

# Compliance Manual

for Registered Intermediaries (Agency/Brokerage)



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# 1. Introduction

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This “*Compliance Manual For Registered Intermediaries (Agency/Brokerage)*” (“Manual”) applies to all Registered Intermediaries of Zurich with the provision of rules and guidance for the purpose to ensure the latter’s integrity, competence and acting in the best interest of the customers when Registered Intermediaries carry out any Regulated Activity in relation to Zurich’s insurance business.

The relevant laws and regulations referred to in this Manual are not exhaustive. Registered Intermediaries are required to comply with all applicable laws & regulations, as well as Zurich’s Group Policies and procedures, whether or not explicitly mentioned in this Manual.

The Manual is for internal use only. You are prohibited from sharing in full or in part with any third party without prior written authorization from Zurich.

This Manual is for informational purposes only and may not reflect the latest legal developments. The materials in this Manual are not intended, and should not be taken, as legal advice on any particular set of facts or circumstances.

*(You are advised to read the “Definitions and Interpretations” in [Appendix 7.1](#) for understanding the meaning of all Capitalized terms used in this Manual.)*

## 1.1 Your responsibility (as a Registered Intermediary) towards Zurich

As our Registered Intermediary, you always have to

- act honestly and fairly and in the best interest of our customers;
- exercise a level of care, skill and diligence;
- advise only on the matter you are competent to advise;
- ensure the Regulated Activity you conduct is appropriate to the particular circumstances of our customers;
- sufficiently advise our customers for the purpose of making any Material Decision;
- avoid conflict of interest with our customers and disclose (if any) without delay;
- promptly and properly account for the assets of our customers;
- comply with all terms and conditions in our written agreements, this Manual, relevant operational guideline or procedure & Group Policies, and applicable law and regulations, guidelines, codes of conducts or standards issued by relevant regulatory bodies, including but not limited to:
  - (a) Record keeping;
  - (b) Data protection and privacy;
  - (c) Business conduct and reporting;
  - (d) Financial crime requirements.
- fulfil Zurich training requirements from time to time.

Zurich reserves the rights to impose any disciplinary action(s) and/or indemnification request as stipulated under respective Terms of Business for any breach or violation of the above.

## 1.2 Zurich's vicarious liability

Upon our commitment to the society and stakeholders, Zurich would support you for maintaining your professionalism and sales conducts in compliance with all applicable laws and regulations.

We would perform regular monitoring and oversight on the Registered Intermediaries as part of the assurance functions, and provide relevant products and sales advisory training and assistance from time to time.

Zurich's Compliance Team would periodically review and update the Manual. Any subsequent version of this Manual issued and communicated to the Registered Intermediaries will supersede all preceding versions.

## 1.3 Zurich Code of Conducts

Zurich aims to achieve the highest ethical, legal and professional standards. Our Registered Intermediaries must strictly align all business practices with Zurich Code of Conducts.

Zurich is an equal opportunities company and supports the objectives of the Equal Opportunities Commission. We endeavour to ensure our working environment is free from discrimination of any kind against any person on grounds of gender, age, marital status, religion, race, nationality or disability. Our Registered Intermediaries must ensure to adopt the same approach when conducting business, in particular, in relation to Zurich.

## 1.4 Zurich assistance

You are encouraged to reflect your query or for further information about this Manual to us.

## 1.5 Reporting of improper conduct and concerns

The Registered Intermediaries are welcomed to speak up and report conducts that you, in good faith, believe to be in violation of laws, regulations, Zurich's policies, guidance or manuals.

All calls and reports will be kept confidential to the extent consistent with the need to conduct an adequate investigation or as required to be disclosed by law, regulation or other internal or external reporting obligation. Zurich does not tolerate retaliation against anyone who reports concerns in good faith.

Examples of illegal or improper conduct include:

- fraud, bribery, theft or other crime
- financial irregularities
- falsification of company business or financial records
- misuse of Zurich resources
- impermissible gifts
- improper destruction of documents
- questionable or unethical business practices

All Registered Intermediaries can report your concerns to the **Zurich** without seeking any approval from our business line.

## 2. Registration requirements

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### 2.1 Licensing and registration

#### 2.1.1 Licensing

All Registered Intermediaries must be appropriately licensed and registered with the Insurance Authority for the relevant line of business to be engaged in.

