



PARLIAMENT

REPUBLIC OF TRINIDAD AND TOBAGO

SECOND SESSION OF THE ELEVENTH PARLIAMENT (2016/2017)

SECOND INTERIM REPORT
OF
THE JOINT SELECT COMMITTEE
APPOINTED TO CONSIDER AND REPORT ON THE INSURANCE BILL, 2016

Ordered to be printed

TOGETHER WITH THE MINUTES OF PROCEEDINGS

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MANDATE

1. Pursuant to resolutions of the House of Representatives on Friday February 3, 2017 and of the Senate on Tuesday February 7, 2017, a Joint Select Committee was established:
“to consider and report on a Bill entitled the Insurance Act, 2016 and...to report on or before March 17th, 2017.”

INTERIM REPORT

2. An Interim Report of your Committee was adopted in the House of Representatives on Wednesday March 15, 2017 and in the Senate on Tuesday March 21, 2017. Your Committee requested and was granted a six (6) week extension to complete its mandate. This extension will expire on April 28, 2017.

MEMBERSHIP OF THE COMMITTEE

3. The following persons were appointed to serve on the Committee:
 - **Mr. Colm Imbert, MP**
 - **Mr. Faris Al-Rawi, MP**
 - **Mr. Fitzgerald Hinds, MP**
 - **Ms. Marlene McDonald, MP**
 - **Mr. David Lee, MP**
 - **Dr. Surujrattan Rambachan, MP**
 - **Mr. Stephen Creese**
 - **Mr. Wayne Sturge**
 - **Dr. Lester Henry**
 - **Mr. Daniel Dookie**
 - **Mr. Clarence Rambharat**
 - **Ms. Jennifer Raffoul**

SECRETARIAT AND TECHNICAL SUPPORT

4. Ms. Chantal La Roche, Legal Officer II, was assigned as Secretary to the Committee and Ms. Simone Yallery, Legal Officer I, as Assistant Secretary.

MEETINGS

5. Since the presentation of the Interim Report, the Committee held two (2) meetings on the following dates:
 - i. Tuesday March 28, 2017; and
 - ii. Tuesday April 4, 2017.
6. The Minutes of the Meetings are attached at **Appendix I**.

WORK TO DATE

7. At its fourth meeting held on March 28, 2017, your Committee examined the Insurance Brokers Association of Trinidad and Tobago (IBATT). IBATT made a PowerPoint presentation which itemised the association's concerns and comments regarding the Insurance Bill, 2016. The Committee further agreed to invite Central Bank of Trinidad and Tobago to reappear at a subsequent meeting.
8. At its fifth meeting held on April 4, 2017, your Committee examined the Association of Trinidad and Tobago Insurance Companies (ATTIC). Similar to IBATT, ATTIC also made a PowerPoint presentation which listed in detail the association's recommended changes and rationale regarding certain provisions of the Insurance Bill, 2016.
9. The Committee also received additional written submissions from:
 - i. ATTIC; and
 - ii. Mr. Roland Karim.

REPORT

10. The Committee wishes to report that the examination of stakeholders and the review of the written submissions on the Bill are still in progress. However, due to time constraints, the Committee requires additional time to complete this exercise, commence a clause by clause analysis of the Bill and to compile proposed amendments. As such, the Committee is unable to submit its final report by the deadline of April 28, 2017.

RECOMMENDATION

11. Your Committee humbly requests a further period of approximately four (4) weeks to complete its work and to submit a final report to Parliament by **June 2, 2017**.
12. During the period of extension, the Committee proposes to continue its work by meeting with the Central Bank of Trinidad and Tobago and to further assess submissions received. The Committee also proposes to commence examination of the Bill with the assistance of the Chief Parliamentary Counsel Department of the Ministry of the Attorney General.

