

Notice No. : MAS 211
Issue Date : 6 July 2015

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 other than marine mutual insurers and financial guarantee insurers.
2. This Notice sets out the following:

Part I – Mandatory Requirements

- (a) Requirements for a direct general insurer in relation to its insurance agents;
- (b) Minimum examination requirements for a direct general insurer in relation to the training and competency of:
 - (i) its staff who sell or provide sales advice in respect of any insurance product, or provide advice relating to claims made or to be made under an insurance policy;
 - (ii) staff of a service provider engaged by the direct general insurer who handle claims for the direct general insurer, where such staff provide advice relating to claims made or to be made under an insurance policy;
(hereinafter collectively known as “**Relevant Persons**” and each a “**Relevant Person**”); and
 - (iii) its insurance agents.

Part II – Non-mandatory Best Practice Standards

- (c) Best practice standards to be observed in respect of a Relevant Person or an insurance agent.

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 acting for one or more licensed insurer carrying on general business;

“CGI qualification” means:

- (a) in relation to -
 - (i) a Relevant Person or insurance agent who sells, provides sales advice on personal general insurance; or
 - (ii) a Relevant Person who provides advice relating to claims made or to be made in respect of personal general insurance, qualification in the Basic Insurance Concepts and Principles (BCP) and the Personal

General Insurance (PGI) modules of the Certification in General Insurance (“CGI”)¹;

(b) in relation to -

- (i) a Relevant Person or insurance agent who sells, provides sales advice on commercial general insurance; or
- (ii) a Relevant Person who provides advice relating to claims made or to be made in respect of commercial general insurance, qualification in the Basic Insurance Concepts and Principles (BCP) and the Commercial General Insurance (ComGI) modules of the CGI.

“citizen of Singapore” has the same meaning as in Article 2(1) of the Constitution of the Republic of Singapore;

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

“employment pass” has the same meaning as in regulation 2 of the Employment of Foreign Manpower (Work Passes) Regulations 2012;

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

“permanent resident” has the same meaning as in section 2 of the Enlistment Act (cap. 93);

“Trade Specific Agent” means an insurance agent for a direct general insurer, who does not carry on the business as an insurance agent in Singapore as his core business;

“work pass” has the same meaning as in section 2 of the Employment of Foreign Manpower Act (cap 91A.);

“work permit” has the same meaning as in regulation 2 of the Employment of Foreign Manpower (Work Passes) Regulations 2012.

4. 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 Act.

Part I – Mandatory Requirements

5. 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.
6. Subject to paragraphs 7 and 8, a direct general insurer shall only enter into a contract of insurance arranged by an insurance agent, if -

¹ The CGI is conducted by the Singapore College of Insurance and consists of 3 modules as follows:

- (a) Basic Insurance Concepts and Principles (BCP);
- (b) Personal General Insurance (PGI); and
- (c) Commercial General Insurance (ComGI).

- (a) such agent is registered with the Agents' Registration Board; and
- (b) he satisfies all of the following requirements:
 - (i) he is at least 18 years of age;
 - (ii) he is a citizen of Singapore or a permanent resident or a foreigner holding a valid work permit or employment pass issued by the Ministry of Manpower;
 - (iii) he has obtained minimum academic qualifications equivalent to or higher than 3 GCE "O" Level credit passes or at least attained the Basic Competency Examination Certificate awarded by the Singapore College of Insurance if the individual has no GCE "O" level credit passes; and
 - (iv) he is an individual who meets any of the following:
 - (A) has obtained the CGI qualification;
 - (B) was not required to obtain the CGI qualification when it was first introduced in 1990;
 - (C) has acceptable qualifications in lieu of the CGI qualification set out at Annex 1; or
 - (D) where he is a Trade Specific Agent, has acceptable qualification in lieu of the CGI qualification set out at Annex 2.

A copy of Annex 1 and Annex 2, as may be amended from time to time are set out at the Authority's Internet website at <http://www.mas.gov.sg> (under "Regulations and Financial Stability", "Regulations, Guidance and Licensing", "Insurance", "Notices", "Insurance Companies", "MAS 211 Minimum and Best Practice Training and Competency Standards for Direct General Insurers").

- 7. For the purposes of paragraph 6, an insurance agent who:
 - (a) is in possession of the Certificate in Insurance Practice or Certificate of Proficiency; and
 - (b) was registered with the Agents' Registration Board at any time before 4 September 2009 will not be required to obtain the CGI qualification.

