

GIARR 2025: Summary of Changes



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Background



- The General Insurance Agents' Registration Regulations (GIARR) was first implemented on 1 Oct 1990 to promote enhancement of standards and professionalism of the general insurance agents and the insurance industry.
- It went through several revisions and key changes were made in 2005, 2007, 2009, 2015, 2020 and 2024.
- The current review aims to align the GIARR to new policies, reflect the current business practices, and add clarity to the existing regulations.
- Policy and administrative amendments made to the 2025 version are explained in these slides.
- The implementation date of the revised GIARR is **1 Oct 2025**.

Timeline



- June 2025 – ARB approved
- August 2025 – MC approved
- 1 Oct 2025 – Implementation date for GIARR 2025 and Appendixes



Policy Amendments





3 Principal Rule

Amended GIARR 11.1 from a prescriptive to a principles-based format by simplifying the description of persons who may be conflicted, using broader terms that are future-proof.

An Agent shall not represent more than 3 Members as the Agent's Principals at any one time. An Agent, together with any person who has any financial interest in, makes decisions in, manages, controls, or acts for the Agent, shall not collectively represent more than 3 Members as Principals at any one time.

Illustration:

- An individual is a director and shareholder of Agent A and a Nominee Agent of Agent B. Agent A represents 2 Members and Agent B represents another 2 Members. This is not allowed because the individual has a financial interest in and acts for both Agents in insurance advisory, arranging, and premium collection activities, and both Agents represent more than 3 Members.*
- A company is a direct and indirect shareholder of a group of companies consisting of 2 Agents representing 4 Members collectively. This is not allowed because the company has a financial interest in both Agents, and both Agents represent more than 3 Members.*

Relevant Regulations: GIARR 11.1

Other interests in general insurers or loss adjusters



Combined GIARR 12.5 and 12.6 for simplicity and from a prescriptive to a principles-based format by simplifying the description of persons who may be conflicted, using broader terms that are future-proof.

An Agent, or any person who has any financial interest in, makes decisions in, manages, controls, or acts for the Agent, must not have any financial interest in, make decisions in, manage, control, or act for any business that is a:

- a) General insurer; or
- b) Insurance loss adjuster

without the prior written approval of the Board. The Board may withdraw or revoke such approval at its sole discretion by written notice.

To avoid doubt:

- a) A General Insurer is allowed to have a financial interest in an Agent.
- b) An entity or group is allowed to have a financial interest in both an Agent and a General insurer.

Illustration:

- *An individual is a director of an Agent and a part-time consultant for a loss adjusting firm. This needs Board approval.*
- *An entity has a financial interest in both a General Insurer and an Agent. This is allowed.*

Relevant Regulations: GIARR 12.5 and 12.6

Other interests in insurance brokers



Amended GIARR 12.7 from a prescriptive to a principles-based format by simplifying the description of persons who may be conflicted, using broader terms that are future-proof.

An Agent, or any person who has any financial interest in, makes decisions in, manages, controls, or acts for the Agent, may have any financial interest in a business that is formed for the purpose of transacting, or is transacting, an insurance broking business (“Broker”), only if all the following conditions are met:

- a) All persons who have any financial interest in, make decisions in, manage, control, or act for the Agent must not be involved in the management or operations of the Broker, and vice versa; and
- b) The Agent and the Broker are separate legal entities

Illustration:

- *An Agent and a Broker are owned by the same holding company but have different directors, management teams, separate office premises, and no shared operational staff. This is allowed, subject to meeting all conditions.*
- *A director of the Agent is also listed as a signatory or advisor to the Broker. This is not allowed.*

Relevant Regulations: GIARR 12.7

Other interests in insurance agents

Amended GIARR 12.8 from a prescriptive to a principles-based format by simplifying the description of persons who may be conflicted, using broader terms that are future-proof.

An Agent, or any person who has any financial interest in, makes decisions in, manages, controls, or acts for the Agent, must not have any financial interest in, make decisions in, manage, control, or act for any business that is another insurance agent (“Other Agent”), unless:

- a) The Other Agent is listed on the Singapore Exchange or another exchange acceptable to the Board, and the financial interest is less than 5% of the voting shares of Other Agent; or
- b) All the Agents collectively comply with 11.1.

Illustration:

- *An Agent’s director holds 10% equity in another Agent. This is disallowed unless one of the exemptions applies.*
- *An Agent has 3% of voting shares in another listed agent on SGX – this is allowed under exemption (a).*
- *2 Agents share the same shareholder and represent a total of only 2 insurers – this is allowed under exemption (b).*

Relevant Regulations: GIARR 12.8

Suspension of Agent or Nominee Agent Registration under GIARR 13.10 (d)



Include GIARR 13.10 (d) to suspend an agent's registration if the agent includes the term 'Broker(s)', 'Broking', or any similar variant in their company name.

13.10 The Board may order the suspension of the registration of an Agent or Nominee Agent on such terms as the Board may deem fit if:

- a) The Agent or the Nominee Agent is under investigation by the Board;
- b) An inquiry has been commenced by the Board;
- c) Any action has been taken by the Board under Regulation 13.7 above; **or**
- d) The Agent has included the term "Broker(s)" or "Broking" or any other similar variants into their company name.**

Relevant Regulations: GIARR 13.10 (d)

Types of Training Activities Eligible for CPD



Include training on standards, ethics, regulations, and compliance.