Respectfully submitted,

SGD.
Mr. Colm Imbert, MP
Chairman
May 2, 2017

APPENDIX I



JOINT SELECT COMMITTEE ON THE INSURANCE BILL, 2016

MINUTES OF THE FOURTH MEETING HELD IN THE ARNOLD THOMASOS MEETING ROOM (EAST), LEVEL 6, OFFICE OF THE PARLIAMENT, TOWER D, IWFC, #1A WRIGHTSON ROAD, PORT OF SPAIN ON MARCH 28TH, 2017 at 9:30 a.m.

PRESENT

Committee Members

Mr. Colm Imbert, MP	-	Chairman
Mr. Faris Al-Rawi, MP	-	Vice Chairman
Mr. David Lee, MP	-	Member
Dr. Surujrattan Rambachan, MP	-	Member
Mr. Clarence Rambharat	-	Member
Mr. Wayne Sturge	-	Member
Dr. Lester Henry	-	Member
Mr. Daniel Dookie	-	Member
Ms. Jennifer Raffoul	-	Member

Secretariat

Ms. Chantal La Roche	-	Secretary
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ABSENT/EXCUSED

Mr. Fitzgerald Hinds, MP	-	Member
Ms. Marlene McDonald, MP	-	Member
Mr. Stephen Creese	-	Member

COMMENCEMENT

- 1.1 The meeting was called to order by the Chairman at 9:40 a.m.

ANNOUNCEMENTS

- 1.2 The Chairman advised that the following Members would be absent from the day's meeting:
- a) Mr. Fitzgerald Hinds, MP (overseas)
 - b) Ms. Marlene Mc Donald (ill)
 - c) Mr. Stephen Creese (conflicting JSC meeting)

CONFIRMATION OF MINUTES

- 2.1 There being no corrections, the Minutes were confirmed on a motion moved by Mr. Daniel Dookie and seconded by Mr. David Lee.

MATTERS ARISING FROM MINUTES

3.1 The Chairman brought the following matters to the attention of Members:

Item 4.3

- a) O.W.T.U. was informed of the extended deadline to submit their written comments on the Bill but had requested a further extension to April 28, 2017.

The Committee agreed that no further extension of time would be granted.

Item 4.4

- b) As directed, the Secretariat wrote to the Director of Public Prosecutions requesting the recommendations on the insurance industry contained in the Colman Commission of Enquiry Report (if available).

Item 4.7

- c) Insurance Brokers Association of Trinidad and Tobago (IBATT) and Central Bank of Trinidad and Tobago (CBTT) were invited to attend the day's meeting.

Item 5.1

- d) The following documents have been circulated to Members:
 - The Report of the JSC appointed to consider the Insurance Bill, 2015;
 - A matrix of criminal offences/penalties; and
 - A comparative table of the Insurance Bills, 2013 and 2015.

Representatives of IBATT were invited to join the meeting at this time.

DISCUSSIONS WITH THE INSURANCE BROKERS ASSOCIATION OF TRINIDAD AND TOBAGO

4.1 The Chairman welcomed the representatives of the Insurance Brokers Association of Trinidad and Tobago (IBATT) and asked them to introduce themselves and make opening remarks.

4.2 Representing IBATT were:

- | | | |
|-------------------|---|------------------|
| ▪ Prakash Bhaggan | - | President |
| ▪ Robert Lazzari | - | Executive Member |
| ▪ Gina Samaroo | - | Executive Member |
| ▪ Rodney Farah | - | Executive Member |
| ▪ Anthony Farah | - | Executive Member |

4.3 The President of IBATT made a PowerPoint presentation during which certain matters were raised for the consideration of the Committee. These are outlined in Appendix I to these Minutes.

4.4 At the end of the presentation, the Chairman thanked the representatives of IBATT for their attendance and excused them from the meeting.

OTHER BUSINESS

- 5.1 The Committee agreed that representatives of the Central Bank of Trinidad and Tobago would be invited to reappear at a subsequent meeting.

