

# GIARR 2020

IMPLEMENTATION DATE | 1 JAN 2020

## OVERVIEW

<sup>01</sup> FIT & PROPER CRITERIA

<sup>02</sup> COMPLIANCE

<sup>03</sup> CROSSHOLDING

<sup>04</sup> PAYMENT REGULATIONS

<sup>05</sup> POWER OF THE BOARD

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<sup>07</sup> ALLOCATION OF COSTS

<sup>08</sup> GRANDFATHERING PROVISION

More information can be obtained from  
<https://gia.org.sg/agents/resources/for-agents.html> and  
<https://gia.org.sg/the-general-insurance-agents-registration-regulations.html>

### <sup>01</sup> FIT & PROPER CRITERIA

Controllers and officers of corporate agents must satisfy the Financial Soundness and Honesty, Integrity and Reputation requirements of the Fit and Proper Criteria.

Relevant Regulations: 3.9, 6.4, 6.6, 9.1b, 10.2b, and Appendix A



### <sup>04</sup> PAYMENT REGULATIONS

- Requirement for credit agents to maintain principal's accounts is removed.
- An update was made to clarify and include payment methods besides cash and cheques.

Relevant Regulation: 9.2



### <sup>07</sup> ALLOCATION OF COSTS

Costs incurred by ARB in sanctioning agents will be borne by the agent unless:

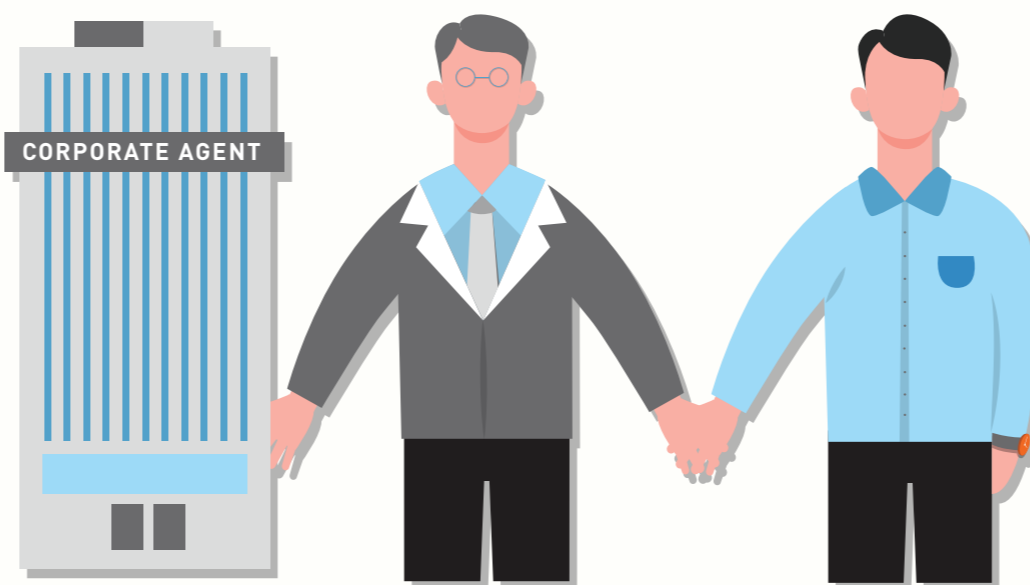
- An inquiry hearing results in dismissal of matters complained.
- GIA MC finds that ARB has acted in bad faith.

Relevant Regulations: 14.7, 14.8, 17.4, 17.5

### <sup>02</sup> COMPLIANCE

The duty for agents to comply with agents' audit and requirement for corporate agents to transact through its nominees are codified.

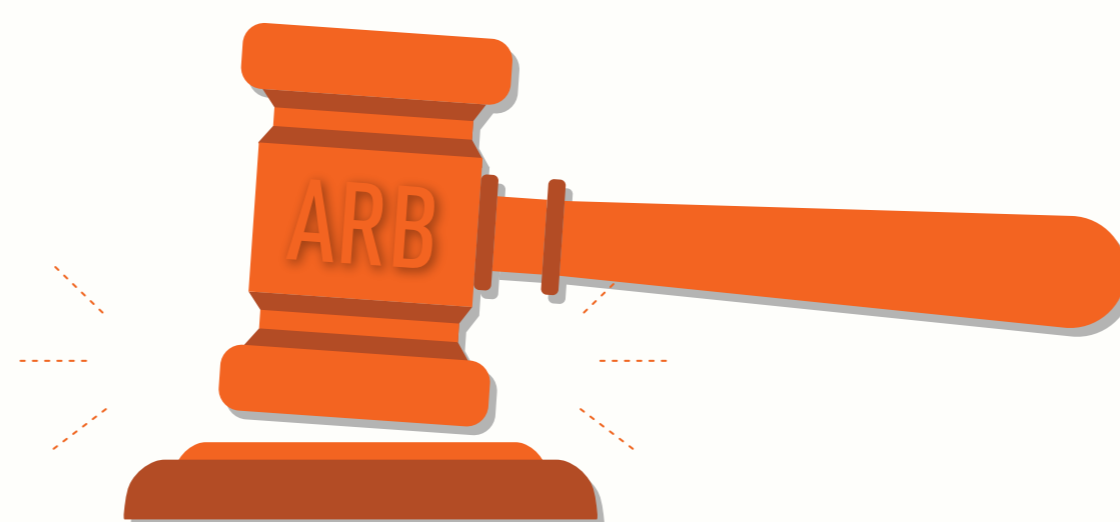
Relevant Regulations: 9.1(l) and 9.4(b)



### <sup>05</sup> POWER OF THE BOARD

The ARB will have discretionary sanctioning power for conduct unbecoming of an agent.

