

**JANUARY – MARCH 2011**

# GENERAL INSURANCE NEWSLETTER

GENERAL INSURANCE ASSOCIATION OF SINGAPORE  
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# G I N O 17

# ANNUAL GENERAL MEETING

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Mr. Derek Teo from Chartis Singapore Insurance Pte. Ltd. has been re-elected as President of the Association for the seventh year. Dr. Michael Goodwin, who represents QBE Insurance (International) Ltd, has also been re-elected as Vice-President for the sixth year running.

The six other companies that have been elected to the Management Committee in 2011 / 2012 include AXA Insurance Singapore Pte Ltd, HSBC Insurance (Singapore) Pte Ltd, MSIG Insurance (Singapore) Pte Ltd, NTUC Income Insurance Co-operative Ltd, Tenet Insurance Co Ltd and

“The industry is on track to achieve greater stability after the financial crisis, posting a total gross premium increase of 3.7% from S\$2.92 billion in 2009 to S\$3.03 billion in 2010.”

Tokio Marine Insurance Singapore Ltd. The announcement was made by GIA Executive Director, Mark Lim, at the GIA Annual Luncheon held at the Amara Singapore on 31 March 2011. Graced by the Executive Director of the Insurance Department of the Monetary Authority of Singapore, Ms. Luz Foo, the event was attended by 140 invited guests, stakeholders and industry members.

In his welcome address, the President said that 2010 had been a positive and fulfilling year. The industry is on track to achieve greater stability after the financial crisis, posting a total gross premium increase of 3.7% from S\$2.92 billion in 2009 to S\$3.03 billion in 2010.

## A NOTE FROM THE EXECUTIVE DIRECTOR

*Mark Lim*

The triple whammy in Japan – earthquake, tsunami and nuclear threat – has wreaked tremendous damage and disruption to the lives of countless ordinary residents in the North Eastern coast of Japan. Within days, the disaster’s impact on Singapore-based travellers bound for Japan proved to be a fast and emerging issue for the GIA. Our members began receiving calls from their customers with queries on their travel insurance, i.e. trip cancellations, postponements and even policy cancellations.

GIA responded promptly within three days with an industry statement after consulting its members. The statement advised travellers to fully understand their travel policy’s terms and conditions including scope of cover and exclusions. The Association advised the public to check with their insurers on their specific policies and reassured them that our members were ready to address their concerns. The statement also explained that all travel insurance excluded claims from nuclear incidents, a headline that was picked up by the local media.

This was yet another occasion for the general insurance community to demonstrate its readiness to respond to consumers’ concerns on issues of insurance cover and protection.

By doing so, we will continue to underscore the key message that General Insurance is indeed the engine for business, the economy and every day lives of Singaporeans.





Marine Hull at 4%. He then highlighted three areas of priorities that the Association will be focusing on to improve motor insurance's loss of S\$48.9 million in 2010:

- 1 Managing fraudulent claims
- 2 Up-scaling customer service standards in sales process and claims handling
- 3 Achieving a 90% adherence to the Motor Claims Framework

2010 also saw a successful uptake in the industry's Global Internship Programme (GIP) with 9 out of 33 interns joining the General Insurance industry as full-time practitioners.

In her keynote address, the Guest-of-Honour highlighted the changing profile of the industry, with more insurers offering specialised lines. The size of the general offshore insurance business written from Singapore is now bigger than the domestic business.

The industry was advised to devote care and attention to their pricing and reserving practices. Insurers should focus on their core competencies and be quick to identify or anticipate changes in trends that can bring about new risks. The Association was also asked to consider how insurers here can share information on fraudulent or suspicious claims with a central database like that of US, UK, Canada and Australia. Lastly, the GIA was encouraged to take in new entrants to grow the talent pool and work closely with the Singapore College of Insurance to fulfil the continual training needs of the industry.

