

## Interpretation Notes

### Guideline on Cooling-off Period (GL29)

The Insurance Authority (“IA”) issues these Interpretation Notes with the aim of providing further guidance to authorized insurers and licensed insurance intermediaries in respect of the Guideline on Cooling-off Period (GL29) (the “Guideline”).

These Interpretation Notes are not intended to be a comprehensive guide and do not constitute legal advice. Authorized insurers and licensed insurance intermediaries are advised to seek professional legal advice if they have any questions relating to the application or interpretation of the relevant provisions of the Guideline.

These Interpretation Notes do not have the force of law and should not be interpreted in a way that would override the provision of any law. The IA reserves the right to review and update these Interpretation Notes from time to time. Unless otherwise specified, words and expressions in these Interpretation Notes shall have the same meanings as given to them in the Guideline.

	<b><u>Delivery &amp; Cooling-off Notice</u></b>
<b>Q1</b>	<b>What is sufficient proof of delivery and the timing of delivery?</b>
<b>A1</b>	<p>By way of example, the following record containing the timing of the delivery are considered to be sufficient proof of delivery:</p> <ul style="list-style-type: none"><li>(a) where a delivery is made by hand, an acknowledgement of receipt signed and dated by the policy holder or his/her nominated representative;</li><li>(b) where a delivery is made by registered post or couriers, a delivery confirmation note or slip;</li><li>(c) where a delivery is made via electronic means (e.g. email), an electronic acknowledgement of receipt issued from the intended recipient’s email account or a written (electronic) reply from the intended recipient confirming safe receipt of the delivery.</li></ul> <p>If there is any returned post or electronic delivery bounce-back notice, the authorized insurers should follow up with the policy holder or his/her nominated representative to arrange for a re-delivery promptly.</p>
<b>Q2</b>	<b>In respect to Paragraph 5.5(b) of the Guideline, is there a specific timeframe for which authorized insurers should deliver the policy documents to the licensed insurance intermediary?</b>
<b>A2</b>	<p>The authorized insurer should provide the life insurance policy to the licensed insurance intermediary sufficiently in advance of the end of the “9 calendar day period” defined in Paragraph 5.5(a) of the Guideline.</p>
<b>Q3</b>	<b>In respect to Paragraph 7.1(a) of the Guideline, are authorized insurers required to identify a specific expiry date of the Cooling-off Period in the Cooling-off Notice?</b>

A3	Authorized insurers are encouraged to specify (if possible) the exact expiry date of the Cooling-off Period in the Cooling-off Notice. However, it can also be a description that clearly informs the policy holder of when the Cooling-off Period shall end.
	<b><u>Nominated Representative</u></b>
Q4	Is a licensed insurance broker deemed to fall within the definition of “nominated representative of the policy holder” under Section 2 of the Guideline on Cooling-off Period?
A4	<p>If a licensed insurance broker (who acts as the agent of the policy holder) is expressly nominated and authorized by the policy holder to receive or handle the life insurance policy or policy related documents for and on behalf of the policy holder, he/she shall be a “nominated representative of the policy holder”.</p> <p>Where a licensed insurance broker is to be elected by a customer to be his/her nominated representative to receive policy documents from the relevant insurer, the licensed insurance broker should and is reminded to inform the customer (in writing, if possible) of the possible implication(s) of the nomination, for example, in respect to the commencement date of the cooling-off period.</p>

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