ADJOURNMENT

- 6.1 There being no other business, the Chairman thanked Members and adjourned the meeting to Tuesday April 4th, 2017 at 10:30 a.m.
- 6.2 The adjournment was taken at 11:26 a.m.

I certify that these Minutes are true and correct.

Chairman

Secretary

Monday 3 April 2017

IBATT's CONCERNS & COMMENTS

SECTION	REQUESTED AMENDMENT
4- Definitions	▪ Amend “insurance consultant” to specifically exclude brokers. ▪ Amend “insurance business” to include reinsurance.
21(5) Restrictions on carrying on Insurance business	Direct placement of insurance with foreign providers should be allowed especially for marine and large plants and for specialty policies not available locally, and may be subject to the Client signing a written acknowledgment that it is aware: (a) the insurance company is registered and operating in another territory; (b) is not registered in Trinidad and Tobago, (c) of the risks associated therewith; and (d) that any and action on the policy must be taken in the foreign courts subject to the jurisdictional and legal requirements set out in the contract of insurance.
110(8) and (9)- Registration of Intermediaries	A reduction in the quantum of the fines.
113(2) Central Bank to Register persons under this Act.	We recommend that section 113(2)(d) be deleted and that the current conditions governing registration remain in force.
21(9) Restrictions on carrying on Insurance business.	That the fine and duration of the sanction for imprisonment be reduced.
114(3) Provisional Certificates for Sales Representatives	▪ CBTT should consult before imposing conditions for registration. ▪ Removal of the requirement for brokerage staff to be registered, or CBTT identify with specificity: (a) The staff/ positions to be so registered; (b) The rationale as the brokerage is registered as there is a cost ; (c) The framework for getting this in position and the agency responsible for administering and effecting same. ▪ Sales representatives in brokerages be exempted from the continuous education requirement.
115(a) Personal Liability.	That the section 115(1)(a) be deleted.
116 Capital and Professional Indemnity Cover	We require clarification on how the quantum was derived and what constitutes approved securities for the purposes of this section.

119 Continuing education requirement	▪ Persons with a certain level of experience and age in the business should be exempted from this requirement. ▪ CBTT should identify the level of training and education required for both registration and continuous registration before the Bill is advanced.
123 Notice of termination of Intermediary to be given.	▪ "An agent, broker or sales representative that contravenes subsection (3) commits an offence and is liable on summary conviction to a fine of one million and five hundred thousand and to imprisonment for two years".
125 Restriction on the payment of compensation for placing or negotiating insurance.	▪ Insurance consultants should also be captured.
126 Rebating	(a) CBTT should issue a "statement" with respect to brokerage fee basis presently ongoing with some state enterprises. (b) Insurers should not be allowed to: (i) rebate premiums to consumers. (ii) give credit to insureds or preferential premium payment terms e.g. premium financing. (iii) "double quote" or offer conflicting terms and conditions to any intermediary or consumers. (c) If a premium is paid directly to the insurer, then the insurer should remit the commission to the intermediary within ten days of the issuance of the receipt. (f) Refund premiums should be in the currency in which it was paid and in the form of an Insurers cheques. (g) Insurance consultants should also be subject to this section.
Section 130 Disclosure of preferential arrangements by brokerage	▪ The penalty should be removed. ▪ CBTT should specify the form and arrangements of the letter to be disclosed to the Customer or alternatively the matters that must be included or covered under same.
Section 132 Receipt of premium	Please include a sub-section mandating that "where a broker is to be paid by an insurer from the premium so collected that the insurers remit the payment due to the broker within ten business days of receipt of the said premium by the insurer."
Section 133 Customer trust Account.	▪ Commissions be deducted prior to paying insurers and that the timeframe for payment of cheques to customers and or insurers by intermediaries be applied.

