



TOKIO MARINE
INSURANCE GROUP

04/01/2016

**Pre-Appointment Assessment Training
TMwhite4-product overview
(1201-0)**

TMTDA

**Tokio Marine
Life Insurance Malaysia Bhd.**

tokiomarine.com
Life & Health | Property & Casualty

Course Objectives

Through this module, the participant will be able to:



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Equip themselves with the necessary knowledge on products and know the overview of Tokio Marine Life through explanation.



To be compliant with the requirements of Bank Negara Malaysia (BNM)

Topic of Discussion



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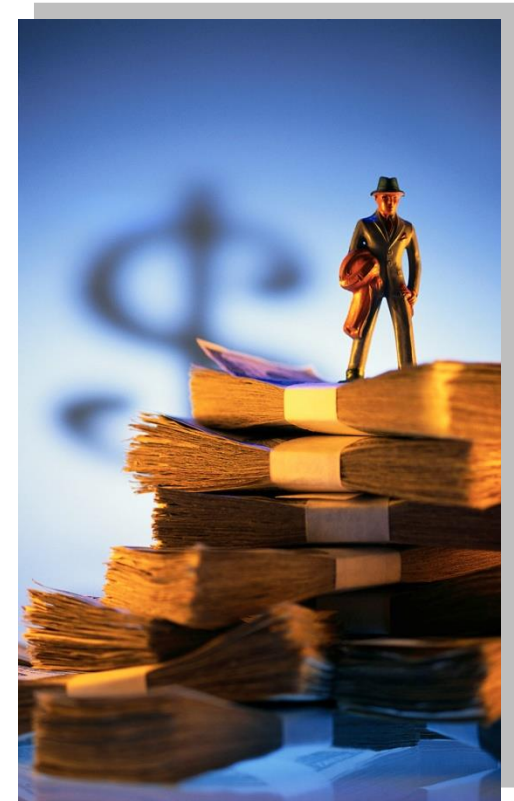
1. Classes of Insurance

2. Introduction to Products

- Basic Plans

3. Introduction to Products

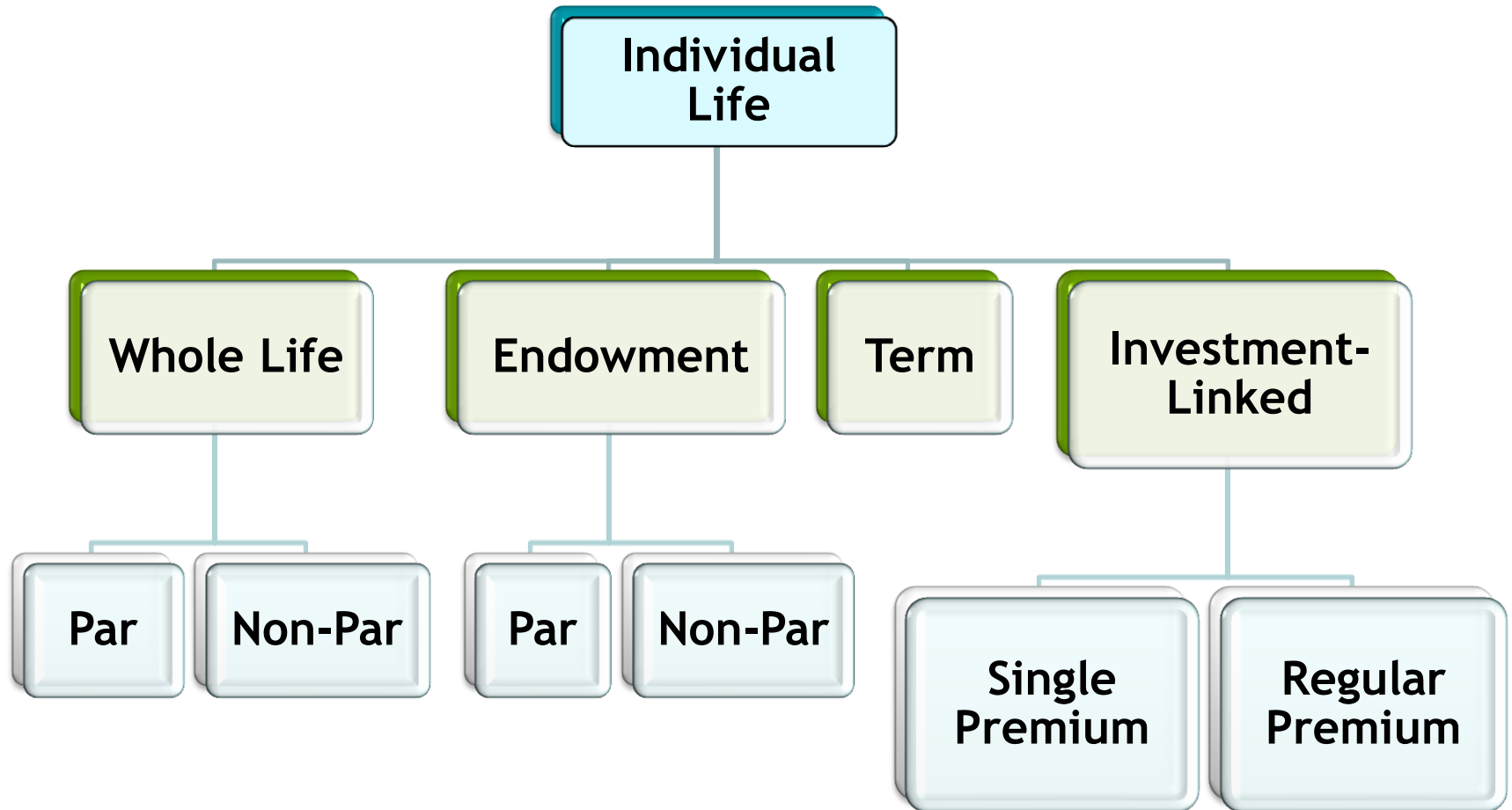
- Supplementary Benefits



Classes of Insurance



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Introduction on Products - Basic Plans



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Whole Life - Traditional

<u>Par</u>	<u>Non-Par</u>
ACM Sure 12	TokioMarine-Legacy
Asia Supreme Protector	
TokioMarine-LifeIncome	

Introduction on Products - Basic Plans



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Endowment - Traditional

Par

Asia Income Master Plus

Asia Premier Endowment Plus

Asiamas Special Plus

TokioMarine-XtraCash

Asia FlexEd Plus

Introduction on Products - Basic Plans



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Term - Traditional

Cancer Shield Plus

Investment-Linked

Single Premium

Regular Premium

Asia Partner i-Wealth

TokioMarine-iLifeSecure

i-Intellectual

Introduction on Products - Supplementary Benefits



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Riders - Traditional

Convertible Term Rider Plus with
TPD and Waiver Benefit

Asia Accident Assurance

Life Care Rider Plus

Hospitalization Benefit

Enhanced Waiver of Premium Rider
Plus

Waiver of Premium on Dread Disease
Rider Plus

Health Care Supreme

- Option 1: Enhanced Room & Board Benefit
- Option 2: Enhanced Overall Annual/Lifetime Limit Benefit