Following her speech, there was a presentation of the membership certificate to the 36th Ordinary Member of GIA, CIGNA Europe Insurance Company S.A. – N.A. Singapore Branch represented by Mr. Marc T.M. Posthuma (Regional Director Sales & Client Management – South East Asia).

All major classes of business, except Marine Cargo and Health, posted growth in written and earned premiums. Personal Accident registered the highest growth at 10%, followed by Motor at 9%, Fire at 8%, Work Injury Compensation at 5% and

AN INTERVIEW WITH THE NEW PO

# MR. BRUCE FORD (ALLIED WORLD)

**GIA:** Bruce, looking back at your appointment to this position, can you share with us your background and how you entered the General Insurance industry?

**BF:** I actually started work in the life insurance industry with the AMP Society in New Zealand; my mum and her sister both worked there, so I come from an insurance family. I started working there during my school holidays and it just seemed natural to work there full time when I'd finished high school. Back in those days you could go straight from high school into a job and work your way up while doing your insurance exams and other studies part-time.

I regret not going to university, but I continued with my insurance studies, completing part 1 of the life insurance stream before

switching to the general insurance stream and completing the fellowship of ANZIIF in 1990. I've always wanted to go back to school, and actually did a couple of units of an MBA a few years ago, but found it too difficult to fit in with work commitments and a family.

**What are the 3 most pivotal moments in your career that you have either learned from or led you to where you are?**

The first thing I have "learned from" would be working in a soft market, such as the periods in 1988–1992 and 1996–2000; learning how to differentiate your product offering, how to analyse your book of business to find the best risks, how to work harder to find

that good client or contract, how to find growth whilst still achieving profits – these are important lessons, and you can only really learn them when things are tough.

The second thing isn't really a "thing" that I've learned from; rather, it's the people that I have worked and interacted with. I've been lucky enough to have some extremely good mentors in the industry – whether they were people that I'd worked for or people I had dealt with (brokers and underwriters); nearly everybody had a different viewpoint or perception of an issue, or specialist knowledge of some kind. I've always tried to soak up the knowledge of those around me, and I'd encourage young people in the industry to do the same.

The most pivotal moments for me were when a person or group of people had given me an opportunity to step up a level. I'd like to think that I'd given them a reason to take that chance, whether through a persuasive business case, hard work or some other quality. I will always be extremely grateful to Ray Hick at QBE, Jim Duffy at St Paul Re, and Clare Himmer at Allied World. Knowing that some people had "stuck their necks out" to hire or promote me makes me all the more determined not to let them down. Hopefully none of them regret their decisions!

### **In your opinion, how can GIA contribute to the talent development programmes in the industry?**

I think we're exceptionally fortunate in Singapore to have a large number of dedicated people working to develop our talent pool. The Global Internship Programme, Singapore College of Insurance, and the IESP are just a few examples of how the Singapore insurance community is helping to develop local talent.

As the major regional hub for the industry, I think we can and should do more to help develop the talent pool in other countries in the region. Right now there is still a significant shortage of qualified practitioners available in the insurance and reinsurance industry here. I think the GIA is a good catalyst for getting things moving in this regard, but all members really have to chip in (and many of them do) to ensure



**“WHAT WE REALLY NEED IS INDEPENDENT THOUGHT, LATERAL THINKING, DRIVE, AND EVEN THINGS LIKE GAME THEORY. THESE THINGS CAN BE TAUGHT, BUT NOT NECESSARILY (OR EVEN PREFERABLY) IN A CLASSROOM.”**

Singapore remains at the forefront in this regard. This means taking on graduates and giving them the training they really need, and making them feel like they are part of the industry.

### **With Allied World being a niche market player, how can GIA collaborate with companies like yours to find the specialised talent that you require?**

The specific qualifications we're looking for (such as catastrophe modelling capabilities, actuarial qualifications, underwriting, insurance accounting, operations) can be readily taught. I think the current graduate programmes provide a good base for this sort of learning, so I believe that area is well covered.

