

Completion Instructions

**Return of Insurance Related Activities
(Form MA(BS)15)**

Introduction

1. This return collects information on insurance related activities conducted by authorized institutions (“AIs”) and their subsidiaries in Hong Kong in the capacity of insurance intermediaries¹.

Section A: General Instructions

2. This return is to be submitted by all AIs that sell insurance products via insurance intermediaries either appointed by the AIs or their subsidiaries that are registered insurance agents or brokers.
3. Information of the subsidiaries are included in this return since we recognize that some AIs, apart from being registered insurance agents / brokers on their own, also establish subsidiaries that are registered insurance agents / brokers and appoint insurance intermediaries for selling insurance products.
4. To avoid double counting, AIs are not required to report information of their subsidiaries if such information has already been reported by their AI subsidiaries.
5. Unless otherwise specified by the Monetary Authority, AIs should submit this return to the HKMA not later than 21 days after the end of June and December each year. If the submission deadline falls on a public holiday, it will be deferred to the next working day.
6. Grey cells in the return form are auto-generating cells that do not require inputting.
7. Except where otherwise stated, dollar amounts should be shown to the nearest thousand in HKD. The closing middle market T/T rates prevailing at the end of the reporting period should be used for conversion purposes.

Section B: Definitions and Clarification

8. Insurance business consists of general business and long term business which have the same meaning assigned to them under section 2 of the Insurance Companies Ordinance.
9. Insurance agent refers to a person who holds himself out to advise on or arrange contracts of insurance in or from Hong Kong as an agent or subagent of one or more

¹ Include insurance agents, insurance brokers and their responsible officers / chief executives and technical representatives (have the same meaning assigned to them under section 2 of the Insurance Companies Ordinance).

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insurers. A person is prohibited from holding himself out as an insurance agent unless he is appointed by an insurer and registered with the Insurance Agents Registration Board established under the Hong Kong Federation of Insurers.

10. Insurance broker refers to a person who carries on the business of negotiating or arranging contracts of insurance in or from Hong Kong as the agent of the policy holder or potential policy holder or advising on matters related to insurance. A person is prohibited from holding himself out as an insurance broker unless he is (a) authorized by the Insurance Authority under the Insurance Companies Ordinance; or (b) a member of a body of insurance brokers² which is approved by the Insurance Authority under the Insurance Companies Ordinance.
11. Technical representative refers to a person who provides advice to a policy holder or potential policy holder on insurance matters for an insurance agent / broker, or arranges contracts of insurance in or from Hong Kong on behalf of that insurance agent / broker. An insurance agent should obtain the confirmation of the Insurance Agents Registration Board before confirming the appointment of any person as its Technical Representative. An insurance broker should obtain the confirmation of the Insurance Authority or relevant approved body of insurance brokers before confirming the appointment of any person as its Technical Representative.
12. Responsible officer refers to a person who, along or jointly with others, is responsible for the conduct of the insurance agency business of an insurance agent. An insurance agent should obtain the confirmation of the Insurance Agents Registration Board before confirming the appointment of any person as its Responsible Officer.
13. Chief executive refers to a person who, along or jointly with others, is responsible for the conduct of the insurance broking business of an insurance broker. An insurance broker should obtain the confirmation of the Insurance Authority or relevant approved body of insurance brokers before confirming the appointment of any person as its Chief Executive.

Section C: Specific Instructions

II. Business volume during reporting period

14. For long term business, “new policies” refers to all new policies issued (including new policies issued on account of indexation increases), but do not include policy increases relating to existing policies.
15. For general business, “new policies” includes renewed policies.
16. “Total commission income” refers to the amounts, whether or not received by the insurance intermediaries during the reporting period, which are recorded during the reporting period as due to insurance intermediaries from insurers in respect of the inception, amendment or renewal of insurance.

² There are presently two approved bodies of insurance brokers: (i) The Hong Kong Confederation of Insurance Brokers; and (ii) Professional Insurance Brokers Association Limited.

III. Number of complaints related to insurance intermediaries during reporting period

17. The definition of “complaints” in the HKMA Supervisory Policy Manual IC-4 “Complaint Handling Procedures” is adopted for the purpose of reporting this part of the return.
18. For the first time reporting, authorized institutions are required to report only the outstanding number of complaints relating to insurance intermediaries as at the end of the reporting period. For simplicity, report this number as “New complaints” in item 2.
19. The reported outstanding number at the beginning of the period should agree with the reported number at the end of the previous period.
20. “New complaints” refers to the number of complaints received during the reporting period by the reporting institutions and / or their subsidiaries that are related to the appointed Technical Representatives / Responsible Officers / Chief Executives, or to the corporate insurance agent itself. These should include all verbal and written complaints either received directly from the complainants or referred by other channels like the HKMA, the IARB and the Consumer Council.
21. “Complaints resolved” refers to the number of complaints that have been fully investigated by the reporting institutions and the final responses have been communicated to the complainants during the reporting period. For the purposes of this return, a final response means a response from the AI which either accepts the complaint (and where appropriate offers redress), offers redress without accepting the complaint or rejects the complaint and gives reasons for doing so.
22. “Number of resolved complaints requiring further follow up actions” refers to the number of customers who remain dissatisfied with the AIs’ final responses and therefore require further follow-up actions.

Hong Kong Monetary Authority
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