

Notice No : MAS 211
Issue Date : 22 June 2007

* Last revised on 22 April 2013

MINIMUM AND BEST PRACTICE TRAINING AND COMPETENCY STANDARDS FOR DIRECT GENERAL INSURERS

Introduction

1. This Notice is issued pursuant to section 64(2) of the Insurance Act (Cap. 142) [“the Act”] and applies to all direct general insurers. However, they do not apply to captive insurers, marine mutual insurers and financial guarantee insurers.

[MAS 211 (Amendment) 2008]

2. This Notice sets out the following:

Part I – Mandatory Requirements

- (a) Licensing requirements for direct general insurers in relation to insurance agents (both corporations and individuals);

[MAS 211 (Amendment No. 2) 2008]

[MAS 211 (Amendment No. 2) 2013]

- (b) Minimum examination requirements for direct general insurers in relation to the training and competency of

- (i) their staff;
- (ii) insurance agents who are individuals; and
- (iii) staff of insurance agents

who sell or provide sales advice on the direct general insurers’ insurance products (hereinafter collectively known as “the Relevant Persons”); and

Part II – Non-mandatory Best Practice Standards

- (c) Best practice standards to be observed by front-end operatives (“FEOs”).

Definitions

3. For the purposes of this Notice:

“Agents’ Registration Board” means the board set up by the General Insurance Association of Singapore (“GIAS”) to register any general insurance agent;

[MAS 211 (Amendment No. 2) 2008]

“CGI qualification” means:-

(a) in relation to Relevant Persons who sell or provide sales advice on personal general insurance, qualification in the Basic Concepts and Principles of General Insurance (BCP) and the Personal General Insurance (PGI) modules of the Certification in General Insurance¹;

(b) in relation to Relevant Persons who sell or provide sales advice on commercial general insurance, qualification in the Basic Concepts and Principles of General Insurance (BCP) and the Commercial General Insurance (ComGI) modules of the Certification in General Insurance;

“corporate insurance agent” means an insurance agent which is a corporation or company, and includes sole proprietorships and partnerships;

[MAS 211 (Amendment No. 2) 2008]

“corporation” has the same meaning as in section 4 of the Companies Act (Cap. 50);

“direct general insurer” means an insurer licensed under section 8 of the Act to carry on direct general insurance business but excludes any captive insurer, marine mutual insurer and financial guarantee insurer;

[MAS 211 (Amendment) 2008]
[MAS 211 (Amendment No. 2) 2013]

“financial guarantee insurer” has the same meaning as in regulation 2 of the Insurance (Financial Guarantee Insurance) Regulations;

“front-end operatives” refers to staff of a direct general insurer engaged in any or all of the following activities:

- (a) sales of insurance products;
- (b) provision of insurance advisory services;
- (c) handling of claims;

“marine mutual insurer” has the same meaning as in regulation 2 of the Insurance (General Provisions and Exemptions for Marine Mutual Insurers) Regulations 2007.

[MAS 211 (Amendment) 2008]

¹The Certificate in General Insurance consists of 3 modules as follows: (a) Basic Concepts and Principles of General Insurance (BCP);
(b) Personal General Insurance (PGI); and
(c) Commercial General Insurance (ComGI).

“Trade Specific Agent” means an insurance agent (and, for the avoidance of doubt, in the case of a corporate insurance agent, includes the staff of that corporate insurance agent) for a direct general insurer, who does not carry on the business as an insurance agent in Singapore as his core business and who is registered with the Agent’s Registration Board.”

[MAS 211 (Amendment No. 2) 2013]

3A. The expressions used in this Notice shall, except where defined in this Notice or where the context otherwise requires, have the same meanings as in the Insurance Act.

[MAS 211 (Amendment No. 2) 2008]

Part I – Mandatory Requirements

4. This Part sets out requirements which are mandatory. A failure to comply with a mandatory requirement is punishable under section 55(2) of the Act.

4A. A direct general insurer shall only enter into a contract of insurance arranged by:

- (a) an insurance agent who is an individual; or
- (b) any staff of a corporate insurance agent selling or providing sales advice on the direct general insurer’s products,

if such agent or staff, as the case may be, is registered with the Agents’ Registration Board, and

- (i) has obtained the CGI qualification;
- (ii) was not required to obtain the CGI qualification when it was first introduced in 1990; or
- (iii) has acceptable qualifications in lieu of the CGI qualification.

The list of acceptable qualifications is set out at Annex 1.

4B. For the purposes of paragraph 4A, an insurance agent which is:

- (i) a bank licensed under the Banking Act (Cap. 19);
- (ii) a finance company licensed under the Finance Companies Act (Cap. 108);
- (iii) a merchant bank approved as a financial institution under section 28 of the Monetary Authority of Singapore Act (Cap. 186);
- (iv) an insurer licensed under the Insurance Act (Cap. 142) and is approved by the Authority to underwrite life insurance business in Singapore; and
- (v) an insurance broker registered under section 35X of the Insurance Act (Cap. 142)

need not register with the Agents’ Registration Board.

