

Memo

To : All MCIS ZURICH Registered Agents
Ref No : MZI/AU/4/12/05
Copy To :
From : Agency Unit – General Business Division
Date : 23 December 2005

Dear Valued Agents

Guidelines on Minimum Disclosure Requirements in the Sale of General Insurance Procedure JPI/GPI 32

Referring to the above, we will like to draw your attention to the above guidelines which will come into effect 2nd January 2006.

The guidelines is issued to improve market conduct and practices with the aim of enhancing Protection of Consumer interest. The objective of the guidelines is to promote greater transparency in the Sale of General Insurance products, which would enable prospective policy owners to make informed decision when purchasing general insurance products.

The guidelines outline the **minimum information of a policy that must be disclosed to the prospective policy owners at the point of sale.**

In view to comply with this guideline, with effect from 1 January 2006, Personal Accident products as MCIS ZURICH being proposed to prospective policy owners, agents are required to:

1. Disclose all pertinent information of the policy, i.e. scope of cover, exclusion, and claims etc to your prospective owners.

Agents can refer to the agency PA guidelines for the information (available on MZwise)

2. At the point of sale, agents can refer to the fact sheet for face to face explanation.

The facts sheet is available in MZwise which include illustrations of the PA products.

3. At the point of sale, Agents are required to ask your policy owners to sign on the disclosure form. This is to ensure that the pertinent information had been disclosed. This disclosure must be attached together in the proposal form for onward submission to MCIS ZURICH Insurance.

4. Agents also are to ensure that all policyholders received their policies within one month from date of cover and also require the policy owners to acknowledge receipt.
5. Agents are to ensure that in any payment of premium by the policy owners, a receipt or proof of payment must be given to the policy owners.

In conclusion, the JPI 32 guidelines are only applicable to Personal Lines products. MCIS ZURICH Insurance will deploy all Personal Accident fact sheet and guidelines on the first week of January 2006 and the subsequent personal products will follow suit 2 weeks later.

As for Motor classes and Fire classes, it will be deployed after PIAM has reverted back to us on the final contents.

If you need further clarification, please contact your respective Market Managers.

Thank you.

Agency Unit