Introduction on Products - Supplementary Benefits



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Riders - Investment Linked

iHealth Income	iLife Waiver Plus
iAdvance CI	iPayor Waiver
iComprehensive CI	iLife Booster
iHealth Advance	iAccelerating CI
<u>Accident Rider</u> <ul style="list-style-type: none"> ▪ AcciShield ▪ AcciIncome ▪ AcciMed 	<u>iHealth+</u> <ul style="list-style-type: none"> ▪ Optional Booster ▪ Co-Payment Waiver
Guaranteed Insurability Option	



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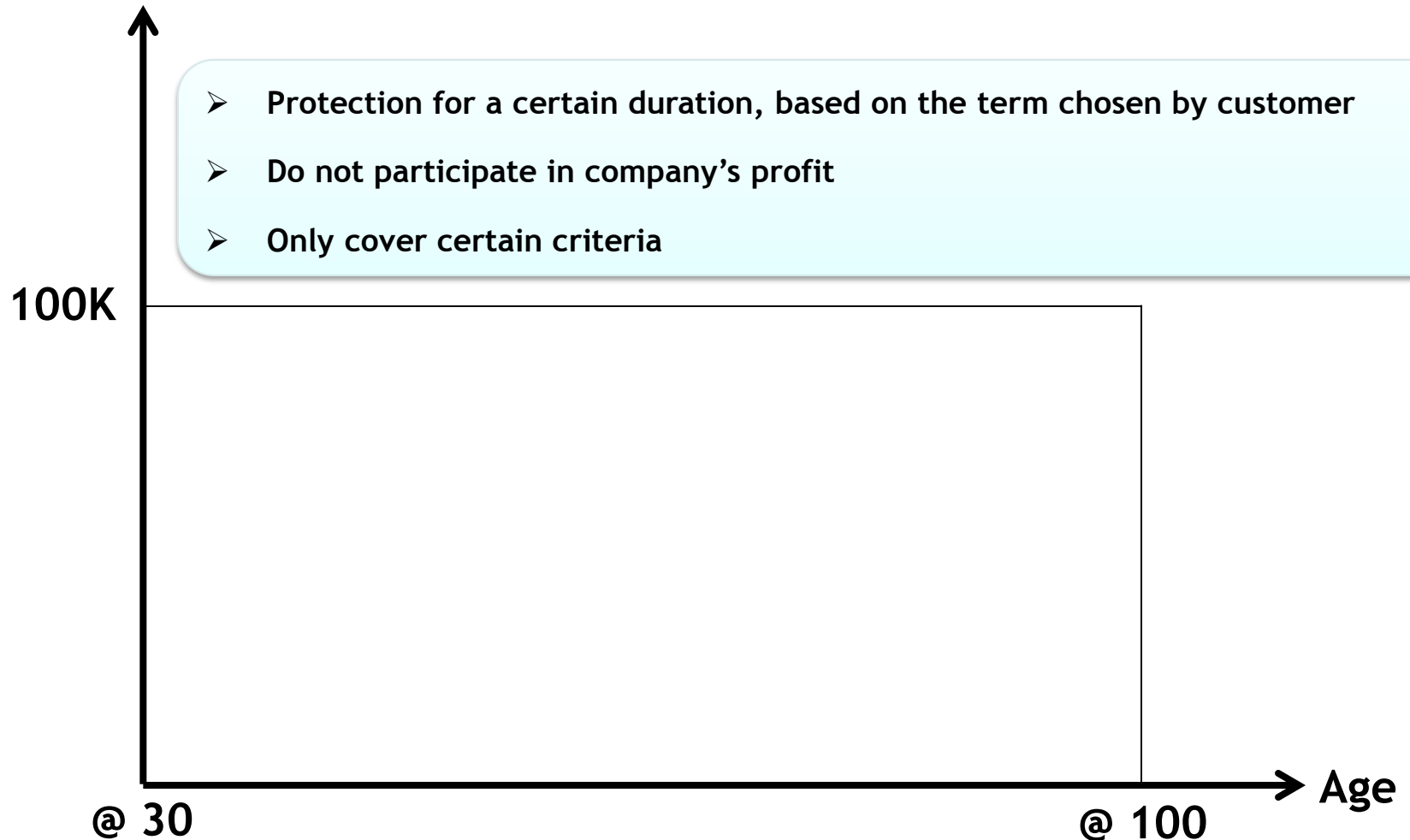
Term Policy

Level Term Policy



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Sum Assured



Term - Renewable



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Cancer Shield Plus

Feel secured with double protection. Be free from financial constraints.



Plan Description



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- A standalone yearly renewable non participating product.
- Premium is payable up to age 75, death or the next Policy Anniversary after diagnosis of First Cancer (whichever is earlier)
- Premium rates are non-level and will vary according to the age band to which the Life Assured belongs to at in each policy year
- Policy is not guaranteed renewable and will depend on claim experience of the portfolio

Plan Description



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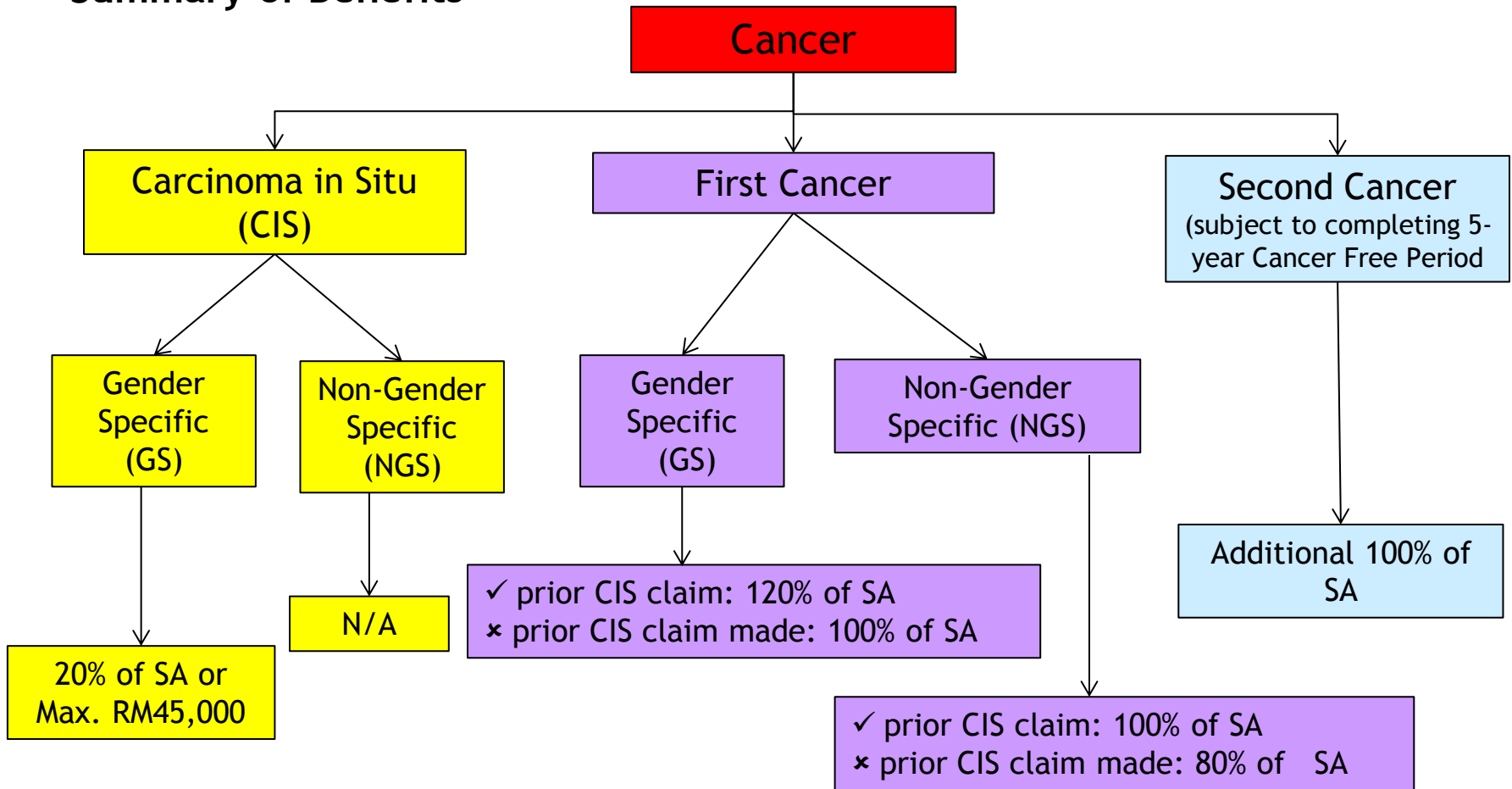
- After diagnosis of the first Cancer, the policy will not terminate immediately
- Additional Coverage will be given whereby a Second Cancer claim can be made
- Life assured entry age: 30 days - age 65 (next birthday)
- Sum assured: RM100,000 (per policy) - RM300,000 (per life)

