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Notification No. B 16 — The Insurance (Amendment) Bill is hereby published for general information. It was introduced in Parliament on 11th May 2015.

Insurance (Amendment) Bill

Bill No. 16/2015.

Read the first time on 11 May 2015.

A BILL

i n t i t u l e d

An Act to amend the Insurance Act (Chapter 142 of the 2002 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act may be cited as the Insurance (Amendment) Act 2015 and comes into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

5 New section 26

2. The Insurance Act is amended by inserting, immediately after section 25, the following section:

“Regulation of payment of remuneration

10 26.—(1) Any licensed insurer must not pay to any licensed financial adviser or exempt financial adviser, or a representative or a supervisor of any licensed financial adviser or exempt financial adviser, any remuneration in relation to —

(a) the provision of any financial advisory service in connection with any life policy; or

15 (b) the sale of any life policy following the provision of any financial advisory service,

except in accordance with regulations made under section 64 or a written notice issued by the Authority.

20 (2) The regulations or written notice referred to in subsection (1) may prescribe or specify the following:

(a) the type and amount of the remuneration which may be payable in any particular period;

(b) how the payment is to be made.

25 (3) Subsection (1) applies only to payment of remuneration which accrues —

(a) on or after the date of commencement of section 2 of the Insurance (Amendment) Act 2015 (called in this section the commencement date); and

30 (b) under any agreement or arrangement whether made before, on or after the commencement date.

(4) Any licensed insurer required to comply with subsection (1) must do so despite —

- (a) any written law in force on the commencement date or any rule of law to the contrary; or
- (b) any agreement or arrangement entered into before, on or after the commencement date.

(5) Any licensed insurer which complies with subsection (1) is not to be treated as having breached — 5

- (a) any rule of law or written law referred to in subsection (4)(a); or
- (b) any agreement or arrangement referred to in subsection (4)(b) which was entered into before the commencement date, 10

and no such agreement or arrangement is taken to be brought to an end by frustration solely by reason of any act done in compliance with subsection (1), or any regulation or written notice referred to in that subsection. 15

(6) Any licensed insurer which contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$25,000 and, in the case of a continuing offence, to a further fine not exceeding \$2,500 for every day or part of a day during which the offence continues after conviction. 20

(7) In this section —

“remuneration” includes —

- (a) any monetary commission, incentive, benefit or reward;
- (b) any non-monetary incentive, benefit or reward; 25
and
- (c) such other consideration as prescribed under section 64 or specified by the Authority by written notice;

“supervisor”, in relation to a financial adviser, has the same meaning as in section 2(1) of the Financial Advisers Act (Cap. 110).” 30

New sections 33A, 33B and 33C

3. The Insurance Act is amended by inserting, immediately after section 33, the following sections:

“Licensed insurers to provide information for web aggregator

33A.—(1) Without affecting the generality of section 33, the Authority may, by regulations made under section 64 or written notice, require a licensed insurer or class of licensed insurers to provide to the Authority, or such person as may be specified in the regulations or notice (called in this section the specified person), such information as the Authority may require for the purposes of the web aggregator.

(2) For the purposes of subsection (1), the Authority may specify the time at which and the manner in which the information is to be furnished in the regulations or notice.

(3) The Authority or specified person may prepare and publish any information furnished under this section on the web aggregator.

(4) Any licensed insurer which fails to comply with any regulation or written notice referred to in subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 and, in the case of a continuing offence, to a further fine not exceeding \$10,000 for every day or part of a day during which the offence continues after conviction.

(5) Any licensed insurer which, in purported compliance with any regulation or written notice referred to in subsection (1), provides to the Authority or specified person any information which is false or misleading in a material particular shall be guilty of an offence and shall be liable on conviction —

(a) in the case of an individual who committed the offence wilfully, to a fine not exceeding \$125,000 or to imprisonment for a term not exceeding 3 years or to both;