What we really need is independent thought, lateral thinking, drive, and even things like game theory. These things can be taught, but not necessarily (or even preferably) in a classroom. The best way to promote these qualities is through one-on-one mentoring.

Mentors will need to be trained on how they should impart their knowledge, how to gain the younger person's trust and respect, and even how to recognise and not pass on their bad habits. I also don't think mentoring is a six-month programme; it needs to continue throughout the person's career, for as long as they need it.

## GROOMING THE NEXT GENERATION OF LEADERS

Over the past three years, the Global Internship Programme (GIP) has become even more bustling with fresh young talent joining as professionals after graduation and new host companies participating to groom them into young leaders. As a tailored internship programme, GIP has raised the quality of industry practitioners. GIP interns are key players who are crucial as future leaders of the industry.

## NEW HOSTING COMPANIES ON BOARD

Since the year began, GIP has attracted a few more established insurers to join the scene. Here's what they say:



"The GIP has allowed me to interact with industry practitioners and be nurtured under their guidance and care. It has also given me deep insights into various aspects of the General Insurance industry. I look forward to unleashing my potential in this dynamic industry."

**Ex-GIP intern 2009,  
Ms. Tan Wan Ni,  
Trainee Underwriter – Royal & Sun  
Alliance Insurance Plc**



"My 3-month attachment with Allianz SE Reinsurance Branch Asia Pacific gave me my first insights into the industry and its career opportunities. I now have a burning passion to learn and excel in the General Insurance industry."

**Ex-GIP intern 2010,  
Ms. Fan Helan  
NTU final year student and part-timer with  
host company – Allianz SE Reinsurance  
Branch Asia Pacific**



"INCE is delighted to be part of the 2011 GIP. Most graduates don't realise at first just how rewarding a career in insurance and reinsurance can be. The market however is only as good as the people that work in it. That is why training and professional development initiatives like the GIP are key to maintaining its strengths. We look forward to working with keen and motivated graduates to show them how the sector impacts almost every aspect of our lives."

**INCE & Co,  
Mr. Iain Anderson (Partner)**



"The GIP is critical to create an ongoing pipeline of quality talent for the industry. We are pleased to be part of this initiative that ensures we have a platform to develop qualified individuals for highly specialised roles and nurture future leaders."

**ACE Insurance Ltd,  
Mr. Mack Eng (Managing Director)**



"I was introduced to Liability Insurance through GIP. I joined Chubb as an underwriting intern in the Property and Casualty team where I learnt to review the accounts from an underwriting perspective. Today, I am part of the Specialty Lines team in Chubb. The learning curve is certainly steep but it gives me great satisfaction to achieve different milestones along the way."

**Ex-GIP intern 2010,  
Mr. Lee Wai Meng,  
Underwriter – Chubb Specialty Insurance  
(Federal Insurance Company)**



"My internship experience allowed me a glimpse of a career in portfolio analysis. It was intriguing to learn about the market, analyse its dynamics and witness how my efforts could contribute to the decision making process. The great exposure and challenging role give me immense motivation and satisfaction."

**Ex-GIP intern 2010,  
Ms. Shine Sun,  
Research Analyst – Aviva Ltd**



"GIP played a pivotal role in my decision to change my career to actuarial science in the insurance industry. Having interned at a number of organisations during my university days, I think the exposure that GIP provides is incomparable."

**Ex-GIP intern 2009,  
Mr. Shailendra Sapra,  
Actuarial Analyst – AON Benfield**

"We are delighted to be participating in the 2011 GIP. We have a global market leading insurance practice throughout the Asia Pacific region. With this position, we recognise that we have a role to play in assisting the insurance industry to attract, educate and develop talented young students. We hope that our participation in the GIP will help show students how broad and interesting the insurance industry is, and how it can lead to a stimulating and successful career."

**Norton Rose (Asia) LLP,  
Ms. Anna Tipping (Partner)**



"Since launching in Singapore less than 12 months ago, DirectAsia.com has already made a significant breakthrough in the market. We are expanding rapidly and the GIP can help us connect with new up and coming talent."

