

Frequently Asked Questions (FAQs) on Relief Measures Relating to COVID-19 Situation – General Insurance and Health examinations and Continuing Professional Development requirements

Q1 Due to the COVID-19 situation and given that SCI has suspended its onsite examinations from 9 April 2020 to 4 May 2020, the individuals referred to in Table 1 are unable to take the general insurance and/or health insurance examinations (“GI & Health exams”) during this period. Will MAS be granting these individuals a grace period to meet the relevant GI & Health exams requirements?

Table 1

Individuals	Regulated Activities
Person appointed as insurance agent of direct general insurer	Providing advice on and/or selling general insurance or health insurance products (“GI & Health regulated activity”)
Person employed or appointed as broking staff of registered and exempt direct insurance broker	GI & Health regulated activity
Person employed or appointed as representative of licensed and exempt financial adviser	Health regulated activity
Person employed or appointed by direct insurer	GI & Health regulated activity and/or providing advice relating to claims made or to be made under an general insurance policy (“GI claims activity”)
Person employed or appointed by service provider of a direct general insurer	GI claims activity

A1 As set out under

- MAS Notice 211 “Minimum and Best Practice Training and Competency Standards for Direct General Insurers”; and
- Notice 502 “Minimum Standards and Continuing Professional Development for Insurance Brokers and Their Broking Staff”

relevant persons as defined in MAS Notice 211, insurance agents acting for direct general insurers and all new broking staff employed or appointed by registered and exempt direct insurance brokers must pass the relevant modules of the certificate in GI exams before they can provide advice on and/or sell general insurance products. MAS Notice 117 “Training and Competency Requirement: Health Insurance” further requires individuals who are employed or appointed by direct insurers, registered and exempt direct insurance brokers as well as licensed and exempt financial advisers to pass the Health exams before they can provide advice on and/or sell health insurance products to clients.

MAS notes that the various COVID-19 measures imposed locally and overseas (e.g. border controls, safe distancing, circuit breaker), including the suspension of onsite GI & Health exams by the Singapore College of Insurance (“SCI”) from 9 April 2020 to 4 May 2020 (both dates inclusive) have impacted the ability of individuals to take the GI & Health exams in a timely manner. To minimise business disruptions, MAS will allow relevant persons and individuals a grace period of 6 months from their date of employment or appointment (between 16 April 2020 and 30 September 2020) to carry out regulated activities listed in Table 1, before fulfilling the relevant GI & Health exams requirements, subject to safeguards.

Except for the GI & Health exams requirement, financial institutions will still have to perform proper due diligence to ensure that the relevant persons or individuals fulfils all other minimum entry requirements, the financial institutions’ internal recruitment criteria, and is fit and proper. MAS will review the temporary relief measure for the GI & Health exams requirement, taking into consideration the evolving situation.

Q2 When will the GI & Health exams re-commence? What will happen if the GI & Health exams do not re-commence before the end of the grace period?

A2 MAS is monitoring the situation, and is working with SCI to offer the GI & Health exams online. Relevant persons and individuals may refer to SCI’s website for more details. In the event that the GI & Health exams are suspended for an extended period due to

the evolving COVID-19 situation, MAS may extend the grace period, and will inform the industry of any such extension.

Q3 Who is eligible for the temporary relief measure?

A3 The individuals listed in Table 2 are eligible for the temporary relief measure:

Table 2

Individuals	Application of temporary relief measure
Person appointed as insurance agent of direct general insurer	Employment or appointment is between 16 April 2020 and 30 September 2020 (both dates inclusive). For example, an individual employed or appointed on 1 May 2020 will only be required to complete the relevant GI & Health exams by 31 October 2020.
Person employed or appointed as broking staff of registered and exempt direct insurance broker	
Person employed or appointed as representative of licensed and exempt financial adviser	
Person employed or appointed by direct insurer	Person employed or appointed to conduct the GI & Health regulated activity and/or GI claims activity between 16 April 2020 and 30 September 2020 (both dates inclusive)
Person employed or appointed by service provider of a direct general insurer	Person employed or appointed to conduct the GI claims activity between 16 April 2020 and 30 September 2020 (both dates inclusive)

Q4 The MAS Notices 117, 211 and 502 state that the grace period for individuals to take GI & Health exams will be subject to conditions. Can MAS provide more details?

A4 Financial institutions are primarily responsible for ensuring that the relevant persons or individuals they employ or appoint have the knowledge and skills to conduct regulated activities. MAS expects financial institutions to exercise closer supervision and provide enhanced training to relevant persons and individuals who have yet to

pass the relevant GI & Health exams. Specifically, financial institutions are required to

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- (a) put in place measures including proper training, to ensure the relevant person or individual understands all relevant rules and regulations applicable to his conduct of the regulated activity, as well as relevant product knowledge; and
- (b) properly supervise the activities and conduct of the relevant person or individual by ensuring that the relevant person or individual -
 - (i) is accompanied by a specified person (who should be an appointed general insurance agent/broking staff/representative of the financial institution, an approved director, or any officer responsible for the compliance function or the supervision of the relevant person or individual in the financial institution), when meeting (including online meeting) clients or prospective clients;
 - (ii) concurrently copies a specified person in all emails and communications with any client or member of the public; and
 - (iii) does not communicate by telephone with any client or member of the public, without the presence of a specified person.

