
Insurance Intermediary Seminar

Presentation to Industry
January 2007



Agenda

- Introduction
- A change in approach to regulation
- Law review issues
- Three-year programme of change
- Themed on-sites
- Annual Meetings
- Conclusion

Introduction

Peter Neville
Director General



A change in approach to regulation

Diane Colton
Director of Insurance



On-site Visits

Tracy Bideau
Senior Analyst



On-site Visits

- Key tool for regulation
- Rolling programme
- Risk based approach to visits
- First visit
 - educational and fact finding
 - issues identified

On-site Visits

Initial findings

- The Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002
- Anti-Money Laundering
- Governance
- Internal Controls
- Compliance

On-site Visits

Recent findings

- The Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002
- Anti-Money Laundering
- Governance
- Internal Controls
- Compliance

Law Review Issues

Daniel Le Page
Analyst



Law Review Issues



Law Review Issues

Minimum Criteria for Licensing (Continuous Requirements)

- Change in the minimum capital requirement
- Approved assets
- Enhancements to application documents
- Training and competence requirements
- Record-keeping requirements

Law Review Issues

Regulations, Codes, and Rules

- Clarification of complaints-handling procedures
- Personal training record for AIRs
- Regulatory requirements for business cessation
- Revised advertising notification procedures
- Compliance Officer role and requirements

Law Review Issues

Changes and Additions to the Law

- Enhanced annual return reporting
- Reporting trigger points
- Board level compliance responsibility
- Professional indemnity insurance requirements
- Code of practice for outsourced services

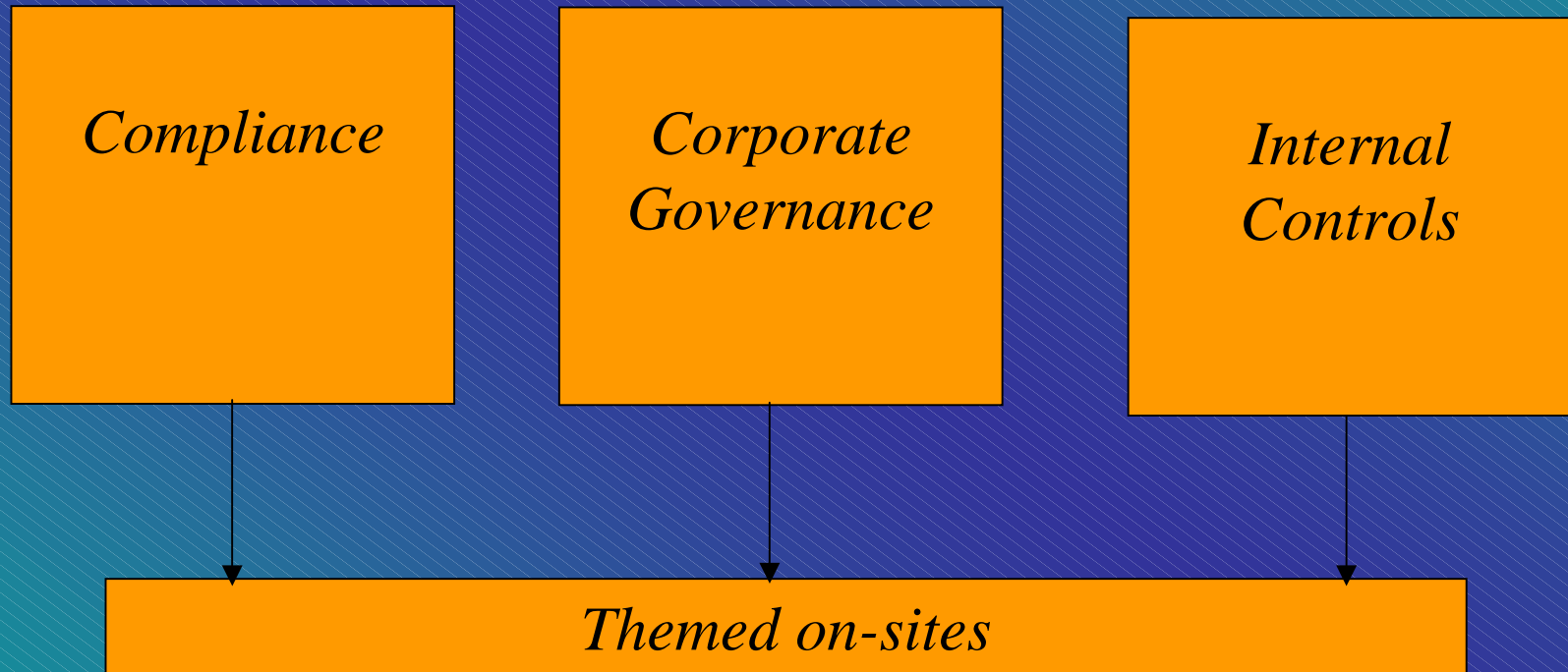
Three Year Programme of Change

Martin Le Pelley
Assistant Director

David Quick
Senior Analyst



Three Year Programme of Change



Compliance

- Procedures
- Law and Regulations
 - Solvency
 - Governance
 - Controls
 - Reporting
- Competency of staff

Compliance

- Board Responsibility
- Delegation to Compliance Officer
- Compliance Officer must be:
 - Experienced
 - Competent
- Flexible approach
 - Non-client facing
 - Client facing
 - Outsourced

Corporate Governance

- Composition and Competence of the Board
- Each Director is Accountable
- Board is responsible for setting, controlling, challenging, monitoring and reviewing : -
 - Objectives
 - Strategy
 - Corporate Values and Ethics
 - Risk Management
 - Delegation of Responsibility and Accountability

Corporate Governance

- Key to achieve success for:
 - Shareholders
 - Clients
 - Staff
 - Suppliers
 - Local Community
 - Insurance Industry

Internal Controls

- Controls manage risks
- Risks include:
 - Claims for mis-selling
 - Insolvency
 - Loss of key staff
 - Fraud and Money Laundering
 - Loss of customers and goodwill

Internal Controls

- Tailored Procedures
- Minimum qualifications and training
- Version control
- Risk analysis / Root Cause Analysis
- Internal reviews and oversight
- New business sign-off
- Compliance checks
- Recording of transactions

Annual Meetings

Valma Bungaroo
Analyst



Annual Meetings

*Out
of sight ...*

*Out
of mind*



*A problem
shared
is a
problem halved!*

Annual Meetings

- Ongoing / new issues
- Post-onsite visit update
- Annual Return
- Current financial position
- Staffing & Operational issues
- Future plans

Conclusion & Questions

