



Ref. No. : MEMO/051/2009
To : All Chief Executives/Members
From : Andrew Tong – Membership Sub-Committee Chairman
Date : 31st December 2009
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Dear Chief Executives/Members,

**Re: Insurance Intermediaries Quality Assurance Scheme (IIQAS)
Professional Upgrade of Investment-linked Long Term Insurance Examination**

A. Preamble

1. Aiming at enhancing consumer protection, competence and expertise of insurance intermediaries in the sale of investment-linked long term insurance (IL) products, an enhanced version of IL Paper under the Insurance Intermediaries Qualifying Examination (IIQE) will be introduced by the Office of the Commissioner of Insurance (OCI), and superseding the existing version with effect from 1st March 2010.
2. This memorandum should be read in conjunction with the IIQAS Fact Sheet (<http://www.oci.gov.hk/download/iiqas-fs.pdf>) and CPD Information Sheet (http://www.oci.gov.hk/download/cpd_info_sheet.pdf) published by the OCI in October 2009.
3. The revised syllabus and Study Notes for the enhanced IL Paper of the IIQE are available at OCI's website (http://www.oci.gov.hk/framework/index02_05_04.html). As for the CPD courses on the additional modules of the enhanced IL Paper, we would like to urge Members to visit the websites of the Vocational Training Council (<http://www.peak.vtc.edu.hk>) and the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (http://www.hkcaa.edu.hk/en/services_insurance.asp) respectively for details available in nearer the time.
4. The Chief Executives (CEs)/Members are responsible to disseminate this memorandum to their Technical Representatives (TRs).

B. Enhanced Version of Investment-linked Long Term Insurance Paper

1. New insurance intermediaries wishing to engage in the sale of IL products will be required to pass, among others, the enhanced version of IL Paper with effect from 1st March 2010.
2. Insurance intermediaries who are registered as engaging in IL intermediary business immediately before 1st March 2010 by
 - (i) passing the IL Paper of IIQE; or
 - (ii) exempting from the IL Paper by 7-year long term insurance experience between 1994 and 2001,

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they could retain their registration within 2 years (from 1st March 2010 to 29th February 2012) by fulfilling either one of the below transitional arrangements:

- (a) they shall pass the enhanced IL Paper;
 - (b) they shall complete 20 extra CPD hours dedicated towards the additional modules of the enhanced IL Paper (IL CPD hours).
 - (i) The 20 IL CPD hours are in addition to the CPD requirement of 10 CPD hours per annum applicable to all insurance intermediaries.
 - (ii) The 20 IL CPD hours are divided into 8 distinct modules as below:
 1. Financial Risk Management in Hong Kong (3 hours)
 2. Investment Considerations I (2 hours)
 3. Investment Considerations II (3 hours)
 4. Investment Assets (3 hours)
 5. Equities Market (2 hours)
 6. Fundamental and Technical Analysis (3 hours)
 7. Sales Practice (2 hours)
 8. Other Updates (2 hours)
 - (c) they shall hold any of the following recognized professional qualifications in insurance, investment or actuarial science for the exemption from the enhanced IL Paper of IIQE.
 - (i) Chartered Life Underwriter (CLU) who has passed the elective paper “HS 328 Investments” in the CLU qualifying examination;
 - (ii) Chartered Financial Consultant (ChFC);
 - (iii) Certified Financial Planner (CFP);
 - (iv) Fellow of the Institute of Actuaries of England (FIA);
 - (v) Fellow of the Faculty of Actuaries in Scotland (FFA);
 - (vi) Fellow of the Institute of Actuaries of Australia (FIAA);
 - (vii) Fellow of the Society of Actuaries of the United States of America (FSA);
 - (viii) person who has passed the Foundation Programme Examination of the Hong Kong Securities Institute (FPF);
 - (ix) person who has passed the Diploma Programme Examination of the Hong Kong Securities Institute (DPE);
 - (x) HKSI Practising Certificate of the Hong Kong Securities Institute;
 - (xi) HKSI Specialist Certificate of the Hong Kong Securities Institute; or
 - (xii) HKSI Professional Diploma in Financial Markets of the Hong Kong Securities Institute.
3. The enhanced IL Paper will not affect those insurance intermediaries having recognized professional qualifications in insurance, investment or actuarial science as listed in B.2.(c). They may obtain the IL registration by applying to us such exemption.
4. An individual, who has passed the existing IL Paper but
- 4.1. ceased to be/is not engaged in insurance-related work in the insurance industry in Hong Kong for less than 2 consecutive years immediately before the date of his registration.

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4.2. has not registered for engaging in IL intermediary business though is engaged in insurance-related work in the insurance industry in Hong Kong;

could take benefits of the transitional arrangements set out in B.2. However, if the date of registration for engaging in IL insurance intermediary business is after 29th February 2012, he would be required to pass, among others, the enhanced IL Paper first, unless otherwise exempted.

C. Continuation of Investment-linked Long Term Insurance Registration

1. The CEs and TRs, except those listed in B.1., shall submit the documents and administration fee stated in (a) to (c) below and reach the Association at the latest **by 6:00pm of 29th February 2012** for our processing.

(a) the “Application Form for Continuation of Investment-linked Long Term Insurance Registration” (available at “Download Corner” of our website);

(b) documentary proof of either one of the below:

- (i) a copy of certificate of passing the enhanced IL Paper;
- (ii) copies of documentary proof of earning the 20 extra and dedicated IL CPD hours; or
- (iii) a copy of documentary proof of holding any of the professional qualifications as listed in B.2.(c).

(c) Administration Fee (HK\$):


Type of Documentary Proof	Submission Time	
	From now to 31 st Oct 2011	From 1 st Nov 2011 to 29 th Feb 2012
Passing enhanced IL Paper	No Fee Charged	\$100
Holding recognized professional qualification		
Earning 20 extra & dedicated IL CPD hours	\$250	\$500

Remarks: Cheque payment should be made payable to “Professional Insurance Brokers Association”. For the convenience of administration, combined company cheque is preferable.

2. Those members (including TRs) who have failed to fulfill the requirements as stated in C.1. before the due date, shall not be eligible to sell the IL policies from 1st March 2012 and onward.

Should you have any queries, please feel free to contact us at 2869 8515.

Best Regards,


(for) Andrew Tong
Membership Sub-Committee Chairman
AT/TC/jw

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