Key Features & Benefits



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Summary of Benefits



Complementary and Alternative Treatments

- Additional reimbursement of up to 1% of the SA (provided treatments are done within 1 year after ADMISSION of first Cancer claim).



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Whole Life (Non-Par)

Whole Life Non-Par



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Sum Assured

- Protection for whole life, generally cover beyond age 80
- Do not participate in company's profit

100K



<= @ 65



@ 30

@ 100

Age

Basic - Whole Life



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TokioMarine- Legacy

Build financial security for you and your loved ones.
Sustain the security beyond a lifetime.



Plan Description



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- A whole life non-participating policy which covers death and TPD
- Policy matures when life assured reaches age 100(next birthday)
- Premium payable up to age 99(next birthday)
- Life assured entry age : 30 days - age 65 (next birthday)
- Sum assured as low as RM25k





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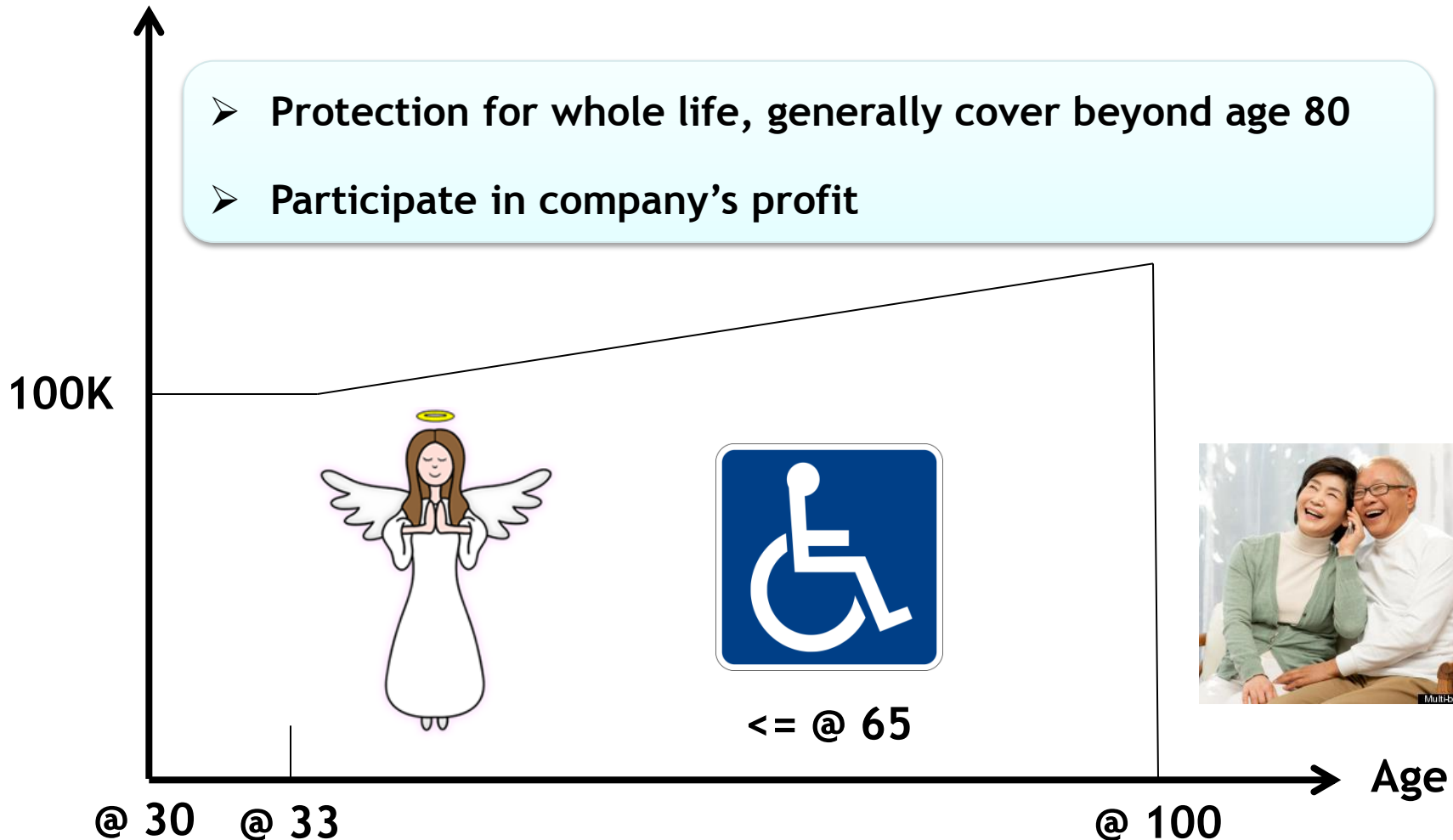
Whole Life (Par)

Whole Life Par



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Sum Assured



Basic - Whole Life



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TokioMarine- LifeIncome

Guaranteed income for life. Protection for future generations.



