



Hong Kong Chamber of Insurance Intermediaries Position Paper on “Proposed Modifications to the IIQAS Examination Paper for sale of travel insurance by Travel Agents”

We are invited by the office of the Honorable Bernard Chan to give our views regarding the proposal of the captioned subject which will be proposed by the Commissioner of Insurance.

Our Chamber established in 1993, we represent 1,000 professional life and general insurance intermediaries.

Our Position:

1. We do not object to travel agents selling travel insurance as long as they follow the same rules of examinations and CPD requirement.
2. Travel Insurance is a complicated cover which required all basic knowledge of insurance in broad sense including life, property, liability and all principle of insurance. The practitioners also require special attention to the special features of the travel insurance coverage. Therefore a special paper is not a good solution for making travel agents' employee to have sufficient training for insurance to protect the public interest while they are on travel. Instead they need to fulfill the existing IIQAS paper I and II and still need additional study in travel policy.
3. The existing IIQAS paper is the most simple, basic and fundamental insurance examination and it is not difficult to pass for most of the people who have a good interest to study. So modification is not necessary.
4. We trust that the existing IIQAS is the minimum acceptable standard for all people who want to solicit insurance business in order to have sufficient knowledge to provide insurance service and protection to the general public and their interests.
5. We object the modification is not for our self interest because travel insurance is not an easy and lucrative business for our Insurance Intermediaries, but for the maintenance of the good professional image of the Insurance Intermediaries at large in Hong Kong, which has taken us years to establish since the introduction of current IIQAS.



6. We object the proposal for matter of sound principle on subject matter.
7. The proposed modification allows a separate paper and a special route to qualify a registered insurance agent (limited practice in nature). The commissioner will face potential challenge of judicial review to be initiated by another group of traders who wish to seek even a more easier separate exam. paper for qualification to sell insurance, say real estate agents, motor traders. Please note that some of them they need to pass or passed the existing IIQAS paper in order to sell insurance. Some of them have been in market.

Our suggested alternatives for Travel Agents to sell travel insurance.

1. Get employee(s) to pass exams for Paper I and II of our IIQAS and also to fulfill the subsequent CPD requirement, or
2. Get employee(s) from the insurance company or get qualified insurance agent(s) at the customer counter to give advice and sell travel insurance.
3. Get a vending machine or computer terminal installed by the insurance company to sell at the customer counter.
4. Please note suggestion I is not difficult for travel agents' employee(s) to pass the papers.

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