MAS will take supervisory action against financial institutions who fail to properly train, supervise and monitor the activities of these relevant persons and individuals. With respect to the safeguards outlined in paragraphs (b)(i) and (iii), these measures should be implemented without the specified person being physically present and financial institutions should consider other non face-to-face alternatives (e.g. tele-conferencing, video conferencing etc).

Q5 What will happen if an individual fails to satisfy the relevant GI & Health exams requirements, after the grace period has passed?

A5 Financial institutions should monitor the progress of the relevant persons and individuals and track their completion of the relevant GI & Health exams in a timely manner. Upon the expiry of the grace period, the relevant persons or individuals are required to cease the conduct of the regulated activity for which he has not passed

the relevant GI & Health exams, unless a further extension is granted by MAS. The financial institution shall immediately notify MAS of such cessation.

Q6 What are the notification procedures, reporting and monitoring requirements for financial institutions and individuals, who have relied on the temporary relief measure?

A6(a) Where the financial institution is a registered direct or exempt direct insurance broker (direct insurance broker) -

A direct insurance broker which employs or appoints a broking staff under the temporary relief measure is required to submit a soft copy of the “Application for Appointment of Broking Staff” form to MAS via email, attention to the officer in charge of the direct insurance broker. This form should be submitted to MAS within three (3) business days from the date of appointment of the broking staff. A copy of the form can be found in Appendix 2 of MAS Notice 502 or at MAS website (link: <https://www.mas.gov.sg/regulation/forms-and-templates/application-for-appointment-of-broking-staff>). The direct insurance broker is required to make the following declarations in the Form:

- (i) input prefix “Temporary Relief Measure” in the “Designation and department” row in section 1.1. of the Form; and
- (ii) tick the declaration box in Section IV of the Form which requires the direct insurance broker to declare that the broking staff employed or appointed is relying on the temporary relief measure and undertakes to comply with the conditions imposed.

For the avoidance of doubt, there is no need for an exempt direct insurance broker to submit the “Application for Appointment of Broking Staff” form to MAS if the broking staff who is employed or appointed has passed all relevant GI & Health exams at the time of his employment or appointment. The procedure set out above will also not be applicable to a registered direct insurance broker who employs or appoints a broking staff who has passed all relevant GI & Health exams at the time of his employment or

appointment. The registered direct insurance broker only needs to comply with paragraph 8 on “Submission requirements for appointment of broking staff” set out under MAS Notice 502.

At the end of the relief period, the direct insurance broker is required to provide a written confirmation to MAS that all broking staff employed or appointed under the temporary relief measure have fulfilled the relevant GI & Health exams requirements.

- (b) Where the insurance agent is registered with the Agents’ Registration Board (ARB) through the direct general insurer it represents –

A direct general insurer that intends to register an insurance agent under the temporary relief measure is required to inform ARB at the point of registration. At the end of the relief period, the direct general insurer is required to provide a written confirmation to ARB that all insurance agents appointed under the temporary relief measure have fulfilled the relevant GI & Health exams requirements.

- (c) Where an employee of a direct insurer or employee of a service provider of a direct general insurer intends to commence GI & Health regulated activity and/or GI claims activity –

A direct insurer which intends to have its employee or employee of a service provider commence GI & Health regulated activity and/or GI claims activity under the temporary relief measure is required to provide a written notification to MAS within three (3) business days from the date of commencement of the regulated activities. The direct insurer is required to provide the name and designation of the employee or employee of the service provider, details of the regulated activities and the commencement date. At the end of the relief period, the direct insurer is required to provide a written confirmation to MAS that all employees or employees of the service provider that commenced GI & Health regulated activity and/or GI claims activity under the temporary relief measure have fulfilled the relevant GI & Health exams requirements.

- (d) Where the financial institution is a licensed or exempt financial adviser (financial adviser) -

A financial adviser which employs or appoints a representative under the temporary relief measure to provide advice on and/or sell health insurance products is required to provide a written notification to MAS within three (3) business days from the date of commencement of the Health regulated activity. The financial adviser is required to provide the name of the representative, the date the representative is employed or appointed and the representative notification number of the representative, if applicable. At the end of the relief period, the financial adviser is required to provide a written confirmation to MAS that all representatives who have commenced the Health regulated activity under the temporary relief measure have fulfilled the Health exam requirement.

- Q7 Is a financial institution required to seek MAS' written approval to grant a grace period to individuals if they are unable to meet the continuing professional development (CPD) requirements in 2020 due to the COVID-19 situation?**

- A7 MAS has worked with GIA to provide an additional 12 months for general insurance agents and broking staff of registered and exempt direct insurance brokers providing advice on and/or selling general insurance products to fulfil the CPD requirements for 2020. Financial institutions can refer to the GIA website (<https://gia.org.sg/training-and-competency.html>) for more details.

Financial institutions that require an extension of time for individuals to fulfil the minimum CPD of 2 hours under MAS Notice 117 for the sale of shield plans are required to write in to MAS for approval. MAS may grant approval on a case-by-case basis.

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