- 8. For the purposes of paragraph 6, an insurance agent which is:
 - (a) a bank licensed under the Banking Act (Cap. 19);
 - (b) a finance company licensed under the Finance Companies Act (Cap. 108);
 - (c) merchant bank approved as a financial institution under section 28 of the Monetary Authority of Singapore Act (Cap. 186); and
 - (d) an insurer licensed under the Insurance Act (Cap. 142) and is approved by the Authority to underwrite life business in Singapore;

need not register with the Agents' Registration Board.

- 9. A direct general insurer shall ensure that each of its Relevant Persons possesses the CGI qualification before he or she is allowed to provide sales advice on or sell general insurance products or provide advice relating to claims made or to be made under an insurance policy unless:
 - (a) such a Relevant Person is aged 45 years and above as at 1 June 2002 and has attended all tutorials for the relevant CGI modules on or before 31 December 2002; or

- (b) such a Relevant Person has 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

10. A direct general insurer should ensure that each of its Relevant Persons or insurance agents is adequately trained.
11. The Authority expects all direct general insurers to observe the non-mandatory best practice standards in training and competency which has been 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 foster professional standards and enhance confidence in the insurance industry. As such, a direct general insurer should prepare and implement training and competency plans and maintain training and competency records for each of its Relevant Persons or insurance agents. A direct general insurer should ensure that each of its Relevant Persons or insurance agents complies with the minimum number of hours stipulated for continuous professional development.

Commencement and cancellation

12. This Notice shall take effect from 20 July 2015. MAS Notice 211 dated 22 June 2007 will be cancelled from 20 July 2015.

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

Qualifications:	Offered by:	Recognised with effect from:
BSc Investment, Finance and Risk	City University, UK	22 June 2007
MSc Insurance and Risk Management	City University, UK	22 June 2007
Business Diploma (Insurance)	George Brown College of Applied Arts & Technology, Canada	22 June 2007
BBA (Risk Management and Insurance)	Georgia State University, US	22 June 2007
MBA (Risk Management and Insurance)	Georgia State University, US	22 June 2007
MSc (Risk Management and Insurance)	Georgia State University, US	22 June 2007
PhD in Risk Management and Insurance	Georgia State University, US	22 June 2007
MBA (Actuarial Science) - must have chosen AS 8520 Principles of Property and Casualty Ratemaking as one of the electives	Georgia State University, US	22 June 2007
Master of Actuarial Science - must have chosen the "Electives Outside the Major" from the risk management and insurance courses	Georgia State University, US	22 June 2007
Diploma in Insurance	Glasgow Caledonian University, UK	22 June 2007
BA Risk Management	Glasgow Caledonian University, UK	22 June 2007
Diploma in Banking and Insurance Management	Nanyang Polytechnic, Singapore	22 June 2007
Diploma in Banking and Financial Management - must have opted for the insurance-focused electives	Nanyang Polytechnic, Singapore	22 June 2007
Diploma in Risk and Insurance Management	Nanyang Polytechnic, Singapore	22 June 2007
Bachelor of Business in 1991 [Note: Only exempted from Basic Insurance Concepts and Principles module]	Nanyang Technological Institute, Singapore	22 June 2007
Bachelor of Business (Insurance)	Nanyang Technological University, Singapore	22 June 2007
Bachelor of Business (Actuarial Science)	Nanyang Technological University, Singapore	22 June 2007
Bachelor of Business - must have chosen at least one Actuarial Science and one Insurance elective in the third year	Nanyang Technological University, Singapore	22 June 2007
La Crosse: Finance Major – Risk and Insurance concentration	University of Wisconsin, US	22 June 2007
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	22 June 2007