[MAS 211 (Amendment No. 2) 2013]

4C. A direct general insurer shall ensure that any staff of any agent set out in paragraph 4B above who sells or provides sales advice on the direct general insurer's products shall be adequately trained.

[MAS 211 (Amendment No. 2) 2008]

5. A direct general insurer shall ensure that all its FEOs possess the CGI qualification before they are allowed to provide sales advice on or sell general insurance products or handle claims unless:

(a) such staff are aged 45 years and above as at 1 June 2002. However, this group of staff must have attended all tutorials for the relevant CGI modules by 31 December 2002; or

(b) such staff have acceptable qualifications in lieu of the CGI qualification. The list of qualifications is at Annex 1.

Part II – Non-mandatory Best Practice Standards in Training and Competency

6. This Part sets out the non-mandatory best practice standards in training and competency which are developed by the GIAS to raise the standards of service to customers. A copy of the standards is available on the GIAS website at <http://www.gia.org.sg>. While these standards are not mandatory, the Authority expects all insurers to have regard to them so as to foster professional standards and enhance confidence in the insurance industry. As such, a direct general insurer is expected to prepare and implement training and competency plans and maintain training and competency records for each FEO. A direct general insurer should ensure that its FEOs comply with the minimum number of hours stipulated for continuous professional development ("CPD").

[MAS 211 (Amendment No. 2) 2008]

Commencement and cancellation

7. This Notice shall take immediate effect. MAS Notice 211 dated 31 March 2006 is cancelled.

**Persons possessing the following professional qualifications
are not required to obtain the CGI qualification**

Qualifications	Offered by Academic Institutions
BSc Investment, Finance and Risk	City University, UK
MSc Insurance and Risk Management	City University, UK
Business Diploma (Insurance)	George Brown College of Applied Arts & Technology, Canada
BBA (Risk Management and Insurance)	Georgia State University, US
MBA (Risk Management and Insurance)	Georgia State University, US
MSc (Risk Management and Insurance)	Georgia State University, US
PhD in Risk Management and Insurance	Georgia State University, US
MBA (Actuarial Science) -must have chosen AS 8520 Principles of Property and Casualty Ratemaking as one of the electives	Georgia State University, US
Master of Actuarial Science -must have chosen the “Electives Outside the Major” from the risk management and insurance courses	Georgia State University, US
Diploma in Insurance	Glasgow Caledonian University, UK
BA Risk Management	Glasgow Caledonian University, UK
Diploma in Banking and Insurance Management	Nanyang Polytechnic, Singapore
Diploma in Banking and Financial Management -must have opted for the insurance-focused electives	Nanyang Polytechnic, Singapore
Diploma in Risk and Insurance Management	Nanyang Polytechnic, Singapore
Bachelor of Business in 1991 [Note: Only exempted from Basic Insurance Concepts and Principles module]	Nanyang Technological Institute, Singapore
Bachelor of Business (Insurance)	Nanyang Technological University, Singapore
Bachelor of Business (Actuarial Science)	Nanyang Technological University, Singapore
Bachelor of Business - must have chosen at least one Actuarial Science and one Insurance elective in the third year	Nanyang Technological University, Singapore
La Crosse: Finance Major – Risk and Insurance concentration	University of Wisconsin, US
Bachelor of Science in Economics (Actuarial Science) - must have chosen INSR 230 – Property and Liability Insurance Company Management and Policy as an elective	Wharton School, University of Pennsylvania, US
Bachelor of Science in Economics (Risk Management and Insurance)	Wharton School, University of Pennsylvania, US
Master of Business Administration (Insurance and	Wharton School, University of

Risk Management)	Pennsylvania, US
Master of Business Administration (Actuarial Science) - must have chosen INSR 825 – Property and Liability Insurance Company Management and Policy as an elective	Wharton School, University of Pennsylvania, US
PhD in Insurance and Risk Management	Wharton School, University of Pennsylvania, US

[MAS 211 (Amendment No. 2) 2008]

Qualifications	Offered by Professional Institutions
Certificate IV in Financial Services (General Insurance)	Australian and New Zealand Institute of Insurance and Finance
Diploma of Financial Services (General Insurance)	Australian and New Zealand Institute of Insurance and Finance
Affiliate of AII (General)	Australian Insurance Institute
Diploma of AII (General)	Australian Insurance Institute
AAII	Australian Insurance Institute
FAII	Australian Insurance Institute
Certificate III in General Insurance	Australian Insurance Institute
Statement of Attainment in Insurance Practice ²	Australian Insurance Institute
Certificate IV in General Insurance	Australian Insurance Institute
Diploma in Business (General Insurance)	Australian Insurance Institute
Statement of Attainment in Advanced Insurance Practice ³	Australian Insurance Institute
Diploma in Insurance	Chartered Insurance Institute, UK
Certificate in Insurance	Chartered Insurance Institute, UK
ACII	Chartered Insurance Institute, UK
FCII	Chartered Insurance Institute, UK
Diploma in Insurance	HK Institute of Vocational Education
Higher Diploma in Insurance	HK Institute of Vocational Education
Associateship of the Institute of Actuaries (AIA)/ Associateship of the Faculty of Actuaries (AFA) - must have chosen subject 303 General Insurance as an elective	Institute of Actuaries/Faculty of Actuaries, UK
Fellowship of the Institute of Actuaries (FIA)/ Fellowship of the Faculty of Actuaries (FFA) - must have chosen subject(s) 303 General Insurance and/or 403 UK Fellowship: General Insurance as an elective	Institute of Actuaries/Faculty of Actuaries, UK
Fellowship of the Institute of the Actuaries of Australia (FIAA) - must have chosen Subject 3 – General Insurance	Institute of the Actuaries of Australia ⁴

