



香港保險顧問聯會
THE HONG KONG CONFEDERATION
OF INSURANCE BROKERS

General Circular 40/06

To : All Members
From : CIB Secretariat
Date : 10 July 2006
Subject: Administrative Framework for IIQAS CPD Programme

We are pleased to enclose herewith the Administrative Framework for the IIQAS Continuing Professional Development Programme for your reference.

This document has consolidated the information of our Circulars previously issued on the administrative procedures for the CPD Programme. You may notice that some of the procedures are refined to eliminate any ambiguities therein.

Your attention is particularly drawn to Section (8) on Compliance Audit at Application for Registration that the CPD Compliance Audit will now form part of the vetting process for each application for registration.

We ask therefore that, effective from 1 August 2006, documentary proof of both registration history and CPD Compliance shall form part of the supporting documents to a new application for registration.

With best regards,

Eric Lee
Secretary-General & Registrar

Encl.

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IIQAS Continuing Professional Development Programme (“CPD Programme”)

Administrative Framework

Preamble

This Administrative Framework is to supersede all previous Circulars of The Hong Kong Confederation of Insurance Brokers (“CIB”) in relation to the administrative process and procedures that CIB has adopted in relation to monitoring the CPD compliance by persons registered with CIB. This should be read in conjunction with the CPD Information Sheet published by the Insurance Authority (“IA”). Members are encouraged to circulate this and the IA’s CPD Information Sheet to their registered persons for their reference.

1. The CPD Programme

- 1.1 The Insurance Authority has promulgated the CPD Programme with the latest version of the CPD Information Sheet published in April 2006. It is available for download at the following link: <http://www.oci.gov.hk/download/cpdis.pdf>
- 1.2 Paragraphs 4 and 21 of the CPD Information Sheet are irrelevant to insurance brokers.

2. The Rules for Determining the Requisite CPD Hours

2.1 Required CPD Hours

10 CPD Hours per calendar year (1 January to 31 December).

2.2 Registration History

Registration periods as insurance intermediaries in Hong Kong with the following bodies shall be taken into account as if being registered with CIB:-

- (1) The Professional Insurance Brokers Association (“PIBA”);
- (2) The Insurance Agents Registration Board (“IARB”); and
- (3) Insurance Authority (“IA”)

2.3 Deduction for part-year registration

1 CPD Hour is deducted for each 5-week (i.e. 35 days) period of continual non-registration during the calendar year.

2.4 Concession for persons with long term/prolonged illness

1 CPD Hour is deducted for each 5-week (i.e. 35 days) period of continual absence from work during the calendar year due to long term/prolonged illness confirmed with medical certificate.

2.5 Option for persons having passed the CPD assessment of the IARB as at 31 July

6 CPD Hours is deemed to have earned for the year and the remaining 4 CPD Hours to be earned during the period from 1 August to 31 December of that year.

3. Permitted Ways to Earn CPD Hours

3.1 Studying to attain specified qualifications or relevant university/postgraduate degrees

10 CPD Hours per year, up to 6 years at most for each qualification or degree programme.

List of Specified Qualifications

- (1) Associate or Fellow of the Chartered Insurance Institute (ACII/FCII)
- (2) Senior Associate or Fellow of the Australian and New Zealand Institute of Insurance and Finance (ANZIIF (Snr Assoc)/ANZIIF (Fellow))
- (3) Certified Financial Planner (CFP)
- (4) Chartered Financial Consultant (ChFC)
- (5) Chartered Life Underwriter (CLU)
- (6) Chartered Property Casualty Underwriter (CPCU)
- (7) Fellow, Chartered Financial Practitioner of the Life Underwriters Association of Hong Kong (FChFP)
- (8) Fellow of the Faculty of Actuaries in Scotland (FFA)
- (9) Fellow of the Institute of Actuaries of England (FIA)
- (10) Fellow of the Institute of Actuaries of Australia (FIAA)
- (11) Fellow of the Life Management Institute (FLMI)
- (12) Fellow of the Society of Actuaries of the United States of America (FSA)
- (13) Hong Kong Diploma in Insurance Studies of the Insurance Institute of Hong Kong
- (14) Hong Kong Insurance Professional Qualification Examination of the Hong Kong Society of Certified Insurance Practitioners (HKIPQE)
- (15) Fellow of the Life Underwriter Training Council (LUTCF)
- (16) Professional Diploma in Insurance Programme of the Vocational Training Council (PDI)

Relevant Degrees

Disciplines relating to the following scope of qualified CPD activities –

- (1) Local insurance (or related) legislation
- (2) Regulatory aspects of insurance practice in Hong Kong
- (3) Insurance
- (4) Actuarial science
- (5) Risk management
- (6) Financial planning
- (7) Other disciplines which are directly related to the work of insurance intermediaries, such as investment, law and legal knowledge, finance, business, commerce, management, engineering or communication skills

3.2 Accomplishing the CPD programme (if any) of the above-mentioned specified qualifications held

10 CPD Hours per year.

3.3 Participating in or speaking at accredited CPD activities including:

- (1) Activities accredited by the Hong Kong Council for Academic Accreditation (“HKCAA”) with accreditation code.
- (2) CPD activities organized by CIB, PIBA, IARB or IA.
- (3) CPD courses organized or formally accredited by specified professional bodies which are within the scope of qualified CPD activities mentioned in 3.1.

