FIT & PROPER CRITERIA

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1 Eligibility for Registration

1.1 In order to qualify for registration and to continue to be registered as an Agent, Nominee Agent or Trade Specific Agent (TSA) with the Agents' Registration Board ("the Board") of the General Insurance Association of Singapore ("GIA") an applicant, Agent, Nominee Agent or TSA must satisfy the following conditions and requirements:

a) Threshold Conditions

b) Competence Entry Requirements

c) Financial Soundness

d) Honesty, Integrity and Reputation

2 Threshold Conditions

2.1 An Agent or Nominee Agent, including a Nominee of a TSA, who is a natural person must be:

a) at least 18 years of age;

b) a Singapore citizen, a Singapore Permanent Resident or a foreigner holding a valid work pass[1];

c) in possession of minimum academic qualifications equivalent to or higher than 3 GCE "O" Level credit passes or the Basic Competency Examination Certificate awarded by the Singapore College of Insurance, unless:

i. such persons are Nominee Agents of TSAs; and

ii. such persons were registered with the Agents' Registration Board on or before 1 May 2005;

2.2 An applicant, Agent or TSA which is a company registered with the Accounting and Corporate Regulatory Authority of Singapore ("ACRA") must have a minimum paid-up capital of S$25,000 at the time of application and during the currency of its registration with the Board. This Clause does not apply to employment agencies registered with Ministry of Manpower.

[1] "valid work pass" has the same meaning as that in section 2 of the Employment of Foreign Manpower Act (cap 91A.)

3 Competence Entry Requirements

3.1 An Agent, or Nominee Agent (including a Nominee Agent of a TSA), who is a natural person must possess:

a) Certificate in General Insurance (CGI) which comprises:

i. Basic Insurance Concept & Principles (BCP) and Personal General Insurance (PGI) if he wishes to sell only personal insurance products; or

ii. BCP and Commercial General Insurance (ComGI) if he wishes to sell only commercial insurance products; or

iii. BCP, PGI and ComGI if he wishes to sell both personal and commercial insurance products.

OR

b) Acceptable qualifications in lieu of CGI as set out in MAS Notice 211 on "Minimum and Best Practice Training and Competency Standards for Direct General Insurers".

4 Financial Soundness

4.1 The factors set out in the following paragraphs are relevant to the assessment of the financial soundness of an Agent (including the controllers, sole-proprietors, managers of limited partnerships and limited liability partnerships, partners, directors, and office bearers of an Agent who is not an individual) Nominee Agent, or Nominee Agent of a TSA who is a natural person. Such person must be financially sound. The factors include, but are not limited to, the following:

a) is or has been unable to fulfil any of its or his financial obligations, whether in Singapore or elsewhere;

b) has entered into a compromise or scheme of arrangement with its or his creditors or made an assignment for the benefit of its or his creditors, bring a compromise or scheme of arrangement or assignment that is still in operation, whether in Singapore or elsewhere;

c) is subject to a judgment debt which is unsatisfied, either in whole or in part, whether in Singapore or elsewhere;

d) in addition to sub-paragraphs 4.1(a) to 4.1(c), in the case where the relevant person is an individual:

i. is or has been the subject of a bankruptcy petition, whether in Singapore or elsewhere and is pending;

ii. has been adjudicated a bankrupt and the bankruptcy is undischarged, whether in Singapore or elsewhere; or

iii. is or has been subject to any other process outside Singapore that is similar to those referred to in sub-paragraphs 4.1(d)(i) and 4.1(d)(ii).

4.2 An Agent or TSA which is a company registered with the Accounting and Corporate Regulatory Authority of Singapore ("ACRA") must be financially sound. For the purpose of this section, an Agent or TSA who is not financially sound shall be one who (in addition of sub-paragraphs 4.1(a) to 4.1(c)):

a) is or has been the subject of a winding up petition, whether in Singapore or elsewhere and is pending;

b) is in the course of being wound-up or otherwise dissolved, whether in Singapore or elsewhere;

c) is or has been a corporation where a receiver, receiver and manager, judicial manager, or such other person having the powers and duties of a receiver, receiver and manager, or judicial manager, has been appointed, in relation to, or in respect of any property of, the corporation, whether in Singapore or elsewhere; or

d) is or has been subject to any other process outside Singapore that is similar to those referred to in sub-paragraphs 4.2(a) to 4.2(c).