	▪ The penalty in 133(8) be reduced to the original amount of \$150,000.00. ▪ Removal of the requirement for a brokerage to establish a customer trust account for receipt and payment of customer funds, in respect of each type of insurance for which it is registered. ▪ Section 133(5) should be deleted
134 Payment of premium to the insurer	We request the deletion of 134(3) and (4)
135 Payment to the consumer	▪ Section 135(1), that the words “and credited” be inserted after the word “received”. ▪ Subsection (3) the stipulated timeframe should be 10 days as opposed to 3 days. ▪ Consideration be given to direct payment as the section only refers to payment by cheques. Payments are sometimes made via set off, direct deposit and transfers as opposed to cheques. ▪ The Section must address timely payment of commissions due to the broker.
136(3) Financial statement of intermediary.	▪ The report be submitted within six (6) months and not sixty business days.
137 Monthly Accounts	This section be deleted or CBTT should indicate the reason for monthly submissions.
139 Audit of accounts of Agencies and brokerages	This section can be abused and the Inspector’s ability to act should be limited to where the person is found guilty of misconduct or the Inspector has proof or a prima facie case to conclude that the person falls under the parameters set out in 2(c).
140 Persons may act as adjusters during a catastrophe	▪ We recommend that this section be deleted. Alternatively, subsection (1) should be amended to include cases of major loss and not only catastrophe. The commercial reality is that several international reinsurers/ insurers under the policy of insurance will stipulate or be entitled to stipulate the adjuster and they tend to stipulate international adjusters with considerable experience and expertise in the area which our local adjusters may not have.
Fair Claims Practice.	▪ We recommend that this be settled by CBTT together with the Bill and propose.

SUGGESTED FAIR CLAIMS PRACTICE

- 1. Insurers should be given a deadline to remit claims payments recovered through subrogation to their insureds either through direct collection or contra payments.**
- 2. Insurers should be given deadlines for the settlement of claims. The following are our recommended timeframes:**
 - (a) Acknowledgement of notification of a claim within five (5) working days;**
 - (b) Appointment of an adjuster- within three (3) working days of notification of the Claim;**
 - (c) Adjustment timeline to the interim report – five (5) working days;**
 - (d) Adjustment timeline to final report- ten (10) working days;**
 - (e) Final settlement payment – five (5) working days from the date the settlement was reached.**



JOINT SELECT COMMITTEE ON THE INSURANCE BILL, 2016

MINUTES OF THE FIFTH MEETING HELD IN THE A.N.R ROBINSON MEETING ROOM (WEST), LEVEL 9, OFFICE OF THE PARLIAMENT, TOWER D, IWFC, #1A WRIGHTSON ROAD, PORT OF SPAIN ON APRIL 4TH, 2017 at 10:30 a.m.

PRESENT

Committee Members

Mr. Colm Imbert, MP	-	Chairman
Mr. Faris Al-Rawi, MP	-	Vice Chairman
Mr. Fitzgerald Hinds, MP	-	Member
Ms. Marlene McDonald, MP	-	Member
Mr. David Lee, MP	-	Member
Dr. Surujrattan Rambachan, MP	-	Member
Dr. Lester Henry	-	Member
Mr. Stephen Creese	-	Member
Ms. Jennifer Raffoul	-	Member

Secretariat

Ms. Chantal La Roche	-	Secretary
Ms. Simone Yallery	-	Assistant Secretary

ABSENT/EXCUSED

Mr. Daniel Dookie	-	Member
Mr. Wayne Sturge	-	Member
Mr. Clarence Rambharat	-	Member

COMMENCEMENT

- 1.1 The meeting was called to order by the Chairman at 10:40 a.m.

ANNOUNCEMENTS

- 1.2 The Chairman advised that the following Members would be absent from the day's meeting:
- Mr. Daniel Dookie
 - Mr. Clarence Rambharat (conflicting engagement)
 - Mr. Wayne Sturge (conflicting engagement)

CONFIRMATION OF MINUTES

- 2.1 There being no corrections, the Minutes were confirmed on a motion moved by Dr. Surujrattan Rambachan and seconded by Mr. David Lee.

