



# Newsletter Newsletter

## The Council

### President

Kelvin Cheung

### Vice President

Andrew Chow

### Hon. Secretary

Joseph Chan

### Hon. Treasurer

William Ng

### Immediate Past President

Michael Haynes

### Directors

Alan Tang

Carol Yuen

Garrick Ho

Irene Wong

Nick Donne

William Fong

### Hon. Legal Advisor

Christine Koo

### Hon. Advisors

Richard Yuen

### Hon. Auditor

PricewaterhouseCoopers

## The Institute

The Insurance Institute of Hong Kong was founded in 1967 and is an independent professional body. It has more than 700 individuals and a growing number of corporate members.

The Institute's principle aim is to promote and advance the professionalism of the insurance industry and a well-recognised local qualification for the industry.

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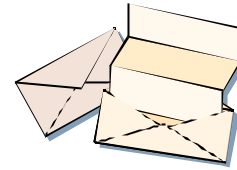
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## PRESIDENT'S LETTER (The President's Report for the 2004 AGM)



Dear fellow members

The Institute has undergone a noticeable increase in activities in 2004. The Council has put through a number of new projects. I would like to summarise these major developments during the past year in this President Report.

### MEMBERSHIP

The total number of individual members went up to 748 as at 17 December 2004. In order to strengthen the network with the industry, the Council proposed to create Corporate membership. The proposal was adopted by the EGM in September 2004. We have nowadays 10 corporate members on the list.

### EDUCATION / EXAMINATIONS

There were two sets of examinations within our Diploma in Insurance Studies conducted in 2004. Altogether 145 students participated, taking 281 subject entries. 14 candidates completed their Diploma exam. in this year.

The Council has agreed to expand the Diploma by introducing one more paper. We shall review this plan with our close associate, the Chartered Insurance Institute, in the light of the partnership plan between the two institutes.

The Institute launched the IIHK Project Awards 2004. This is a new initiative aiming to encourage and promote professional research and studies in insurance and management. We received very strong support from the industry. Several companies offered to sponsor this program.

### CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

Our CPD Legal Series continued throughout the year. There were 11 seminars with over 1,300 participants. In the September event, we moved to a bigger venue as to allow more

members to join this well received training program. We are extremely grateful to our presenters from various legal practices in Hong Kong without their generous support we could not continue.

The Council will review the CPD program along the new CPD requirements. We shall explore the feasibility of running more training courses on underwriting and claims.

### INTERNATIONAL NETWORK

During the past year, the Institute has closely worked with the Chartered Insurance Institute. The Memorandum of Understanding between IIHK and CII was signed in October. We can rely on the strong support of CII to introduce top quality insurance training to local industry. Two Face-to-Face training courses were organised in November, facilitated by an expert lecturer flying from the UK.

The Council has appointed Mr. Mike Haynes as project manager to develop a joint business plan with CII. We proposed to establish an insurance faculty, a partnership between the two institutes, to run insurance training and examination. The Council is now in discussion with CII about the detailed plan and the structure.

We received kind invitation from the Insurance School (Non-Life) of Japan to nominate candidates from Hong Kong to participate three courses in 2004, one Advanced and two General Level. It is a valuable experience for the participants. They can meet insurance professions from different countries around Asia and share their experience.

The Council also expanded the network with institutions in Mainland China. A dedicated team visited the Insurance Institute of Shenzhen and the Guangdong University of



Finance. We will further discuss the running of joint program.

### **SOCIAL & PUBLICATIONS**

The annual dinner, held at the Marriott Hotel in February 2004, was a successful event with 126 attendees. Our guest speaker, The Honourable Stephen Lam Sui Lung, JP, Secretary for Constitutional Affairs, gave a speech on the hot topic of constitutional review. In this event, seven scholarships were awarded to high achiever students in professional insurance exam.

The annual 10-pin bowling tournament was held in November 2004 at the Amoy Plaza Bowling Centre and 14 teams participated. The winning team was Aviva. We were grateful to have Allianz Insurance (Hong Kong) Limited sponsoring the trophies and UCMG sponsoring the prizes for lucky draw.

There were 3 newsletters published in the year. We welcome the provisions of articles on insurance studies, legal development and other industry topic.

### **FINANCE**

The Institute finds itself in good shape financially with sufficient income being generated to cover the expenses of the Secretariat and other activities.