- This change aligns with Recommendation 2 of the *ICCSC Promoting Ethical Culture and Conduct in Insurance Intermediaries (General) Paper*, which states: **Recommendation 2:** Continuing Professional Development (CPD) for general insurance intermediaries should include minimum training hours on ethics, conduct, regulatory and statutory compliance, in addition to technical/professional competencies. Topics unrelated to ethics, conduct, compliance and technical/professional competencies should be excluded.

4.3 Standards, Ethics, Regulations and Compliance – may include training on values, ethics, conduct, regulatory and statutory compliance, professional obligation (including confidentiality, disclosure of material information, persistency), new trading and financial regulations, and company and industry guidelines.

4.4 Training activities unrelated to Technical and Professional Knowledge, Skills and Standards, Ethics, Regulations and Compliance at section 4.1 to 4.3 should be excluded from CPD.

Relevant Regulations: GIARR Appendix C Section 4.3 and 4.4

Types of Training Activities Eligible for CPD

Changes made to clearly distinguish between technical knowledge and professional skills.

4.1 **Technical and Professional Knowledge** – to develop insurance competence and may include products and services, specialist risk categories, product development, underwriting, broking, processes, operations, technology, claims, risk management, reinsurance, insurance law.

4.2 **Skills** - relating to the practice of general insurance principles or management and may include prospecting, sales, fact-finding interview, situation analysis and planning, problem solving, innovation, interpersonal communication, counselling, negotiation, people management, financial management, business management, and training courses of similar nature.

Relevant Regulations: GIARR Appendix C Section 4.1 and 4.2



Customers' Rights to Complain

Changes made to include a timeline for agents to respond to complaints (7 days).

iii. The agent's obligation to acknowledge and respond to customer's complaints within 7 business days from the date of receipt.

Relevant Regulations: GIARR Appendix D Section 3.4d iii

Customers' Rights to Complain

Changes made to describe the types of complaints that should be escalated to the insurers.

The agent should escalate complaints to the Primary Principal if:

- a. The issue remains unresolved after the agent's initial response
- b. The customer indicates an intention to escalate the matter
- c. The complaint is directly traceable to a specific product or process of the Primary Principal; if not, the agent should escalate complaints to the Secondary Principal which the complaint relates to
- d. The complaints are about:
 - i. Misrepresentation or Mis-selling
 - ii. Misconduct or Unethical Behaviour
 - iii. Regulatory or Legal Breaches
 - iv. Breach of Confidentiality
 - v. Serious Service Failures
 - vi. Customer Escalation Requests
 - vii. Potential Financial or Reputational Risk
 - viii. Any issue or concern that the agent deems significant enough to warrant escalation due to its potential impact, severity, or importance to the customer, the business, or the reputation of the insurer or agency

Relevant Regulations: GIARR Appendix D Section 3.4d iii

Sub-Agency, Introducer And Referrers

Changes made to expand the Sub-Agency Clause to include Introducer and Referrer Provisions

12.1 An Agent must not enter into any agreement or arrangement for the appointment or engagement of any sub-agent to perform any of the following:

- a) Receive proposals for, or issue policies in Singapore
- b) Collect or receive premiums on policies in Singapore
- c) Arrange contracts of insurance in Singapore
- d) Earn a commission or fee that is tied to the value of the premium transacted
- e) Provide insurance sales or product advice

12.2 An Agent must not make any payment or share commissions with any persons for introducing or referring customers, regardless of how it is described.

12.3 An Agent must not receive any payment or share commissions with any persons for introducing or referring customers, regardless of how it is described. If an Agent cannot arrange a customer's insurance with their principals, they can refer the customer to another General Insurance Intermediary without receiving any payment.

Relevant Regulations: GIARR Appendix D Section 12.1 to 12.3



Fit and Proper Declaration Forms C1 and C2

Changes made to forms C1 and C2, to include the following questions:

Have you made any payments to or shared commissions with any persons for introducing or referring customers to you?

Have you received any payments from or shared commissions with any persons for introducing or referring customers to them?

Relevant Regulations: Fit and Proper Declaration Forms C1 and C2

Code of Conduct and Ethics

Include a new section on code of conduct and ethics in agency agreements

- The ARB has incorporated the core values of principals into agency agreements. This change aligns with Recommendation 4 of the *ICCSC Promoting Ethical Culture and Conduct in Insurance Intermediaries (General) Paper* which states: **Recommendation 4:** To ensure value alignment with principals, agency agreements should include the core values of insurers and address the following at a minimum:
 - a. Anti-Corruption;
 - b. Anti-Fraud;
 - c. Prohibition against anti competitive behaviour and actions;
 - d. Anti-Money Laundering and Countering the Financing of Terrorism;
 - e. Conflicts of Interest;
 - f. Data Protection and Data Privacy;
 - g. Insider Trading.

Relevant Regulations: GIARR Appendix E1 and E2 Section 21

FAQ on MGA



Include a new FAQ in ARB Premium Payment Rules as section 5.6

Q: Are premium transactions involving agents who are Managing General Agents (MGAs) and collect premiums from brokers within the scope of the APPR?

A: As the transaction originates from an insurance broker to the MGA, the broker has received the premium from the customer under section 82 of the Insurance Act, and the collection of premium from the customer in such cases falls outside the scope of the APPR.

Relevant Regulations: GIARR Appendix F Section 5.6



Administrative Amendments





Administrative Amendments

Changed GIARR Appendix E1 Section 9 header from “Comission” to “Commission”

Relevant Regulations: GIARR Appendix E1 Section 9



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