MATTERS ARISING FROM MINUTES

3.1 The Chairman brought the following matters to the attention of Members:

Per Item 3.1 (a)

- i. The O.W.T.U. was informed of the Committee's decision that no further extensions of time would be granted.

Per Item 3.1 (b)

- ii. No response has been received from the Director of Public Prosecution (D.P.P.), on the recommendations on the insurance industry contained in the Colman Commission of Enquiry Report.
- iii. The following Draft Regulations made under Clause 279 of the Insurance Bill, 2016 were circulated to Members:
 - The Insurance (Capital Adequacy) Regulations, 2017;
 - The Insurance (Caribbean Policy Premium Method) Regulations, 2017;
 - The Insurance (Financial Condition Report for General Insurance) Regulations, 2017;
 - The Insurance (Approved Securities) Regulations, 2017;
 - Central Bank (Payment of Supervisory Fees and Charges) (Amendment) Regulations, 2017;
 - The Insurance (Companies) Registration Regulations, 2017;
 - The Insurance (Financial Condition Report for Long-Term Insurance) Regulations, 2017;
 - The Insurance (Intermediaries) Regulations, 2017;
 - The Insurance (Pension Fund Plan Investments) Regulations, 2017;
 - The Insurance (Pension Fund Plans Registration Fees) Regulations, 2017; and
 - The Insurance (Participating Account) Regulations, 2017.

***Representatives of Association of Trinidad and Tobago Insurance Companies (ATTIC)
were invited to join the meeting at this time***

DISCUSSIONS WITH THE ASSOCIATION OF TRINIDAD AND TOBAGO INSURANCE COMPANIES

4.1 The Chairman welcomed the representatives of the Association of Trinidad and Tobago Insurance Companies (ATTIC) and asked them to introduce themselves and make opening remarks.

4.2 Representing ATTIC were:

- Mr. James Camacho - President
- Mr. Paul Traboulay - Vice President (General)
- Mr. Andrew Ferguson - Vice President (Life)
- Mr. Baliram Sawh - Director
- Mr. Douglas Camacho - Member Insurance Bill Committee

4.3 The representatives of ATTIC made a PowerPoint presentation during which certain matters were raised for the consideration of the Committee. These are outlined in Appendix I to these Minutes.

4.4 At the end of the presentation, the Chairman thanked the representatives of ATTIC for their attendance and excused them from the meeting.

ADJOURNMENT

5.1 There being no other business, the Chairman thanked Members and adjourned the meeting to a date to be fixed.

5.2 The adjournment was taken at 12:15 p.m.

I certify that these Minutes are true and correct.

Chairman

Secretary

April 5, 2017

ATTIC'S COMMENTS ON THE INSURANCE BILL, 2016

OFFENCES		
Item 1		
SECTION/PROVISION	RECOMMENDATION	RATIONALE
254 (5): Reverse Burden of Proof, creating strict liability for offences that carry large fines and/or long sentences of imprisonment	- Align Insurance Bill with Canadian and UK legislation and the International Association of Insurance Supervisors—all utilise strict liability in rare cases and in cases that the penalty is imprisonment, requires there to be personal culpability and knowledge - Amend wording of 254 (5) - Replace references of “summary conviction” to “conviction on indictment” - Align with Constitution and amend FIA 2008 accordingly. - We recommend that 254 (5) be amended as follows: (a) A failure by any person to comply with a requirement, direction or prohibition under this Act or the Regulations shall not be an offence unless it is proved that the person acted without reasonable excuse. (b) An officer, director or agent of an insurer shall not be guilty of an offence unless it is shown that he personally directed, authorized, assented to, acquiesced in or participated in the commission of the offence.	- UK and Canadian legislation and the International Association of Insurance Supervisors support this position - Penalties should involve personal culpability