Plan Description



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- Benefits of TokioMarine-LifeIncome includes, death, Total Permanent Disability, Accidental Total and Permanent Disability and Guaranteed Cash Payments payable from the end of 1st policy year till policy maturity.
- Accidental Total and Permanent Disability benefit offers additional 300% of future unpaid Guaranteed Cash Payment
- Guaranteed Cash Payment payable annually based on structure below;

Guaranteed Cash Payment for All Entry Age	End of Policy Year	
	1 to 6	7 to maturity
% of Total Sum Assured	4.5%	6.5%

Plan Description



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- Policy matures when life assured reached at age 90 (next birthday)
- Level premium rate payable for 6 years
- Eligible Entry Age

Minimum	Maximum
30 days attained age	60 years old next birthday

- Sum Assured

Minimum	Maximum
RM10,000	No limit, but subject to underwriting

Basic - Whole Life



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ACM Sure 12

Comprehensive whole life protection every day. A cash bonus every year.



Plan Description



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- A participating limited premium payment term whole life plan
- Protection against death and TPD
- Deferred Total Permanent Disability
 - Additional cash payment till age 65 upon TPD
- Policy matures when life assured reached at age 80 (next birthday)
- Level premium rate payable for 12 years
- Guaranteed annual cash payments starting from end of 12th policy year
- Non-guaranteed Cash Bonus declared at the end of 3rd policy year

Plan Description



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- Life assured entry age : 30 days - age 55 (next birthday)
- Sum assured as low as RM10k





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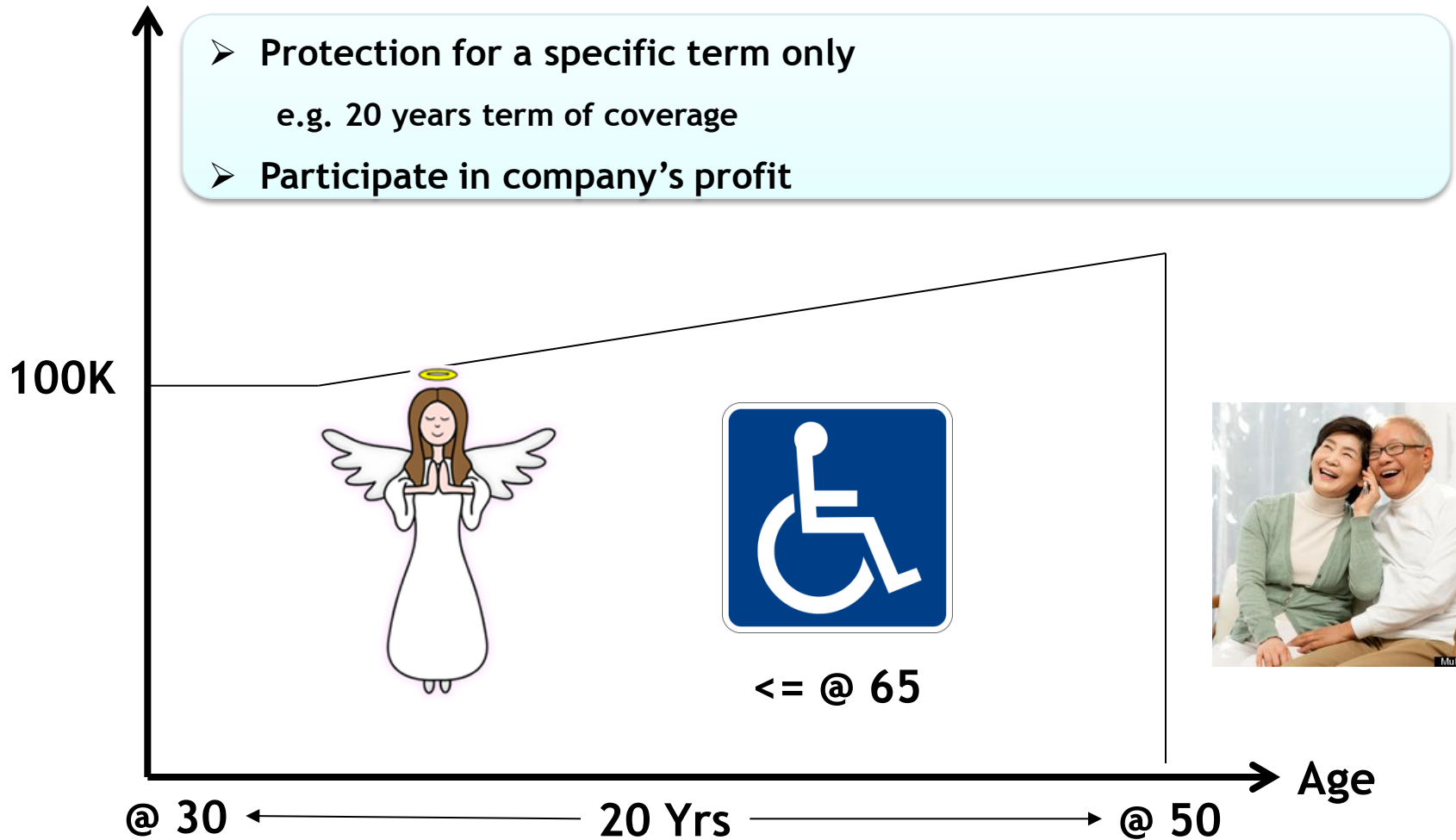
Endowment (Par)

20 Years Endowment Par



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Sum Assured



Multi-bits via G

Basic - Endowment



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TokioMarine- XtraCash

Extra income for the present. Endless assurance for the future.



Plan Description



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- This is a limited premium payment term pay endowment participating plan
- Premiums are payable;

Premium payment term	Coverage term
5 or 10 years	20 years
5, 10 or 15 years	30 years

- Protection against death and TPD
- Flexibility to choose the term of coverage (20 or 30 years)
- Guaranteed Cash Payment of 2% of Basic Sum Assured (BSA) from year 1 to year 5, 3% from year 6 to year 10 and 5% from year 11 and above.

Plan Description



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- Life assured entry age : 30 days - age 60 (next birthday)
- Sum assured as low as RM10k
- **Guaranteed Maturity Benefit of;**

Premium Payment Term	Guaranteed Maturity Benefit
5 or 10 years	130% of In force Sum Assured
15 years	140% of In force Sum Assured

- Non-guaranteed cash bonus will be declared annually starting from the end of the 1st policy year.