4.3 An Agent, Nominee Agent or TSA must not have entered into a compromise or a scheme of arrangement with creditors, being a scheme of arrangement that is still in operation.

5 Honesty, Integrity & Reputation

The factors set out in the following paragraphs are relevant to the assessment of the honesty, integrity and reputation of a relevant person and include, but are not limited to, the following circumstances. Subject to paragraph 6 hereof, an Agent (including the controllers, sole-proprietors, managers of limited partnerships and limited liability partnerships, partners, directors, and office bearers of an Agent who is not an individual), Nominee Agent or TSA must not:

a) have been refused the right or restricted in its or his right to carry on any trade, business or profession for which a specific license, registration or other authorisation is required by law in any jurisdiction;

b) be the subject of a prohibition order or any order made by the Monetary Authority of Singapore or have been prohibited from operating in any jurisdiction by any financial services regulatory authority;

c) have been censured, disciplined, suspended or refused membership or registration by MAS, any regulatory authority of any business or profession; an operator of a market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere;

d) be the subject of any proceedings of a disciplinary or criminal nature or has been notified of any potential proceedings or of any investigation which might lead to those proceedings, under any law in any jurisdiction;

e) be convicted of any offence, or is being subject to any pending proceedings which may lead to such a conviction, under any law in any jurisdiction.

f) have had any judgment (including the finding of fraud, misrepresentation or dishonesty) given against him/it in any civil proceedings in Singapore or elsewhere, or be a party to any pending proceedings that may lead to such a judgment.

g) have accepted civil liability for fraud or misrepresentation under any law in any jurisdiction;

h) have had any civil penalty enforcement action taken against it or him by MAS or any other regulatory authority under any law in any jurisdiction;

i) have contravened or abetted another person in breach of any laws or regulations, business rules or codes of conduct, whether in Singapore or elsewhere;

j) have been the subject of any investigations or disciplinary proceedings or been issued a warning or reprimand by MAS, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere;

k) have been refused a fidelity or surety bond, whether in Singapore or elsewhere;

l) have demonstrated an unwillingness to comply with any regulatory requirement or to uphold any professional and ethical standards, whether in Singapore or elsewhere;

m) have been untruthful or provided false or misleading information to MAS or been uncooperative in any dealings with MAS or any other regulatory authority in any jurisdiction;

n) in addition to sub-paragraphs 5(a) to 5(m), where the relevant person is an individual:

i. be or have been a director, partner, substantial shareholder or concerned in the management of a business that has been censured, disciplined, prosecuted or convicted of a criminal offence, or has been the subject of any disciplinary or criminal investigation or proceeding, in Singapore or elsewhere, in relation to any matter that took place while the person was a director, partner, substantial shareholder or concerned in the management of the business;

ii. be or have been a director, partner, substantial shareholder or concerned in the management of a business that has been suspended or refused membership or registration by MAS, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Singapore or elsewhere;

iii. have been a director, partner, substantial shareholder or concerned in the management of a business that has gone into insolvency, liquidation or administration during the period when, or within a period of one year after, the relevant person was a director, partner, substantial shareholder or concerned in the management of the business, whether in Singapore or elsewhere;

iv. have been dismissed or asked to resign from –

(A) office;

(B) employment;

(C) a position of trust; or

(D) a fiduciary appointment or similar position, whether in Singapore or elsewhere

v. be or have been subject to disciplinary proceedings by his current or former employer(s), whether in Singapore or elsewhere;

vi. have been disqualified from acting as a director or disqualified from acting in any managerial capacity, whether in Singapore or elsewhere; and

vii. have been an officer found liable for an offence committed by a body corporate as a result of the offence having proved to have been committed with the consent or connivance of, or neglect attributable to, the officer, whether in Singapore or elsewhere.

6 Entitlement of the Board

The Board, as the central body responsible for registering general insurance agents, shall be entitled to approve or renew a registration based on the merits of each case.