ASSETS Item 5		
SECTION/PROVISION	RECOMMENDATION	RATIONALE
85 (1): Investment in T&T assets.	Reduce investment in assets in T&T from 75% to <u>60%</u> .	• Paucity of domestic investment opportunity • Potential of increased systemic risk • Uneven playing field with respect to investments • Investments in assets of CARICOM origin to be reviewed.
85 (4): Liability in respect of foreign currency policies	Investment in foreign assets to be no less than 75% of foreign currency liability.	
CAPITAL ADEQUACY (Capital Adequacy Regulations 2015)		
SECTION/PROVISION	RECOMMENDATION	RATIONALE
12 (7) & 13 (3): Investment linked Insurance Business	Repeat requirement for foreign currency and asset liability mismatched risk charge. S 15 & 16.	
12 (5): CBTT to provide criteria for credit ratings	Directions to be disseminated to industry as a whole.	
13 (2): Income producing real estate	Factor to be clarified where return less than 4%.	
Sch. 2: Asset Default Risk Factor & Sch 13: Counterparty Risk Factors	Definition required for what qualifies for unrated & fully collateralized.	
Sch. 12 Asset Limits	Limit on mutual funds and CIS should be reconsidered Increase limit on unrated securities from 5% to 10%	
Sch. 16 Liquidity and Operational Risk Factor	Application of 1% liquidity charge only on non GOTT instruments.	
Definitions	Required for: • Joint venture • Look through method • Collective investment scheme • Asset default risk charge	
Asset Default Risk Charge	• Charge on non-qualifying ABS- 10%	

Credit Rating Agencies	• Clarity/uniformity of ratings used • Guidance on Agency to be used.	
ASSOCIATION OF UNDERWRITERS		
Item 13		
SECTION/PROVISION	RECOMMENDATION	RATIONALE
230 (4) Registration of Assoc. of U/Writers.	Prioritization of risks ceded to local insurance market.	• Prevent leakage to foreign entities • Growth & development of local industry • Limit demand for foreign exchange • Profits retained locally
STAMP DUTY		
Item 3		
SECTION/PROVISION	RECOMMENDATION	RATIONALE
Section 47. (1) Direction by CBTT for restructuring.	• Insertion of new clause 46 B in the Stamp Duty Act Chap 76:01 Or a new clause in the Insurance Bill • “Notwithstanding anything in the Act, stamp duty and other statutory charges shall not be chargeable on any instrument made for the purposes of or in connection with ensuring compliance with the requirements of the Insurance Act.”	• Principle in law is that reconstructions and reorganizations are not subject to Stamp Duty (sec 46 Stamp Duty Act) • However, the application for the waiver of Stamp Duty can take months or years to process • It is ATTIC’s position that a compulsory reconstruction as required by the Insurance Bill should not be subject to Stamp Duty and accordingly should be explicit in the Act.
Section 265 Transfers via vesting order	Amend section 265. "The transfer of and vesting in, the transferee of an undertaking by a Vesting Order or Scheme of Transfer as a result of a restructuring described in section 47 of this Bill shall not be subject to Stamp Duty"	

AUDIT COMMITTEES

Item 2

SECTION/PROVISION	RECOMMENDATION	RATIONALE
68 (1) Composition of audit committee	- Reduce the number of independent directors to one. - Limit term of Director to eight (8) years - Director connectivity be addressed.	- No definition of independence in the Bill. - Limited available and willing talent pool. - Provision may not strengthen corporate governance.
68 (5) Independent Director		

BRANCHES & REPRESENTATIVE OFFICES

Item 4

SECTION/PROVISION	RECOMMENDATION	RATIONALE
Section 27. (1): Establishment of foreign branch	Regulations should specify the information required.	Present Regulations do not specify this.
(2): CBTT approval	Regulations should specify the information required.	
(3): Notice to CBTT		