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Investment Linked (Regular Premium)

Investment-Linked (Regular Premium)



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Sum Assured

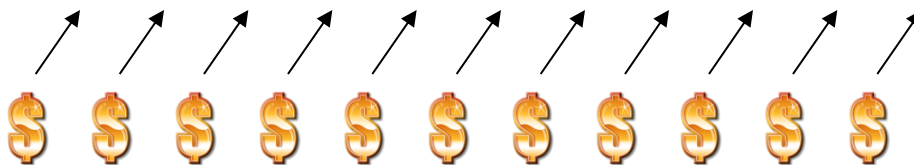
- Premium payment on a regular basis, i.e. monthly, quarterly, half-yearly & yearly
- Flexibility in adjusting sum assured and investment



\leq @ 70



Savings



Basic - Investment-Linked



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TokioMarine- iLifeSecure

Protect what's important today for a secure
tomorrow



Plan Description



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- This is a regular premium Investment-Linked plan
- This plan does not participate in the surplus of the Company
- Protection against Death & TPD
- Regular premiums for basic policy are payable up to age 99
- Offers flexibility in premium and sum assured adjustment and charges are transparent
- Life assured entry age :
 - Pre-birth : Fetus of 12 weeks onwards
 - Post-birth : 1 month - age 70

Plan Description



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➤ Six funds available to suit policyholder's investment objectives:

- **TokioMarine-Enterprise Fund**
- **TokioMarine-Bond Fund**
- **TokioMarine-Managed Fund**
- **TokioMarine-Orient Fund**
- **TokioMarine-Dana Ikhtiar**
- **TokioMarine- Luxury Fund**



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Riders & Supplementary Riders



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Investment-Linked Riders

Medical Benefits - iHealth+



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- This is a yearly guaranteed Medical and Health Insurance(MHI) rider. Premiums rates on renewal are not guaranteed.
- Guaranteed renewable up to the term of the basic policy or age 90 (next birthday), whichever is earlier.



Medical Benefits - iHealth+



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- The product provides 1 optional booster and 1 Co-Payment Waiver
- No Claims Bonus (up to a maximum of 50%) on Room & Board.
- No Annual Limit but Co-insurance and Co-payment will be applicable
- There are six (6) plans available for applicants to choose from:
 - Plan 1, Plan 2, Plan 3, Plan 4, Plan 5, and Plan 6
- Cashless and hassle free admission to hospitals.
- It provides International SOS emergency assistance services and benefits and Expert Medical Opinion.

Medical Benefits - iHealth Advance



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- Medical and Health Insurance (MHI) rider that covers hospital and surgical needs up to age 90 years old, in excess of the deductible amount.
- Product feature:
 - 3 Room & Board Plans
 - Option to reduce deductible to lower deductible at age 61
 - No Lifetime Limit

Dread Disease - iComprehensive CI



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- Unit deducting rider attachable to basic investment-linked plan only
- There are 36 Critical Illness Category under this riders with 2 stages of Critical Illness Condition, namely
 - Early Stage and Advance Stage
- Can claim up to 180%, whereby;
 - Early stage : 50%
 - Advance stage : 100%
 - Health Recovery : 20%
 - Special Benefit : 10%



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Ethics and Compliance

Simplified Version



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Code of Ethics and Conduct

Code of Ethics & Conduct

Things an Agent Should and Should Not Do



✓ Should Do :

- Treat all information confidential
- Make clear comparison
- Render continuous service
- Forward all money to company
- Explain all provisions of contracts
- Disclose commission to prospects and customers

Code of Ethics & Conduct

Things an Agent Should and Should Not Do



X Should NOT DO :

Behaving unprofessionally against policyholders/staffs of TMLM

Misinterpretation of any fact either to TMLM or to policyholders

Falsify documents (signatures, statements, receipts, etc.)

Misappropriate premiums

Accepting proposals via third parties without actually meeting the applicant

Persuade or encourage to cancel or replace existing policies (twisting)

Code of Ethics & Conduct

Consequences of doing such things.....





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Anti-Money Laundering & Counter Financing of Terrorism (7201-0)



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What is Money Laundering ?

Definition:

“Act to camouflage the source of money or assets derived from criminal activity.”
-*United Nations*

Why Money Laundering?

1. The money trail is evidence of their crime and very vulnerable to seizure and has to be protected.
2. By camouflaging the source of the money, the criminals can:
 - 1) “Avoid” from being traced or caught for the crimes committed; and
 - 2) Enjoy these “profits” continuously as long as they can continue with criminal acts to generate source of “income”.

What is Terrorist Financing?

1. The key difference between *Terrorist Groups* and *Traditional Criminal Organizations* is that funds may be from legitimate or illegitimate sources.
2. Legitimate sources makes terrorist financing difficult to detect especially when fund sizes are small.

Money Laundering Process

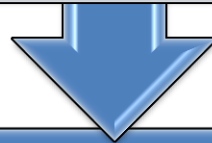


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PLACEMENT



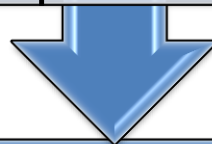
- Entry point of dirty money into the financial system.
- Move funds away from direct association with crime.



LAYERING



- Series of financial transactions to conceal origin of dirty money.
- Disguise to prevent detection.



INTEGRATION



- Entry point of “cleaned” money into the financial system.
- Funds available to criminal again.

Anti-Money Laundering & Anti-Terrorism Financing Act (2001)



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Effective 15 Jan 2002, AMLATF Act (2001)

1. Criminalize money laundering.
2. Provides for record keeping & reporting of suspicious transactions.
3. Provides the function of an intelligence unit that cooperates with domestic & foreign enforcement agencies.
4. Provides for law enforcement agencies to investigate money laundering activities/freeze/seize/forfeit proceeds from money laundering.
5. Use for prosecution of money launderers.

Suspicious Transactions

**New
Business**

**Existing
Customer**

Claims

Disposition

Payment

Know Your Customer (KYC)



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Objective:

1. To accept only legitimate customers
2. To identify customers and understand the potential risks
3. To monitor customer accounts and transactions for illegal activities
4. To implement risk management processes to effectively manage customer risk
5. Customers may try to use your financial institution and your services to launder money.
6. By knowing your customer, you are able to:
 - Recognize unusual transactions conducted by your customers.
7. Types of risk our customers can create:
 - Reputational Risks
 - Operational Risks
 - Legal Risks
 - Concentration Risks



Examples of High Risk Customer

1. High net worth individuals
2. Non-resident customers (if any)
3. Cash based businesses
4. Foreign politically exposed personnel
5. Applicant currently residing or from locations known for their high rates of crime such as drug producing, trafficking, smuggling.
6. Applicant from countries or jurisdictions with inadequate AML/CFT laws and regulations as highlighted by the FATF*
7. Legal arrangement that are complex (e.g. trust, nominee)
8. Business identified by FATF* as of higher money laundering and financing or terrorism attack.

**FATF - Financial Action Task Force*

Product Risk Matrix

The risk exposure to money laundering activities

**Low Risk: Products without Cash Surrender Value or Savings
(Medical & Health; Term Life)**

**High Risk: Products with Surrender Value or Savings
(ILP; Permanent Life; Endowment; Annuities)**

Prevention Measures



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When Faced With Suspicious Transactions...

WHAT to do?

Report the **suspicious customer** or **transaction**

WHEN to report it?

Reasonable grounds to suspect that the transaction involves proceeds of unlawful activity, money laundering offence or terrorism financing offence

WHO to report it to?

Agents are to **report to Branch Officer in Charge** who is the AML Officer at the Branch level

Offences Related to Money Laundering



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Laundering money (RM5mil
max and/or
jail 5 years max)

Not reporting suspicious
transaction
(RM250,000 max)



**Offences under
AMLA 2001**

Not complying with record
retention
(RM1 mil max and/or jail 1
year max)

Not co-operating with
regulators
(RM1mil max and/or
jail 1 year max)

Tipping off money launderers
(RM1mil max and/or jail 1 year
max)



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PDPA 2010



Personal Data Protection Act 2010 (PDPA)



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Applies to :

Any person who processes and who has control over authorizes the processing of any personal data commercial transactions.

