

Guidelines on Needs-based Sales Process For Group Life and Health Insurance Products

1 OBJECTIVE & DESIRED OUTCOME

The objective of these Guidelines is to set a minimum standard for the needs-based sales process for insurance advisers/representatives.

It is important for an insurance adviser/representative to obtain relevant information on a corporate client's existing Employee Benefit Plans, details of employees with severe medical conditions and/or high occupational risks, policy's claims experience (if any) and put this information through proper needs analysis before making appropriate recommendations.

The Group Insurance Fact-Find Form (GIFF) serves as a means for the collection of certain basic information; needs analysis and documentation of any recommendations made.

2 SCOPE OF APPLICATION

Applicable

The GIFF is applicable to all distribution channels for:

- Compulsory and Voluntary or Participatory programmes
- Group health and life (combined)
- Group life only
- Group health only

Not Applicable

The GIFF will not apply to:

- Standard off-the-shelf packaged products where the benefits and premium rates are fixed and are intended for the clients to buy off the rack.
- Group credit life insurance sold as ancillary product to loans with a simple payment basis for the insurance cover. These policies would cover outstanding loans through personal loans, car loans, and credit card balances, i.e. in particular creditor life and creditor disability.

3 SIGNATORY REQUIREMENTS

For direct sales, the client's signature plus the insurance executive's signature as witness are to be appended.

For sales made via intermediaries, the client's signature plus the intermediary's signature are to be appended.

4	CODE OF CONDUCT / PRACTICE FOR INSURERS
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- The contents in the GIFF serve as minimum industry standards. Individual insurers may impose stricter standards, i.e. enhance on the questions asked in the form.
- Insurers are allowed flexibility in terms of the format / layout of the GIFF, provided that the substantive title and contents (i.e. the minimum information) are followed.
- Insurer must ensure that it will not issue any quotation and/or accept any application / proposal form (except for off-the-rack package product) that is not accompanied by the GIFF duly completed and signed. Incomplete forms, or forms without the required signatures are not to be accepted.
- Holding insurer must provide all the information requested in the GIFF, particularly the claims experience of the policy for the period insured with the holding insurer.

5	DOCUMENTATION AND RECORD KEEPING
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- Insurers shall keep the GIFF for a length of time according to individual companies' practice. Information kept must provide the necessary audit trail.

6	EFFECTIVE DATE
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The Guidelines has come into effect from 1 April 2004.

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Revised GIFF form – Effective 1 July 2023 is separately attached.