The current deposit interest is at the rock bottom of almost zero. The Council concluded to diversify the Institute's fund keeping by subscribing to government bond in order to get a reasonable return through a secured investment tool.

### **SECRETARIAT**

The IIRK Secretariat has moved to an independent office at Wanchai in September. It is under the supervision of a full time executive, supported by one part-time staff.

The responsibility of this office is to support the increasing activities and more importantly, to facilitate future expansion. At the same time, the Council will also explore the methods of cost effective growth of the Secretariat specifically into the area of providing service for other friendly organizations.

### **THE COUNCIL**

I was fortunate to have a very enthusiastic and supportive Council. All Council members accepted the nominations to be re-elected as Council members for coming year, except Mr. Robert Stead. Bob will retire from the Council after this term. I would like to take this chance to thank for his valuable contribution to the Institute over the last four years.

In addition, we must thank our Honorary Legal advisor, Ms Christine Koo and our Honorary Advisor Mr Richard Yuen for their valuable input. We are also grateful for the continued support of our Honorary Auditors, PriceWaterhouse Coopers.

With warm regards,

Kelvin Cheung  
President (2005)





## THE 2005 COUNCIL

After the Annual General Meeting on 20<sup>th</sup> December 2004, the following members were elected and formed the 2005 Council :

<p><b>President</b> Kelvin Cheung, <i>B.Sc, ACII, MCIM, MBA, FLMI</i></p>	<p><b>Director</b> Nick Donne, <i>FNZIM, ANZIIF (Snr Assoc), CIP</i></p>
<p><b>Vice President</b> (Convener for CPD Seminar / Training) Andrew Chow, <i>MBA, FCII, ANZIIF(Fellow), CPCU, FLMI</i></p>	<p><b>Director</b> Garrick Ho, <i>FLMI, MBA, BA., B.Sc.</i></p>
<p><b>Hon. Secretary</b> Joseph Chan, <i>MBA, MSc, FCII, FLMI</i></p>	<p><b>Director</b> Alan Tang, <i>BA (Hons), FCII</i></p>
<p><b>Hon. Treasurer</b> William Ng, <i>ANZIIF (Snr Assoc)</i></p>	<p><b>Director</b> William Fong, <i>BSSc, ACII</i></p>
<p><b>Immediate Past President</b> (Convener for CII Project) Michael Haynes, <i>ACII</i></p>	<p><b>Hon. Advisor</b> Richard Yuen</p>
<p><b>Director</b> (Convener for Examination) Irene Wong, <i>FCII, MSc.(ITE), MBA, ARe, FLMI, FChFP</i></p>	<p><b>Hon. Legal Advisor</b> Christine Koo, <i>LL.B (Hons), MCI Arb</i></p>
<p><b>Director</b> (Convener for Social &amp; Publications) Carol Yuen, <i>ANZIIF (Snr Assoc)</i></p>	<p><b>Hon. Auditor</b> Pricewaterhouse Coopers</p>
	<p><b>Secretariat</b> Angela Chen</p>



## FAREWELL TO MR ROBERT STEAD

The Institute would like to thank Mr Robert Stead for his contribution to the Examination Committee during his service in the IIHK Council over the last 4 years. His advice, technical knowledge and overall contribution will be greatly missed.

Mr Stead will take up his new position in Singapore from March 2005.



## WELCOME

We are glad to see two new faces in the 2005 Council.

Both Mr William Fong from Zurich Insurance Co. and Mr Alan O Tang from Sun Chong Fung Insurance Agency joined the 2005 Council. We trust that their professionalism and enthusiasm may bring novel ideas in the new year.



## ACKNOWLEDGEMENT

The Institute would like to express its sincere gratitude to our Honorary Legal Advisor, Ms Christine Koo, our Honorary Advisor, Mr Richard Yuen and our Honorary Auditor, the PriceWaterhouseCoopers for their valuable time and professional advice during the past years. Their continued support greatly contributed to the success of the Institute.



## Continuing Professional Development (CPD) under the Insurance Intermediaries Quality Assurance Scheme

As you will know Hong Kong's Insurance Industry was required by the Insurance Authority (IA) to commence CPD programmes under the IIQAS commencing on the 1<sup>st</sup> January 2002.

Having monitored the CPD programme since its inception the IA recently carried out a full review and engaged in thorough consultations with the industry to ensure CPD in the future actually achieved its intention of maintaining and raising professional standards in the local insurance market.