What is Personal Data?

- ❖ Must relate to a data subject (i.e. an individual).
- ❖ Who is identifiable from that information.
- ❖ Includes any sensitive personal data and expression of opinion about the data subject.

**Sensitive Personal
Data**

- Physical or mental health or condition;
- Political opinions;
- Religious beliefs or other beliefs;
- The commission or alleged commission by him of any offence; or
- Any other personal data as the Minister may determine by Gazette

Processing of Personal Data

- ❖ Collecting, recording, holding or storing of personal data;
- ❖ Organizing, adapting, alteration;
- ❖ Disclosure by transmission, transfer, dissemination, making available;
- ❖ Alignment, combination, correction, erasure or destruction of personal data

Protection of Personal Data under PDPA

Penalty for non-compliance:

Fine up to RM300,000 OR

imprisonment up to 2 years OR

Both

Principles



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1) General Principles

No processing of personal data permitted unless data subject has given consent for processing

Personal data can only be processed for a lawful purpose directly related to an activity of the data user

2) Notice and Choice Principle

Data user shall by written notice inform a data subject:

1. Personal data is being processed
2. The purposes of processing data
3. Data subject right to request access and correction
4. Class of 3rd parties to whom data user offers the data subject for limiting the processing
5. Obligatory or voluntary to supply personal data
6. The consequences if data subject failed to supply data which is obligatory

3) Disclosure Principle

- No personal data shall be disclosed without consent of the subject.
- Except: Detecting crime or for investigations
- Except: Personal data was to be disclosed at the time of collection

4) Security Principles

A data user shall, when processing personal data, take practical steps to protect the personal data from loss, misuse, etc.

5) Retention Principle

Personal data processed shall **not be kept longer** than is necessary to

Data user to take all reasonable steps to ensure that **all personal data is permanently deleted if no longer required**

6) Data Integrity Principle

Data user to take reasonable steps to ensure that the personal data is accurate, complete, not misleading and kept up-to-date

7) Access Principle

Data subject shall be given access to his personal data
EXCEPT compliance refused the request



Rights of the Data Subject

**Right of Access to
Personal Data**

**Right to
prevent
processing
for purpose
of direct
marketing**



**Right to
Correct
Personal
Data**

**Right to Withdraw
Consent**



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The Do's and Don'ts in Sales Conduct





Proper Sales Conduct

Why there is a need to do proper sales conduct?

- Protection for customers
- Protection for Agents' professionalism
- Protection for company's reputation

Roles and Responsibilities of Agents

1. Abide by the guidelines, rules and requirements of the regulatory authorities, industry and the Company
2. Give due diligence and proper advice during sales process
3. Uphold high standard of honesty and integrity
4. Keep abreast of new developments and standards

**Serious consequence of committing any law breaking breaches will lead to:
**Penalty: Heavy Fine which could be as high as RM10 millions and or
5 years imprisonment or
both***



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The Do's and Don't in Sales Conduct

PRE- SALES Process

Sales Conduct - Do's & Don'ts



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Do's ✓

Ethical and Sound Business Practice

- Follow the process of selling practices of life insurance products as stipulated in:
 - ✓ BNM "Guidelines on Proper Advice Practices for Life Insurance Business"
 - ✓ LIAM's "Code of Ethics & Conduct"
 - ✓ Financial Services Act (FSA) 2013
 - ✓ Personal Data Protection Act (2010)

Don'ts ✗

Ethical and Sound Business Practice

- **DO NOT** conduct fake sales / bogus policies; e.g.
 - ✓ Submit fake policy for contest winning/contract maintenance /promotion purposes/terminate policy;
 - ✓ Present bogus policy to the policyholder;
 - ✓ Submit a proposal without the consent of the policy holder

Competency and Professionalism

- Agents must act with competence and be professional
 - ✓ Disclose to customer of the agent's allowed range of advice, products and number of insurer that the agent represents
 - ✓ Provide product advice only in familiar products
 - ✓ Attend Company's CPD training

Competency and Professionalism

- **DO NOT** pass a case from an unlicensed person to another agent who were not present during the sales presentation and signing of proposal form e.g.
 - ✓ The person that presenting a product to a prospect is NOT an agent of the Company
 - ✓ Selling insurance policy before passing the relevant exam (eg. PCE, CEILLI)



Sales Conduct - Do's & Don'ts

Do's ✓

Marketing Materials

- Using only marketing materials that are authorized by the Company, e.g.
 - ✓ Brochures/Sales Illustrations
 - ✓ Product Disclosure Sheet, etc.
- Conduct the Customer Fact Find diligently by using TML Planner
- Highlight the pre-contractual Duty of Disclosure in the Proposal form to the proposer.
- Go through each and every questions in the proposal form

Don'ts ✗

Marketing Materials

- ✗ use unauthorized marketing materials which are NOT approved by the Company, e.g.
 - ✓ Contain misleading information
 - ✓ Altered version of the Company's Sales Illustrations
- ✗ skip the Customer Fact Find
- ✗ skip the pre-contractual Duty of Disclosure in the Proposal form to the proposer.
- ✗ skip explaining all health questions in the proposal form

Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT)

- Familiarize with AML framework and requirements to combat money laundering activities

Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT)

- ✗ commit any fraud activities



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The Do's and Don't in Sales Conduct

POINT of Sales

Sales Conduct - Do's & Don'ts



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Do's ✓

Accurate and Relevant Disclosure

- Disclose accurate and relevant information
- Provide the Product Disclosure Sheet to the Proposer
- Ensure actual signing by the signatory on the document

Don'ts ✗

Accurate and Relevant Disclosure

- ✗ give misleading information during sales process
- ✗ inform that investment-linked insurance policy has no risk and give guaranteed in returns
- ✗ dishonestly or fraudulently signs or executes a document

Pre-signed Form

- Sales process to be conducted by the agent himself who shall witness the signing on the proposal form by the signatory

Pre-signed Form

- ✗ ask for a pre-signed form and never accept a pre-signed form even if the customer offers it

Premiums Collected

- All premiums collected from policy holders **MUST** be remitted to the Company immediately

Premiums Collected from

- ✗ misappropriate/misuse policyholder's premiums as it is an offence under criminal breach of trust (CBT)



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The Do's and Don't in Sales Conduct

AFTER SALES Service

Sales Conduct - Do's & Don'ts



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Do's ✓

After- Sales Service

- Provide professional after sales service to policyholders
- Maintain professionalism and uphold good faith in handling of claims