**Direct Asia Insurance  
(Singapore) Pte Ltd,  
Mr. Nicolas Faquet (Principal Officer)**



"This year, Shipowners' Mutual P&I Club are delighted to be able to offer an internship as part of GIA's GIP. We have had a branch in Singapore for two years and fully endorse GIA's efforts. We fully recognise that it is incumbent upon us to promote the maritime insurance industry to fulfil the staffing demands of the future."

**Shipowners' Asia Pte Ltd,  
Mr. David Heaselden (Principal  
Officer/ Director)**



# TALENT OUTREACH PROJECT

Besides actively educating young talent in the Global Internship Programme (GIP), GIA has been engaging ex-GIP interns to help out in career fairs and profiling talks conducted by the local universities.

In the first quarter of 2011, GIA has participated in 3 career fairs (NTU, NUS and SMU) and conducted 2 profiling talks at the NTU Risk Management Club and SMU.

The ex-GIP interns felt like seasoned pros helping out at the various university career fairs. They talk to GIA about their contribution and support of the GIA Talent Outreach Project.

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#### SMU PROFILING TALK (18 MAR '11)

**Speaker:** Ms. Shirley Ow,  
Regional Underwriter, Cargo, Asia – QBE Insurance  
(International) Limited

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#### NTU ACTUARIAL TALK (9 MAR '11)

**Speaker:** Mr. Ben Liang,  
Senior Manager, Non-Life Treaty Division – Allianz SE  
Reinsurance Branch Asia Pacific

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**SAS  
CAREER /  
INTERNSHIP  
FAIR  
16 FEB '11**

"The participants at the SAS career / internship fair generally understand the nature of the General Insurance industry. Therefore, it was very easy to communicate and share my learning experiences as a GIP intern with them. It was an amazing experience on my part to help uplift the General Insurance industry."

– **Kenneth Li** (GIP 2010 Intern, NUS)

"'It's not what you think' was the statement that I quoted most to the many interested candidates at the career fair. I am happy that GIA had the opportunity to clear any misconceptions that many members of the public may have of the industry. More importantly, it was also a great chance for past interns to interact and share our fruitful GIP experiences with potential candidates."

– **Thomas Ng** (GIP 2010 Intern, NTU)

"A fulfilling experience as I was able to help potential candidates understand the General Insurance sector better. The amount of attention we received at the career fair affirmed the fact that the GIP is one of the most highly sought after internships among university undergraduates / graduates."

– **Renny Chong** (GIP 2010 Intern, NUS)



**NTU  
CAREER FAIR  
25 FEB '11**

"Participating in the career fair is a good opportunity for me to reflect on my past internship experiences. GIA provides very comprehensive industry information to eager potential candidates."

**- Royce Poh (GIP 2010 Intern, NTU)**

"By participating in such talent outreach initiatives, I feel proud to lend my support to potential candidates across all disciplines. I can see the surprised looks on these students' faces when they learn of the numerous opportunities available within the industry."

**- Mohamad Shahril (GIP 2010 Intern, NTU)**

"Generally there is a misconception and confusion between General Insurance and Life Insurance. Most people equate 'insurance' with sales quota. After explaining to the undergraduates what General Insurance is and how important it is in our daily lives, I am glad to see that they are interested to know more about our vibrant industry."

**- Tan Wan Yit (GIP 2010 Intern, NTU)**



"I was very honoured to be invited as one of the guest speakers at the NTU Risk Management Talk 2011. It was heart-warming and encouraging to meet so many interested cohorts. The opportunity to engage and connect with them gives GIA a head start in recruiting quality talent for the GIP. I believe the undergraduates will benefit from an accelerated learning path and experience the rewarding career prospects of working in General Insurance companies."