Qualifications:	Offered by:	Recognised with effect from:
Bachelor of Science in Economics (Risk Management and Insurance)	Wharton School, University of Pennsylvania, US	22 June 2007
Master of Business Administration (Insurance and Risk Management)	Wharton School, University of Pennsylvania, US	22 June 2007
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	22 June 2007
PhD in Insurance and Risk Management	Wharton School, University of Pennsylvania, US	22 June 2007
Certificate IV in Financial Services (General Insurance)	Australian and New Zealand Institute of Insurance and Finance	22 June 2007
Diploma of Financial Services (General Insurance)	Australian and New Zealand Institute of Insurance and Finance	22 June 2007
Fellow	Australian and New Zealand Institute of Insurance and Finance	1 July 2015
Affiliate of AII (General)	Australian Insurance Institute	22 June 2007
Diploma of AII (General)	Australian Insurance Institute	22 June 2007
AAII	Australian Insurance Institute	22 June 2007
FAII	Australian Insurance Institute	22 June 2007
Certificate III in General Insurance	Australian Insurance Institute	22 June 2007
Statement of Attainment in Insurance Practice ¹	Australian Insurance Institute	22 June 2007
Certificate IV in General Insurance	Australian Insurance Institute	22 June 2007
Diploma in Business (General Insurance)	Australian Insurance Institute	22 June 2007
Statement of Attainment in Advanced Insurance Practice ²	Australian Insurance Institute	22 June 2007
Associateship of the Casualty Actuarial Society	Casualty Actuarial Society, Canada	25 August 2015
Fellowship of the Casualty Actuarial Society	Casualty Actuarial Society, Canada	25 August 2015
Diploma in Insurance	Chartered Insurance Institute, UK	4 September 2009
Certificate in Insurance	Chartered Insurance Institute, UK	4 September 2009
ACII	Chartered Insurance Institute, UK	22 June 2007
FCII	Chartered Insurance Institute, UK	22 June 2007
Diploma in Insurance	HK Institute of Vocational Education	22 June 2007
Higher Diploma in Insurance	HK Institute of Vocational Education	22 June 2007

¹ 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.

² 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).

Qualifications:	Offered by:	Recognised with effect from:
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	22 June 2007
Fellowship of the Institute of the Actuaries of Australia (FIAA) must have chosen Subject 3 - General Insurance as one of the electives for Part III of the programme	Institute of the Actuaries of Australia ³	22 June 2007
General Insurance Essentials (GIE)	Insurance Institute of Canada	22 June 2007
Associateship of the Insurance Institute of Canada	Insurance Institute of Canada	22 June 2007
Chartered Insurance Professional (CIP)	Insurance Institute of Canada	22 June 2007
Fellowship Programme (FCIP)	Insurance Institute of Canada	22 June 2007
Licentiate Exam (Non-life)	Insurance Institute of India	22 June 2007
Associateship Examination	Insurance Institute of India	22 June 2007
Fellowship Examination	Insurance Institute of India	22 June 2007
Certificate of Insurance Practice	Malaysian Insurance Institute	22 June 2007
Diploma in Insurance (General)	Malaysian Insurance Institute	22 June 2007
AMII	Malaysian Insurance Institute	22 June 2007
FMII	Malaysian Insurance Institute	22 June 2007
Certificate in Basic Course	Non-Life Insurance Institute of Japan	22 June 2007
Diploma in General Insurance (DGI)	Singapore College of Insurance	22 June 2007
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	22 June 2007
ASII	Singapore Insurance Institute	22 June 2007
Associateship of the Society of Actuaries (ASA)	Society of Actuaries, US	22 June 2007
Fellowship of the Society of Actuaries (FSA)	Society of Actuaries, US	22 June 2007
Chartered Property and Casualty Underwriter (CPCU)	The American Institute	22 June 2007
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	22 June 2007

³ 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.

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

Qualifications applicable to trade specific agents only	Offered by:	Recognised with effect from:
Certificate of Proficiency in Travel Insurance (For a Trade Specific Agent, selling travel insurance only)	Singapore College of Insurance	22 June 2007
Certificate of Proficiency in Foreign Domestic Worker Insurance (For a Trade Specific Agent, selling foreign domestic worker insurance only)	Singapore College of Insurance	22 June 2007
Certificate of Proficiency in Card Protection Insurance ¹ (For a Trade Specific Agent, selling card protection insurance only)	Singapore College of Insurance	22 June 2007
Certificate of Proficiency in Electrical Protection Insurance (For a Trade Specific Agent, selling electrical protection insurance only)	Singapore College of Insurance	30 January 2012
Certificate of Proficiency in Foreign Worker Insurance (For a Trade Specific Agent, selling foreign worker insurance only)	Singapore College of Insurance	12 April 2012
Certificate in Motor Insurance for Motor Dealers (For a Trade Specific Agent, selling motor insurance only)	Singapore College of Insurance	1 January 2013
Certificate of Proficiency in Mobile Device Insurance (For a Trade Specific Agent, selling insurance for mobile devices only)	Singapore College of Insurance	1 July 2015

¹ 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.