Don'ts ✗

After- Sales Service

- ✗ give poor after-sales service

Policy Document Delivery

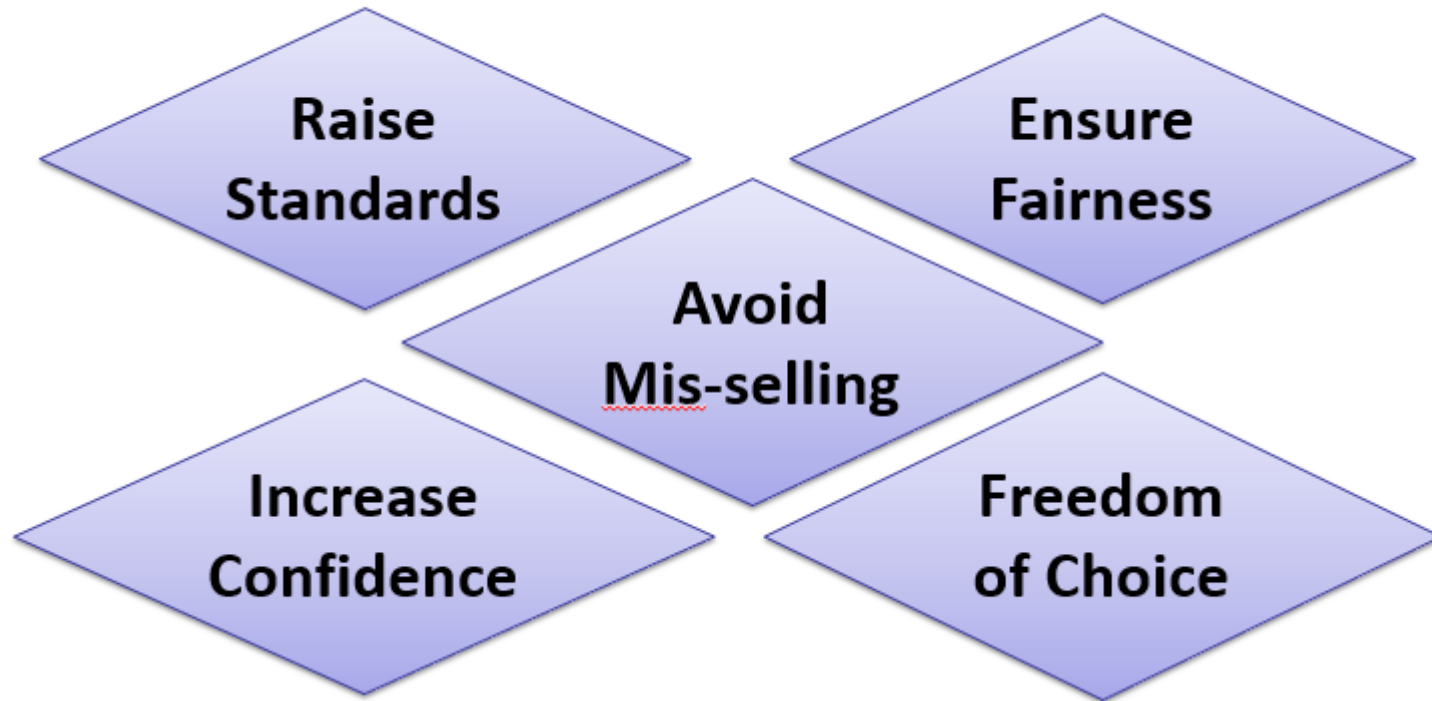
- Prompt delivery of policy document (from the date of issuance) to Policyholder within 14 days upon collection of policy document for better free-look Management and
- Do make sure Policy owner signs on the welcome letter acknowledging receipt of the policy and return the acknowledgement to the Company for records

Policy Document Delivery

- ✗ with hold the delivery of Policy owner's contract for whatever reason.



Treat Customer FAIRLY Framework





Requirements for New Agents

- With effect from 1st January 2011, agents who contracted from 1st January 2011 onwards must attend **30 hours** training within 12 months of appointment, of which **20 hours** must be completed within first 6 months of appointment (Yellow 3). The **additional 10 hours** must be completed within the last 6 months (e-learning).
- Besides that, agents are required to fulfill **20 CPD hours** by the second year of appointment (Yellow 3A).



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Agency Disciplinary Actions Matrix

Agency Disciplinary Actions Matrix



Scale for reference:

Severity Assessment	1st time detection of not law breaking breach.	2nd time detection within 12 months of first detection of not law breaking breach.	3rd time detection within 12 months of first detection of not law breaking breach.	Upon proof of committing law breaking breaches.
Rating:	1	2	3	4

Severity	Disciplinary Actions
1	First Warning Letter & re-training
2	Reminder & re-training
3	Final Warning Letter & immediate termination on next detection of breach within 12 months of first detection of not law breaking breach
4	Termination with or without LIAM Referred Listing

Agency Disciplinary Actions Matrix

Law Breaking Breaches		
No.	Categories of Breaches	Severity Assessment
1.	Misappropriation of premiums (Penal Code)	4
2.	Misrepresentation of product information or features (FSA 2013)	4
3.	Use of unauthorized sales materials (FSA 2013)	4
4.	Forgery of signature (Penal Code)	4
5.	Unauthorised processing of customer data or breaching any of the 7 Principles of PDPA 2010	4
6.	Unauthorized selling (FSA 2013)	4
7.	Any breach not mentioned above	4

Agency Disciplinary Actions Matrix



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Non- Law Breaking Breaches		
No.	Categories of Breaches	Severity Assessment
1.	Non-delivery of policy contract	1 or 2 or 3
2.	Delay in delivery of policy contract	1 or 2 or 3
3.	Delay in paying premiums collected to Company	1 or 2 or 3
4.	Mis-conducts of agent other than those specified	1 or 2 or 3

Service related Breaches		
No.	Categories of Breaches	Severity Assessment
1.	Poor Service of Intermediary	1 or 2 or 3

'The Disciplinary Actions recommended above shall serve as a guide only. The Company may impose a less or more stringent disciplinary action commensurate with the breach.'

Circulars Issued Related to Agents' Conduct



Agency Circular

To : All Members of the Agency Force
Circular No.: AGT/40/2015
Date : 8 May 2015

Agency Disciplinary Actions Matrix

There is an increase in the number of disciplinary breaches by agency members in recent months and to curb and manage this unhealthy growing trend, the Company has decided to introduce an Agency Disciplinary Actions Matrix (ADAM) effective immediately.

The ADAM will serve as a guide and lists action or actions that can be taken in accordance with the nature and severity of the disciplinary breaches.

Table 1:

Disciplinary breaches are assessed by ratings from 1 to 4, with 1 being least severe and 4 most serious.

Scale for reference:				
Severity Assessment	1st time detection of not law breaking breach	2nd time detection <i>within 12 months of first detection</i> of not law breaking breach	3rd time detection <i>within 12 months of first detection</i> of not law breaking breach	Upon proof of committing law breaking breaches
Rating:	1	2	3	4

Table 2:

Disciplinary actions will be taken in accordance with the severity of the breaches

Severity	Disciplinary Actions
1	First Warning Letter and re-training
2	Reminder and re-training

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Circulars Issued Related to Agents' Conduct

Attention To : ALL MEMBERS OF THE AGENCY FORCE
Circular No. : AGT/37/2014
Date : 12 JUNE 2014
Subject : **Insurance Selling By Fraudulent Acts**

We would like to draw to your attention that pursuant to S150 (4) of the Insurance Act 1996 an insurance agent commits an offence if he were to commit any of the following acts, in order to induce a person to enter into or offer to enter into a contract of insurance through him:

- a) make a statement which is misleading, false or deceptive, whether fraudulently or otherwise;
- b) shall fraudulently conceal a material fact; or
- c) use sales brochure or sales illustration not authorized by the licensed insurer.