**- Mandy Phan (GIP 2009 Intern, Asia Reinsurance Brokers Pte Ltd - Reinsurance Executive)**

"Although I'm still very green in the industry, I'm glad to share my experience in GIP and my current company with them. I hope to have given them a little insight into this global industry and sparked their interest to explore the various opportunities available."

**- Soh Rui Na (GIP 2009 Intern, Chartis Singapore Insurance Pte Ltd - Underwriting Executive, Financial Lines)**



**NUS  
CAREER FAIR  
27 - 28 FEB '11**

"It was heartening to appreciate GIP's among the undergraduate community. I had the opportunity to meet potential applicants who seem truly excited at the prospect of being part of the industry."

**- Jonathan Lim (GIP 2010 Intern, NUS)**

"The NUS Career Fair was a good platform for GIA to create greater awareness of the GIP. I thoroughly enjoyed interacting with my NUS peers and sharing with them my experience. I was in a good position to share tips and provide directions for them to excel. This experience made me appreciate what GIP has offered me and also lets me stay connected with my fellow ex-interns."

**- Eunice Chew (GIP 2010 Intern, NUS)**

"The career fair was an opportune time to promote General Insurance as a career for students in the midst of making important life decisions. It was very encouraging to see students from different faculties taking a genuine interest in the industry."

**- Vivian Yip (GIP 2010 Intern, NUS)**

"The NUS Career Fair 2011 was a tremendous success! The vast number of eager applicants proved that GIP is one of the best and most sought after internship programmes to participate in! I'm glad to be part of it!"

**- Elspeth Shek (GIP 2010 Intern, NUS)**



**NTU RISK  
MANAGEMENT  
PROFILING TALK  
17 FEB '11**



# SECOND MOTORING & YOU SEMINAR

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CONTINUES TO DRAW THE CROWD



More than 150 participants attended the second “Motoring & U” seminar held at the Suntec City Conference Room on Saturday 22 January 2011. Organised by CASE, AA Singapore and supported by GIA, the Singapore Road Safety Council (SRSC) and MoneySense, the seminar is part of the Motor Insurance Task Force’s (MITF) continuing efforts to educate motorists and consumers on the aspects of motor vehicle ownership.

Mr. Lim Biow Chuan, Vice President of CASE, kicked off the session with a progress report on MITF’s key recommendations. Speakers from CASE, AA Singapore and the SRSC covered topics ranging from tips for buying a new vehicle, the Consumer Protection Fair Trading Act, new technologies that enhance safety (such as Electronic Stability Control, Warning and Emergency Braking Systems, adaptive

headlights) and how to “read” the road to drive safely. The GIA President also spoke on the critical topic of motor insurance and highlighted the various features of the Motor Claims Framework.

Participants were given a goodie bag and a delicious tea break at the end of the session.

Feedback gathered indicated that the participants had found the sessions meaningful and worthy of attending.

SII &amp; GIA CO-ORGANISES

# LIABILITY CONFERENCE

The Singapore Insurance Institute (SII) collaborated with GIA to organise the second "Liability and Casualty" seminar on 21 February 2011.

Several external factors like globalisation, increased transparency, accountability and regulatory enforcements, are driving directors and officers to change their attitudes towards risk and insurance.

The seminar aimed to equip industry practitioners with the requisite knowledge to face these challenges.

Mr. Cameron McLisky, Regional Vice President of Financial Lines, Chartis Asia Pacific Pte Limited, gave the audience an overview of the Directors and Officers (D&O) Liability in the globalised environment; sharing his views on the increasing number of claims for D&O



Liability across the international landscape. He also further explained the various policy options that can be considered for risk assessment.

Mr. Ramesh Pillai, Chairman, Board of Governors, Institute of Enterprise Risk Practitioners, spoke on how to mitigate and manage enterprise risk successfully.