List of specified professional bodies

Specified professional bodies mean those established under an Ordinance or those required to perform statutory duties under an Ordinance of Hong Kong. To the best of CIB's knowledge, they include:

- (1) Hong Kong Institute of Architects
- (2) Hong Kong Institute of Certified Public Accountants
- (3) Hong Kong Institute of Housing
- (4) Hong Kong Institute of Landscape Architects
- (5) Hong Kong Institute of Planners
- (6) Hong Kong Institute of Surveyors
- (7) Hong Kong Institution of Engineers
- (8) The Law Society of Hong Kong

- Participants in accredited CPD activities will earn 1 CPD Hour for each hour of attendance.
- Speakers of accredited CPD activities will earn 3 CPD Hours for each hour of addressing in the activities.

4. Documentary Proofs

4.1 Types of Documentary Proofs

- Documentary evidence of passing during the relevant year examination of at least one subject for the qualification being studied.
- Documentary evidence of examination results, coursework assessment or attendance during the relevant year for study of the degrees.
- Documentary evidence of holding the qualification and of accomplishment with its CPD programme.
- Certificate of attendance of an accredited CPD activity.
- Claim of having earned CPD Hours without documentary proofs shall not be accepted.

4.2 Individuals are responsible to:

- Furnish proof to claim any deduction/concession under Items 2.3 - 2.5, i.e.
 - (1) For part-year registration – records of registration issued by either IARB, PIBA or IA;
 - (2) For prolonged illness – medical certificate issued by registered medical practitioners who are by statute authorized to issue medical certificate for sick leaves;
 - (3) For passing IARB's assessment – certification issued by either IARB or the then appointing insurer(s) of the person concerned.
- Retain all original documentary proofs for their CPD compliance of the immediate past 3 calendar years.

4.3 Members are responsible to:

Obtain from the registered persons and to furnish with CIB the originals and/or copies of such proofs when so required.

4.4 CIB is responsible to:

- Inspect but shall return to relevant party any original proofs.
- Review photocopy of the proofs filed with CIB for the purpose of compliance audit but shall not be responsible to return the photocopy nor to retain any such copy in files.

5. Assessment

5.1 Responsibility of Members

Prior to a person applying for registration or for registration renewal, the relevant Members are responsible for assessing his/her CPD compliance and shall declare so in the prescribed application forms.

5.2 Failing in Discharging the Duty of Assessment

If a Member is found to be failing repeatedly in discharging this duty of assessment, the matter will be referred to the Disciplinary Committee for investigation.

6. Consequence of Failure to Comply

6.1 If the applicants have failed to or are yet to comply with the CPD requirements

- CIB will not process their applications for registration or for renewal.
- CIB will process their applications for registration anew when CIB is satisfied that they are capable to comply with the CPD requirements by making up any deficiency for the year being assessed.

6.2 If the applicants have ceased to be registered as insurance intermediaries in Hong Kong for more than a year

Subject to Section 6.3, CIB will process their applications anew.

6.3 If registration of a person having been revoked or suspended by either CIB or IARB or PIBA or IA due to CPD non-compliance

No matter how long he/she has ceased to be an insurance intermediary in Hong Kong, CIB has to be satisfied that he/she is capable to comply with the CPD requirements by making up any deficiency leading to the revocation or suspension.

6.4 CPD Hours earned during a period of Non-registration

To facilitate the making up of deficiency, CPD hours earned during a non-registration period will count. (This is not applicable to fresh applicants, i.e. the hours of study prior to their first registration as insurance intermediaries in Hong Kong will not be counted as CPD Hours.)

7. Compliance Audit after Registration Renewal

7.1 Timing

Conducted immediately after the registration renewal (1 January each year). Relevant Members will be asked to furnish with CIB documentary proofs within a month's time.

7.2 Targets of audit

- (1) Random Audit: At least 10% of registered persons randomly drawn;
- (2) Compulsory Audit: Those who have been found CPD non-compliant in the previous audit.

7.3 Documents to be submitted

- Only copy of documentary proofs for fulfilling CPD requirement of the immediate preceding calendar year shall be submitted.

- The first 10% among those being randomly drawn will be required to send their original documentary proofs for inspection.

7.4 Identified cases of non-compliance

Any cases of non-compliance will be referred to the Disciplinary Committee for investigation.

8. Compliance Audit at Application for Registration

8.1 Timing

CPD Compliance Audit will form part of the vetting process for each application for registration.

8.2 Targets of audit

All applicants for registration as either Chief Executives or Technical Representatives.

8.3 Documents to be submitted

- (1) Copy of documentary proofs of their CPD Compliance;

Applicants shall furnish the above documents when submitting the application, unless:

- (a) They have ceased to be registered as insurance intermediaries in Hong Kong for more than a year; AND
- (b) Have never been revoked or suspended due to CPD non-compliance.

- Only copy of documentary proofs for fulfilling CPD requirement of the immediate preceding calendar year shall be furnished with the application.
- If the applicants have previously been revoked or suspended due to CPD non-compliance, the proofs shall be for the relevant period of registration.

- (2) Documentary Records of Registration

- The records of registration shall be issued by either IARB or PIBA or IA.
- The records may be in the form of a letter issued by these institutions or a print-out from online enquiry (e.g. the Registration History enquiry facility provided by IARB at http://www.hkfi.org.hk/en_insurance015.asp)
- The records shall include both the commencement and end dates of each registration in the current and the immediate preceding calendar years.
- No record need to be filed for previous registration with CIB.

8.4 Identified cases of non-compliance

Applications with CPD non-compliance for the previous calendar year will be rejected.

8.5 Identified cases of concealment of records of registration

- (1) CIB will conduct reference check on record of registration furnished with the application.
- (2) Identified cases of concealment of records of registration will be referred to the Disciplinary Committee for investigation.

9. Enquiries

- 9.1 A Frequently Asked Questions is prepared and placed at the CIB website for reference.
- 9.2 Any other enquiries may be sent to the CIB Secretariat for attention.