DEADLINES

Item 6

SECTION/PROVISION	RECOMMENDATION	RATIONALE
Ex. Section 27 (1) Establishment of foreign branch	Consider establishing a timeframe for approvals to be given	The Bill places significant requirements on licensees to respond to requests and submit filings on certain deadlines yet no accountability is placed on the Central Bank. These include but not limited to: - Clarification on the treatment of assets. - Requests for decisions on amalgamation. - Request for Central Bank reports (Insurance and Pensions Report last published 2007).
Ex. 30 (2) CBTT approval	CBTT to respond to request/approvals within 20 working days. Recommended Clause: “Notwithstanding any other section in the Act, Central Bank, should respond to all requests or approvals under this Act within 20 working days. If the Inspector does not raise any objections or requests further information by the end of 20 working days from the submission of all required documents, the licensee can proceed as if the request is approved.”	

TRANSFER & AMALGAMATIONS**Item 7**

SECTION/PROVISION	RECOMMENDATION	RATIONALE
Sections 97 (1), (2), (3), (4) & (5) Transfer of business	Specify applicable documents and reports in Regulations	- Provides greater clarity to the relevant parties as to the content. - Ignores possibility of “short form” under sections 223 and 224 - No requirement for an agreement under sections 223 and 224 which can be costly - Section 221 requires approval by resolution of shareholders

CREDIT EXPOSURE**Item 8**

SECTION/PROVISION	RECOMMENDATION	RATIONALE
Definition of Credit Exposure	Include “net of specific provision in definition”. Note: It is our understanding “net of specific provisions” was included in the 2015 Bill and was submitted to the House but was changed in the Senate to remove “net of specific provisions”	- Current definition being used in the FIA 2008 has already created varying interpretations - It is our understanding that CBTT is not against the inclusion - Provisions as per section 89 of the Bill is a remedy for addressing credit exposures

REBATING**Item 9**

SECTION/PROVISION	RECOMMENDATION	RATIONALE
Section 126 (a) & (b) Agreement as to premium to be paid.	Amend section to state: <i>“in those classes prescribed in Schedule 1.”</i>	Schedule 1 does not have Person or Life as a Class of Insurance

RECEIPT OF PREMIUMS**Item 10**

SECTION/PROVISION	RECOMMENDATION	RATIONALE
Section 134. (1) Payment of monies received.	Amend section to “within ten business days <i>from the date on which it received such monies.</i> ”	Ensure premiums are dealt with in a consistent manner.

BUSINESS CONDUCT
Schedule 12

SECTION/PROVISION	RECOMMENDATION
(Sec. 266 of the Insurance Bill Adherence to market conduct	Should confirm whether brokers are included.
A. Sales & Marketing	Scope should include all intermediaries.
A. 1. (f)	Clarify 'reasonable' and 'up to date' – Wording suggested.
A. 1. (h)	Intermediary to be defined and clarification of whether the name of the provider is to be included.
A. 1. (i)	Clarify 'reasonable assumptions'.
A. 2. (a)	Change wording to "Investment into this product is solely at the risk of the investor."
B. Understanding Consumers' Needs	Under General Principles, clarify 'reasonable number of years'.
B. 1. Knowing the Policyholder	This covers only individuals. What are the requirements for businesses? Clarification of what information is appropriate and hence should be gathered.
B. 1. (a) – (c)	It needs to be defined when this information is considered relevant or not.
B. 2. (a) – (b)	The provisions appear subjective.
B. 2. (c)	How information is captured should be specified – Suggested ranking of attitude to risk.
B. 2. (c) (second paragraph)	Information to be specified. How is suitable defined?
C Privacy and Data Protection C1	Include requirement for appropriate disposal and/or destruction of customer information.
C. 1. (d)	Specify period of time to lock the system for inactivity and changing passwords.
D. Agent Training D. 3.	Clarify what is meant by 'point of sale' and "proper needs analysis".
D. 4	Specify content of training program and frequency of training.