency, liquidation or administration during the period when, or within a period of one year after, the relevant person was a director, partner, substantial shareholder or concerned in the management of the business, whether in Singapore or elsewhere;
- (iv) has been dismissed or asked to resign from –
 - (A) office;
 - (B) employment;
 - (C) a position of trust; or
 - (D) a fiduciary appointment or similar position, whether in Singapore or elsewhere
- (v) is or has been subject to disciplinary proceedings by his current or former employer(s), whether in Singapore or elsewhere;
- (vi) has been disqualified from acting as a director or disqualified from acting in any managerial capacity, whether in Singapore or elsewhere; and
- (vii) has been an officer found liable for an offence committed by a body corporate as a result of the offence having proved to have been committed with the consent or connivance of, or neglect attributable to, the officer, whether in Singapore or elsewhere.

7. Entitlement of the Board

The Board, as the central body responsible for registering general insurance agents, shall be entitled to approve or renew a registration based on the merits of each case notwithstanding the provisions of paragraph 6.2(a), 6.2(c) and 6.2(d) hereof.

8. Compliance

An Agent, Nominee Agent or TSA must at all times be in compliance with and not be in breach of any of the provisions of:-

- a) the General Insurance Agents Registration Regulations;
- b) the Code of Practice for Agents

as may be amended by GIA from time to time.



9. *Conflicts of Interest*

- 9.1 A conflict of interest is said to occur where an Agent, Nominee Agent or TSA has a personal interest that conflicts or might possibly conflict with his role to provide the best possible advice or service to a customer. This may occur as a result of agency relationship or agent's family or personal relationships with insurer. In circumstances where avoidance of such conflicts of interest may not be practicable, the insurer's Agent, Nominee Agent or TSA should disclose to the customer the conflict of interest arising from the relationship with the insurer, including any material information or facts that may compromise his objectivity, before insurance is arranged.
- 9.2 Similarly, where a Nominee Agent or a TSA has a personal interest that might conflict to his role of Agent to the Principal and in situations where such conflicts are not practicable, the agent shall disclose to the principal the said conflict of interest and such an obligation is an ongoing one.

10. *Confidentiality*

An Agent, Nominee Agent or TSA should implement and maintain proper procedures to preserve confidentiality of information it receives from a client or which relates to a client. An Agent, Nominee Agent or TSA should not collect, use or disclose personal data about a client unless:

- a) the client has given his consent to the collection, use or disclosure; or
- b) the collection, use or disclosure is required or authorized in accordance with the Personal Data Protection Act 2012.