Upon conviction, the insurance agent shall be liable to *a penalty of RM1 million*.

Despite the repeal of Insurance Act 1996, the above law remains in force until the coming into operation of Schedule 9 of Financial Services Act 2013 on 1/1/2015.

Paragraph 11 of Schedule 9 of Financial Services Act 2013 maintains the offences prescribed above and has revised the penalty to *imprisonment for a term not exceeding five (5) years or to a fine not exceeding ten (10) million ringgit or to both*.

Forgery is a criminal offence under the Penal Code and is punishable with imprisonment for a term which may extend to two (2) years, or with fine, or with both.

Hence, you are **REMINDED** to conduct your business professionally and adhere to the Code of Ethics and legal requirements at **ALL** times.

On a final note, we would reiterate that should the Company find any agent committing any of the above offences the Company will not hesitate to take immediate action to report the matter to the regulatory authorities and forthwith terminate the agency agreements. In a recent case, such actions had been taken accordingly.



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Circulars Issued Related to Agents' Conduct

Attention To : ALL MEMBERS OF THE AGENCY FORCE

Circular No. : AGT/28/2013

Date : 19 August 2013

Subject : MISAPPROPRIATION OF PREMIUM

As you are aware, misappropriation of premium is a serious crime. The Company does not tolerate such misconduct and would not hesitate to take disciplinary actions against any agent found guilty of such acts.

All premiums collected by the agents from policyholders must be remitted to the Company not later than the next available working day.

The Company wishes to remind all agents that any agents found to withhold any premiums received from policyholders or have utilized such premiums for any other purposes whatsoever shall be deemed to have breached Company regulations and will be subjected to disciplinary action which may include the termination of the agency contract as well as being reported to the police for committing criminal breach of trust (CBT).

Please be guided accordingly.

Best regards,

A handwritten signature in black ink, appearing to read 'Liew Kim Wah'.

LIEW KIM WAH
Chief Agency Officer



Circulars Issued Related to Agents' Conduct

Attention To : ALL MEMBERS OF THE AGENCY FORCE
Circular No. : AGT/31/2013
Date : 05 September 2013
Subject : Financial Services Act

This is to inform you that the **Financial Services Act 2013 (FSA)** came into force on **June 30th 2013**, with the exception of Schedule 9 (Pre-contractual disclosure and representations, and remedies for misrepresentation) which will come into operations in June 2014 (next year).

Please note that except for Sections 147, 150, 151, for Life Insurance and 144 for General, **FSA 2013 supersedes the Insurance Act 1996 on the same date.**

As at the time of writing the industry is still seeking clarifications from Bank Negara Malaysia on the applications and meaning of some of the Sections and the Schedules under the FSA 2013. However to ensure that you are aware of the changes, we are appending below some of the changes to Schedule 10 (Payment of Policy Moneys Under Life Policy & Personal Accident Policy. Other matters regarding the FSA 2013 will be progressively informed to you once they are clarified.

Please note that under the Insurance Act 1996, a policy owner may appoint any person competent to contract including himself, to be the trustee of the policy moneys. **Under the FSA, and with effect June 30, 2013, the policy owner can no longer appoint himself as trustee under a trust policy.**

For cases prior to FSA coming into force, where the policy owner has already appointed himself as the trustee under the trust policy, the policy owner may continue as such trustee as subparagraph 13 (1) of the FSA is not to operate retrospectively in relation to the appointment of a trustee.

Thus, any proposal received, or policy issued on or after June 30, 2013; the Company will ask the proposed policy owner to nominate a trustee other than himself. Upon submission of any Proposal Form, the proposal will be screened and if the proposed policy owner applying for a policy under his own life names himself as a trustee, we will return the proposal or request for a change to the appointment of trustee. Where the policy owner has already appointed himself as trustee after 30 June 2013, the Company will be communicating to the policy owner to change the appointment of trustees.

Circulars Issued Related to Agents' Conduct



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Attention To : **ALL MEMBERS OF THE AGENCY FORCE**
Circular No. : **AGT/10/2013**
Date : **22 February 2013**
Subject : **INTRODUCING THE AGENCY COMPLIANCE MANUAL**

There are significant changes in our industry in these recent years as the authorities have introduced more guidelines to safeguard consumers' interests and to promote higher industry standards for the sale and marketing of life insurance products. With the introduction of Treat Customer Fairly (TCF) framework in year 2011 and the recent revision on Guidelines on Proper Advice Practices by Bank Negara Malaysia, it has clearly defined the obligations of a life insurance agent in providing proper advice and ethical selling of life insurance products to customers.

To respond to these developments, we are introducing the Agency Compliance Manual which incorporates the compliance responsibilities of an insurance agent of Tokio Marine Life Insurance Malaysia Bhd.

Through this manual, agents will be able to understand amongst others the Minimum Qualitative Criteria, Sales and Market Conduct, Training Requirement and their responsibilities in conducting sales of insurance products, which in turn will raise the professional standards. With this, we aimed to minimize the instances of mis-selling, fraud, and misconduct in our agency force.

This Agency Compliance Manual has been uploaded to the [Agency Portal](#) under the [Knowledge Library](#) tab for your easy reference. All agency members are to read through the Manual and endorse by signing on the "Declaration Of Observance" form (last page of the Manual) and returning it to our branches.

We expect all our agents to be fully adhered and well-versed with this manual.

New Agents

With immediate effect, all new applicants will be required to sign the "Declaration Of Observance" form of the Agency Compliance Manual and submit together with the Application As Life Insurance Agent Form.

Existing Agents

All existing agency members who have been contracted before today will also be required to read through the Agency Compliance Manual and return the duly signed "Declaration Of Observance" form to your respective branch latest by **31 March 2013**.

Let us all commit to enhance and uphold the professionalism of our Agency Force.

Thank you.

Best regards,

A handwritten signature in black ink, appearing to read 'Liew Kim Wah'.

LIEW KIM WAH
Head of National Sales
Agency Channel



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Post Training Assessment



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This presentation is prepared by Tokio Marine Life Insurance Malaysia Bhd for the purpose of pre-appointment assessment of its prospective agents only. Unauthorized circulation of this presentation slides to third parties is strictly prohibited. This presentation is for general information and therefore illustration purposes only and the information contained in this presentation is neither comprehensive nor exhaustive. Please also read and understand the contents of the Product Disclosure Sheet, Sales Material and all relevant documents pertaining to a product for better understanding of the product.

Pre-Contract TMwhite4-product overview, 1st Edition, 31st March 2016

Tokio Marine Training & Development Academy,

Tokio Marine Life Insurance Malaysia Bhd(457556-X)



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Thank you