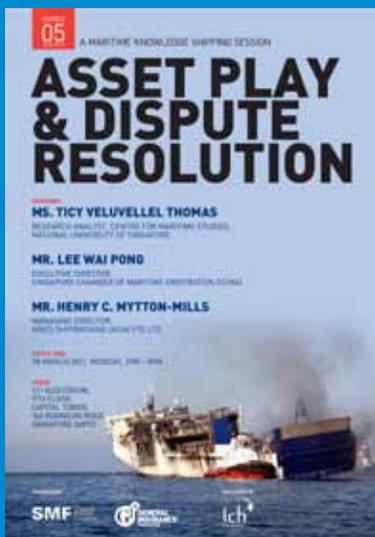
The last speaker, Mr. Shashi Gangadharan, Senior Vice President, Chubb Insurance Company, gave his insights on "The Dramatic Change in the Liability Landscape for Directors and Officers in Asia Pacific" and emerging trends for the exposures of D&O in Asia Pacific.

Aimed at advancing professional excellence in the industry, a total of 63 participants benefited from this fruitful session.



# ASSET PLAY & DISPUTE RESOLUTION

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The first Maritime Knowledge Shipping Session of 2011 kicked off with 66 participants. In his opening address, Mr. Henry C. Mytton-Mills gave the audience an overview of the importance of the ship sale and purchase industry which is worth USD\$23.5 billion on average for the past 10 years.

Centre for Maritime Studies (NUS), shared the essential legal aspects of a sale and purchase deal. A new Ship Sale Form (SSF) was launched in response to the Singapore maritime community's call for an alternative form that would cater to their needs, in view of increasing maritime activities and arbitration cases in Asia.

The new form aimed to minimise ambiguities with clearly written clauses and reduce the number of changes in the standard form. Hypothetical examples were used to illustrate the changes made for transactions via the new Singapore SSF.

What do you do in a dispute? How do you resolve it? The third speaker, Mr. Lee Wai Pong, Executive Director of Singapore Chamber of Maritime Arbitration (SCMA), touched on the option of arbitration as an effective way to end disputes and avoid legal proceedings. It also provided a quick comparison between administered and un-administered costs which showed the maritime community's preference for an un-administered model.

All three panel speakers fielded questions raised by enthusiastic Maritime Studies students. The positive feedback received affirmed the success of the session.



With huge amounts of value involved in a ship sale and purchase transaction, a video titled "Sea of Opportunities" was showcased with a quick introduction on the process of purchasing a ship. The parties involved typically include a broker, buyer, seller and banker.

The second speaker, Ms. Ticy Veluvelle Thomas, Research Analyst, from

GENERAL INSURANCE ASSOCIATION 2011



# PULAU SEMAKAU ADVENTURE

**23 APRIL 2011**  
**SATURDAY 6.30AM – 2.30PM**



Make a date with nature and help preserve its wonders at Pulau Semakau with GIA and NUS. Refresh your mind and soul as we explore the rich biodiversity along the intertidal zones, away from the urban cityscape.

**ONLY 80 SEATS**  
**ADMISSION IS FREE**

Corporate Donations, starting from \$200, are welcome.

Donations are eligible for tax deductions at 2.5 times of the donated amount. For more information, visit [http://iras.gov.sg/irasHome/page04\\_ektid1274.aspx](http://iras.gov.sg/irasHome/page04_ektid1274.aspx)

Kindly make donations payable to "National University of Singapore", and indicate "RMBR Museum Development Fund" on the reverse side. Cheques can be mailed to the following address:

General Insurance Association of Singapore  
112 Robinson Road, #05-03 Singapore 068902

## PROGRAM

06.15am : Assemble at Marina South Pier (Please be punctual)  
06.30am : Boat ride to Pulau Semakau  
07.30am : Walk to intertidal area  
08.00am : Intertidal walk  
10.00am : Landfill tour  
11.00am : Depart for Marina South Pier

NOTE: The return timing is an estimate so please give allowance for any potential delays.

Semakau booklets and gift bags will be given away. Light refreshments will also be provided.

Jointly Organised By:

NUS Faculty of Science

