

Guidance Note on Using Business Names or Brand or Trade Names

According to Membership Regulation 3.5, the General Committee is issuing this Guidance Note on Using Business Names or Brand or Trade Names.

Definitions

- “Registered Names” mean the corporate names of Members.
- “Other Names” mean business names, brand or trade names adopted or used by Members besides their Registered Names.

Applicability of this Guidance Note

It is not intended that this Guidance Note should apply to Members who are using or who will use Other Names of the following nature:

- (a) the common trade names of the same group of companies (as defined in the Companies Ordinance);
- (b) acronyms of the Registered Names; or
- (c) the key words of their Registered Names being embedded in those Other Names.

Such Members are not bound to observe the directions in this Guidance Note regarding the use of Other Names but they should ensure that they are compliant with all relevant directions and regulations.

Background

1. It is prescribed under Membership Regulation 7.4 that “A Member shall not adopt a company name that, in the opinion of the General Committee, is likely to deceive, mislead or confuse and in particular shall not import the name of an insurance company or of an insurance organization.”
2. The CIB Register of Members is open to the public for inspection, and it records and publishes only the Registered Names but not any Other Names.
3. It has come to the notice of the General Committee that there are Members intending to adopt and use, or which have adopted and used Other Names.
4. Some of such Other Names are understood to be totally different from, and bear no connection or resemblance to, the Registered Names of the Members or companies associated with the Members.
5. The regulatory concern of the General Committee relates to the basic regulation as prescribed for the company names, i.e. these Other Names should not be likely to deceive, mislead or confuse.
6. This Guidance Note is issued to guide Members in developing appropriate administrative procedures in this regard to safeguard professionalism in the insurance broking sector in Hong Kong under the current self-regulatory regime.

Prohibition of the use of Other Names that is likely to deceive, mislead or confuse

7. No Members shall use any Other Name which will lead the public to believe that the Member is closely affiliated with another insurance intermediary or insurer in Hong Kong (being in operation or having ceased operation) or any well known household name, or to confuse the two, unless that Member is of the same group of companies as the other entity or entities.

8. In case of an insurance intermediary that has been expelled or disqualified by any regulatory bodies, even when the Member and that intermediary are of the same group of companies, the Member is not allowed to use Other Names that will lead the public to believe that the Member is closely affiliated with that expelled or disqualified intermediary.

Adequate disclosure of the full identity of the Member

9. Member shall always display its Registered Name when any Other Name is used and:-
- 9.1 When the Other Name is printed on a business card or letterhead, Member shall also print its Registered Name on the same side of the card or the letterhead;
 - 9.2 The font size and colour used for printing the Registered Name shall be large and clear enough to be read by an ordinary person.
10. To avoid any doubt, the above:-
- 10.1 does not apply to the use of brand or trade names in producing marketing or souvenir items, e.g. T-shirts, bags or pen sets;
 - 10.2 does not modify the disclosure requirements in relation to the registration number of Chief Executives or Technical Representatives on their business cards, or in relation to the usage of the phrase of "Member of the Hong Kong Confederation of Insurance Brokers" and the emblem of the Confederation on Members' stationery.

Prohibitions in the use of other names for specific purposes

11. Members shall not use any Other Names for:-
- (a) opening or maintaining Client Accounts;
 - (b) entering into any kind of contracts or agreements with clients or with product providers.

Adequate professional indemnity cover

12. Members shall notify the underwriter of their professional indemnity insurance for the use of Other Names in their practice and seek the underwriter's written confirmation of no denial of cover.

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