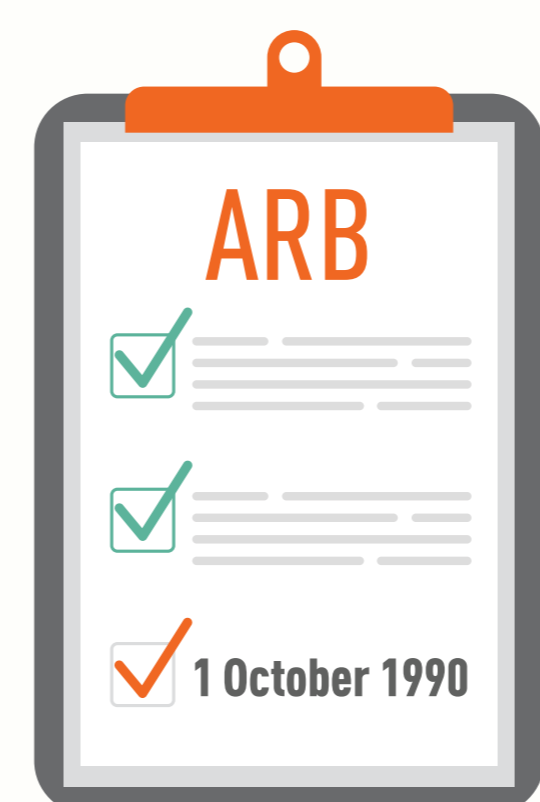
Relevant Regulation: 13.4



### <sup>08</sup> GRANDFATHERING PROVISION

Persons exempted by ARB from threshold conditions as of 1 October 1990 will be grandfathered indefinitely.

Relevant Regulation: Appendix A 2.1(d)

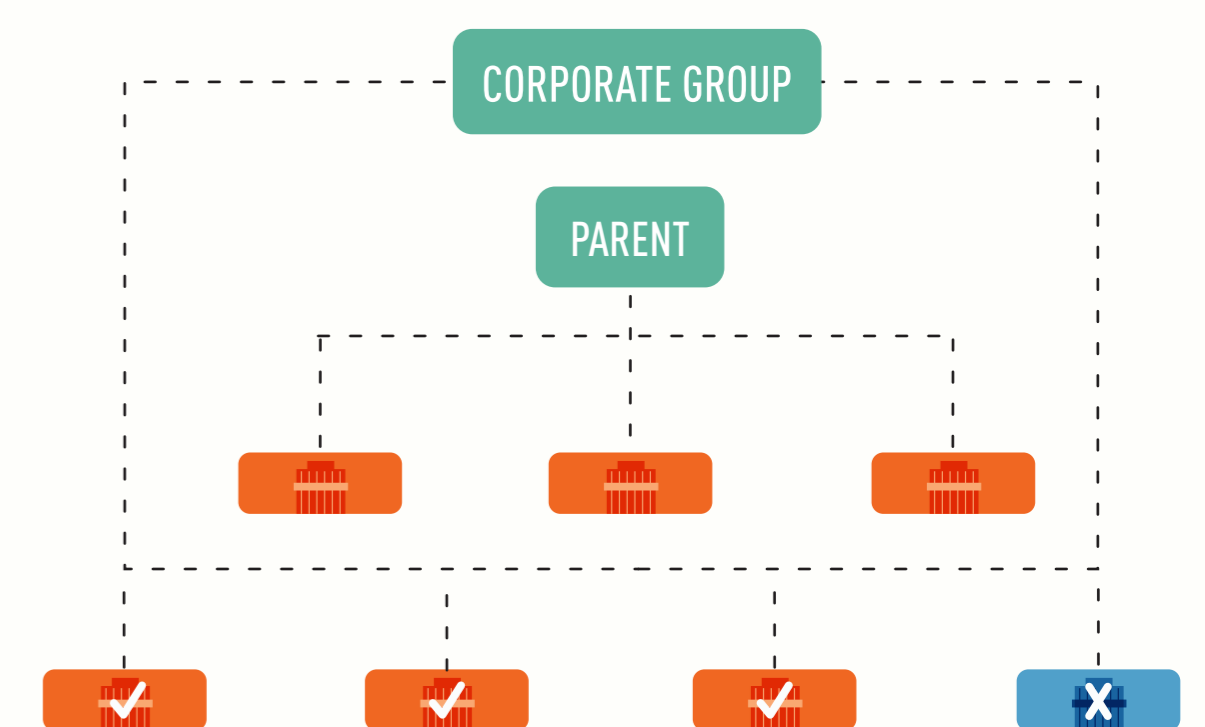


### <sup>03</sup> CROSSHOLDING

Employees, directors, shareholders, debenture holders, proprietors or owners of corporate agencies are allowed to own lesser than 5% of voting shares in listed companies which are registered as agents.

Corporate groups are allowed to have more than one company within the group to be registered as agents, as long as they do not represent more than 3 principals.

Relevant Regulation: 12.8



### <sup>06</sup> DUE PROCESS

The due processes for appeals against the refusal of application and cancellation of registration are new.

Reasons for refusals of applications will be made known to the applicant.

Appellants have 7 days to make representations to ARB. ARB has 30 days to respond to such representations. If the appellant challenges ARB's decision in the Courts, damages are limited to S\$10,000 if the Courts find that ARB has exercised its discretion in bad faith.

Relevant Regulations: 6.7 and 13.12

