

**Bills Committee on Insurance Companies (Amendment) Bill 2014**

**List of follow-up actions arising from the discussion  
at the meeting on 18 May 2015**

Insurance agents' relationship with insurers (clause 73)

Members note that one of the objectives of the Bill is to modernize the Insurance Companies Ordinance (Cap. 41) ("ICO") with a view to providing better protection for policy holders and facilitate the stable development of the industry. In the light of concerns expressed by some members on the scope of liability of an insurer for the acts of its appointed agent under the proposed revised section 68 of ICO and the Administration's proposal to introduce Committee Stage amendments to refine the scope (paragraph 8 of LC Paper No. CB(1)858/14-15(03)), the Administration is requested to:

- (a) provide information on provisions in the Bill which concern an insurer's relationship with its insurance agents that may have impact on the rights and interests of policy holders; and
- (b) explain the objectives and scope of the Administration's proposed amendments to the revised section 68, in particular whether the proposed amendments may reduce the level of protection for policy holders and may allow an insurer to evade from its responsibilities in ensuring its appointed insurance agents would act prudently and comply with the necessary requirements in their dealings with clients.