² The Statement of Attainment in Insurance Practice comprises four modules from Certificate III in General Insurance and two modules from Certificate IV in General Insurance.

³ The Statement of Attainment in Advanced Insurance Practice comprises four modules from Certificate IV in General Insurance and two modules from Diploma in Business (General Insurance).

as one of the electives for Part III of the programme	
General Insurance Essentials (GIE)	Insurance Institute of Canada
Associateship of the Insurance Institute of Canada	Insurance Institute of Canada
Chartered Insurance Professional (CIP)	Insurance Institute of Canada
Fellowship Programme (FCIP)	Insurance Institute of Canada
Licentiate Exam (Non-life)	Insurance Institute of India
Associateship Examination	Insurance Institute of India
Fellowship Examination	Insurance Institute of India
Certificate of Insurance Practice	Malaysian Insurance Institute
Diploma in Insurance (General)	Malaysian Insurance Institute
AMII	Malaysian Insurance Institute
FMII	Malaysian Insurance Institute
Certificate in Basic Course	Non-Life Insurance Institute of Japan
Diploma in General Insurance (DGI)	Singapore College of Insurance
Certificate in Insurance and Financial Services [Note: Only for those who have completed “Basics of General Insurance” as one of the modules]	Singapore College of Insurance
ASII	Singapore Insurance Institute
Associateship of the Society of Actuaries (ASA)	Society of Actuaries, US
Fellowship of the Society of Actuaries (FSA)	Society of Actuaries, US
Chartered Property and Casualty Underwriter (CPCU)	The American Institute
Certificate in Ordinary Qualification for Non-Life Insurance Agency by GIA (Japan) [Note: Only exempted from Basic Insurance Concepts and Principles module]	The General Insurance Association of Japan

[MAS 211 (Amendment No. 2) 2008]

[MAS 211(Amendment) 2009]

⁴ Note that “Associateship of the Institute of the Actuaries of Australia (AIAA)” is not a qualification acceptable in lieu of the CGI qualifications because Parts I & II, which are required under the Associateship programme, do not have any general insurance coverage

Qualifications applicable to trade specific agents only	Offered by Professional Institutions
Certificate of Proficiency in Travel Insurance (For a Trade Specific Agent, selling travel insurance only)	Singapore College of Insurance
Certificate of Proficiency in Foreign Domestic Worker Insurance (For a Trade Specific Agent, selling foreign domestic worker insurance only)	Singapore College of Insurance
Certificate of Proficiency in Card Protection Insurance ⁵ (For a Trade Specific Agent, selling card protection insurance only)	Singapore College of Insurance
Certificate of Proficiency in Electrical Protection Insurance (For a Trade Specific Agent, selling electrical protection insurance only)	Singapore College of Insurance
Certificate of Proficiency in Foreign Worker Insurance for Employment Agencies (For a Trade Specific Agent, selling foreign worker insurance only)	Singapore College of Insurance
Certificate in Motor Insurance for Motor Dealers (For a Trade Specific Agent, selling motor insurance only)	Singapore College of Insurance

[MAS 211 (Amendment) 2012]
[MAS 211 (Amendment No. 2) 2012]
[MAS 211 (Amendment) 2013]

⁵ Card Protection Insurance refers to insurance cover in respect of lost or stolen credit cards and other financial and non-financial cards and ancillary services including loss reporting and emergency expenses cover.

* Notes on History of Amendments

1. MAS Notice 211 (Amendment) 2008 with effect from 4 January 2008.
2. MAS Notice 211 (Amendment No. 2) 2008 with effect from 12 December 2008.
3. MAS Notice 211 (Amendment) 2009 with effect from 4 September 2009.
4. MAS Notice 211 (Amendment) 2012 with effect from 30 January 2012.
5. MAS Notice 211 (Amendment No. 2) 2012 with effect from 12 April 2012.
6. MAS Notice 211 (Amendment) 2013 with effect from 1 January 2013.
7. MAS Notice 211 (Amendment No. 2) 2013 with effect from 22 April 2013.

An insurance agent or any staff of a corporate agent who:

- (a) possessed the Certificate in Insurance Practice or Certificate of Proficiency; and
- (b) was registered with the Agents' Registration Board prior to 4 September 2009 will continue to be exempted from the requirement to obtain the CGI qualification.