The revised rules of the CPD programme have recently been released and the IIHK is pleased to provide you with a summary of the main points and changes. The full text of the CPD programme is available on the IA's website (<http://www.info.gov.hk/oci/text/inter/content07.htm>) and we recommend you study the full document to ensure your full compliance.

In summary the following points are worthy of note:-

### New CPD Programme

- 10 CPD hours per year per person (no more "core" or "non-core" hours)
- CPD hours earned: one for every hour of participation in qualified CPD activity
- No carry-over at year end
- New rules come into effect from 1<sup>st</sup> January 2005 for insurance brokers and 1<sup>st</sup> August 2005 for insurance agents. Prior to these dates the old CPD rules apply.
- Compliance is assessed annually.

### Qualified CPD Activities

Much wider definition of topics now allowed including:-

- Study for local or overseas university or postgraduate degrees relating to the scope of CPD activities (10 hours CPD per year granted for a maximum of 6 years)
- Study for attaining specific insurance qualifications as specified in the full text of the programme (10 hours CPD per year granted for a maximum of 6 years). **The IIHK's Diploma in Insurance Studies qualifies for 10 hours CPD per year granted upon passing one subject in a year for a maximum of 6 years**
- Structured activities related to local insurance legislation, regulatory aspects of insurance practice in HK, insurance, actuarial science, risk management, financial planning or other disciplines which are directly related to the work of insurance intermediaries.

### Who Accredits Such Programmes?

The HK Council for Academic Accreditation (HKCAA) maintains the ultimate power of accreditation however it is noted that three organizations – namely The Hong Kong Confederation of Insurance Brokers, The Professional Insurance Brokers Association and the Insurance Agents' Registration Board - are allowed to organize qualified CPD activities themselves without seeking accreditation from the HKCAA.



**Other Points to Note**

- A speaker in any qualified CPD activity can earn three CPD hours for every one hour of speaking.
- A person holding an approved qualification from an insurance body that does require its own CPD compliance is considered to have complied with HK's CPD requirements but proof of other CPD compliance will be required.

**IIHK Summary**

The IA's review has made compliance both simpler and more relevant. The scope of activities is far wider and more related to practice rather than legal framework.

The IIHK will continue to offer its CPD seminars and its Diploma in Insurance Studies and fully intends to widen its programme significantly in the near future. It also intends to work in partnership with various organizations to enable its members and insurance practitioners to achieve training and professional development objectives. ◆◆◆

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## ISJ Advanced Course

**15<sup>th</sup> Session of the Advanced Course on  
"Non-Life Insurance and Risk Management"  
May 23 – June 3, 2005**

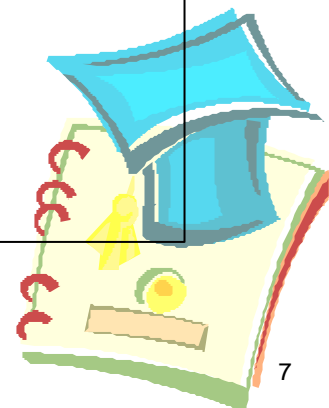
**The Insurance School (Non-Life) of Japan**

We are pleased to invite applicants to attend the above Non-Life Course to be held in Tokyo from May 23 through June 3, 2005. The course is organized by The Insurance School (Non-Life) of Japan on the theme of "Non-Life Insurance and Risk Management".

The course will be held in a workshop style allowing open discussion and exchange of views. Candidates should have a minimum of five years practical experience in the non-life insurance and risk management field. A good command of English is essential for active participation in the course.

Application deadline : 15 February 2005.

Please contact the Secretariat for more details.





IIHK - Legal Series  
Continuing Professional Development (CPD) Seminar

2 CPD hours

**Construction Insurance and  
Contractor's Legal Liabilities**

Thursday, February 24<sup>th</sup>, 2005 • 16:00 – 18:00

Language	English
Venue	Agnes b. Cinema, Upper Basement, HONG KONG ARTS CENTRE No. 2 Harbour Road, Wanchai, Hong Kong.
Registration Date	For IIHK members : immediately For Non-members : on or after February 4 <sup>th</sup> , 2005
Fee	<b>HK\$140</b> per person for IIHK members <b>HK\$170</b> per person for Non-member (New member qualifies for the reduced seminar cost of HK\$140.)
Registration procedure	Download the <u><a href="#">reply slip</a></u> from our web site and return together with your payment to our Secretariat at Room 1705 Beverly House, 93-107 Lockhart Road, Wanchai, Hong Kong.

***Reservation on first come first served basis and will only be confirmed upon receipt of payment. Fax registration is not accepted. A notice will be sent to you upon successful registration.***

- All Seminars are presented by legal practitioners with relevant professional experience. Two credits will be awarded for each seminar attended.
- A Certificate of Attendance will be issued upon completion of the seminar which should be retained as evidence of the two (2) credits earned.
- All reservations must be paid in advance and there will be no refund for any fee paid.
- Please arrive early at the seminar (Registration commences from 3:45 p.m.). **Late arrival of over 10 minutes will not be admitted into the venue**, participants must attend the entire two hours seminar to earn the 2 core credits.

For further information, please call :  
Tel : 2520-0098 Fax : 2295-3939 Email : [enquiry@iihk.org.hk](mailto:enquiry@iihk.org.hk)



## **Face-to-Face Technical Insurance Training**

THE CHARTERED  
INSURANCE INSTITUTE



### **An Introduction to Liability Insurance**

**Tutor: Professor Christopher Parsons**

*BA LLB PhD Cert Ed FCII, Chartered Insurance Practitioner*

**Class 1 : 8<sup>th</sup> and 9<sup>th</sup> March 2005 (sold out)**  
**Class 2 : 10<sup>th</sup> and 11<sup>th</sup> March 2005 (sold out)**

The IIHK is delighted to announce that another Face-to-Face learning course has been arranged in conjunction with the Chartered Insurance Institute (CII) of London.

The new two day course is entitled "An Introduction to Liability Insurance" but it is so much more than an introduction. This course is aimed at practitioners who have a reasonable knowledge of insurance and wish to expand their expertise. The presenter is Professor Chris Parsons who is Professor of Insurance at the Cass Business School in London.

**12 CPD  
hours**

**accredited  
(HKCPD)**

Due to the high demand we have organised 2 classes to be run in March however seats were sold out within a short time. We apologise for being unable to accept more registrations since the size of the class is limited to maintain the interactive learning capability.

At the end of 2004 the IIHK and CII presented two other Face-to-Face learning courses entitled "Alternative Risk Transfer" and "Non-marine Reinsurance" which were extremely well received by attendees.

The nature of these courses is highly professional and seeks to present a definitive content for the participants. A variety of topics will be offered over future months. ◆◆◆



## FORTHCOMING EVENT

### IIHK 2005 ANNUAL DINNER

The IIHK's annual dinner is now in the calendar and we would ask you to reserve the date of 9<sup>th</sup> May 2005 for this important event.

This year our keynote speaker will be Mr Max Taylor, former Chairman of Lloyds of London and now deputy chairman of Aon UK. Mr Taylor is an excellent speaker and has a wealth of experience not only from the London market but also from a global perspective. His insights for the future of the broking industry will be fascinating as will his many stories from a lifetime of insurance.

For the first time the Institute has switched venues for its annual dinner and this year it will be held at the prestigious Hong Kong Banker's Club in the Landmark, Central. This wonderful Club will provide a superb location for the 2005 dinner.

Reservations are invited for whole tables of 12 persons or individual bookings where we will ensure you are seated with like minded guests. Please contact our secretariat for reservations.

**Monday, 9<sup>th</sup> May 2005**

**Hong Kong Bankers Club**  
43<sup>rd</sup> – 44<sup>th</sup> Floor,  
Gloucester Tower,  
The Landmark, Central, Hong Kong.

HK\$630 per head  
or HK\$6,930 for a table of 12

#### Guest Speaker : Mr Max Taylor

Max Taylor is deputy chairman of Aon UK and a member of the worldwide Aon Group Executive Committee. In the UK Max is responsible for managing and developing major client relationships.

Prior to joining Aon in January 2001, Max completed a three-year term as chairman of Lloyd's.

Max has also held a number of prominent industry posts including Chairman of the Lloyd's Insurance Brokers' Committee and President of the Insurance Institute of London. He is a lay member and Vice Chairman of the Council of the University of Surrey and a Director of The Henderson Smaller Companies Investment Trust plc. as well as co-Chairman of the Financial Leaders Group and Chairman of BIPAR and BIBA.