As a Registered Intermediary, you must: -

- conduct solicitation of Zurich Hong Kong's products within Hong Kong ONLY;
- fulfil the minimum requirement/qualifications as a licensed intermediary;
- register your license properly with the Insurance Authority for all registered line(s) of business under your written agreement with Zurich;
- notify Zurich in writing of any changes of information in Zurich's record about your appointment or statutory registration as soon as practicable;
- (for appointed agent) declare to Zurich if you will act as a Director, Responsible Officer or Shareholder in any other corporate licensed entity (Agency/Broker Firm);
- inform Zurich of any event that could reasonably be material to the assessment of your fitness and properness to act as a Registered Intermediary, such as:
  - your involvement in any litigations or criminal prosecution (also refer to [Section 5.5](#));
  - any conviction of criminal offences;
  - declaration of bankruptcy or insolvency;
  - being investigated or found guilty of misconduct by the Insurance Authority;
  - being investigated, disqualified, disciplined, censured or publicly criticized by any professional body or regulators.
- registered corporate agencies/brokers have to ensure your Responsible Officers and Technical Representatives fulfil the appropriate individual licensing requirements and professional standard as required by the Insurance Authority.

#### 2.1.2 Registration

You must not hold yourself as a Registered Intermediary of Zurich unless you have already been properly authorized by Zurich in writing.

- The authorization of a Zurich Intermediary is subject to a signed written agreement with Zurich.
- Zurich reserves the right, upon reasonable request, to audit your accounts and records related to the business with Zurich at any time during the period of your authorization with Zurich.
  - The information includes, but not be limited to, detailed record relating to your business with Zurich (e.g. accounts) and information on your financial position and legal status.
  - You have to make all reasonable efforts to provide all information within a reasonable period of time requested by Zurich.

##### 2.1.2.1 Online portal(s) for our Registered Intermediaries (if applicable)

Access rights of our online portal(s) might be granted to our Registered Intermediaries for the purpose of facilitating the sales process or your communications with Zurich. When using the said online portal(s), each Registered Intermediary is reminded to: -

- strictly comply with
  - "Zurich Portal Applications User Manual" and/or other relevant manual as provided from time to time; and

- Relevant applicable local ordinance(s), regulations, guidelines, codes of conduct or standards on the usage of computer/online platform<sup>1</sup>.
- take reasonable steps to
  - ensure its security and confidentiality; and
  - prevent unauthorized access.

## 2.2 Cancellation and termination

### 2.2.1 Cancellation

A Registered Intermediary shall notify Zurich after ceasing to be a licensed intermediary; or within the timeframe as stipulated under relevant written agreement, whichever is later. And your registration with Zurich is terminated.

Upon the termination of your registration with Zurich, you must NOT use or keep any Customer data collected in relation to the business of Zurich. At the request and sole discretion of Zurich, you have to destroy or return to Zurich all documents, materials, forms, information that concern your regulated activities with Zurich.

### 2.2.2 Termination

Zurich reserves the right to terminate the appointment of a Registered Intermediary or take such action as appropriate if you are in breach of any legal/regulatory requirement or terms and conditions in our written agreement, this Manual, or our relevant operational guideline or procedure & Group Policy, such as (but not limiting to):-

- de-registration as a licensed intermediary by the Insurance Authority;
- violation of any statutory licensing requirements as defined by the Insurance Authority;
- any breach of the agreement between you and Zurich;
- any involvement or conviction of criminal offences;
- declaration of bankruptcy or insolvency;
- being investigated or found guilty of misconduct by the Insurance Authority; or
- being investigated, disqualified, disciplined, censured or publicly criticized by any professional body or regulators.

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<sup>1</sup> E.g. Section 161 – “Access to computer with criminal or dishonest intent” of the Crimes Ordinance (Chapter 200, the Laws of Hong Kong).

### 3. Sales quality

The Registered Intermediaries should go through the Sales Quality set out herein below for ensuring the quality of sales. (Fact Find, Needs Analysis, Advice & Recommendations, Illustration & Product Literature, and Completed Application)

#### 3.1 Fact finding

The Registered Intermediaries must complete a fact find to obtain sufficient information from the customers, to establish the customer’s financial situation, needs and objectives for short, medium and/or long term goals.



##### 3.1.1 Initial contact/identify yourself

At the initial point of contact with a customer, the Registered Intermediary must:

- identify yourself by disclosing your name and the registration number of your insurance license, e.g. on your business card; on your name plate in counter for any engagement in Restricted Scope of Travel Business providing face-to-face insurance service; ✓ ✓
- inform the customers of your relationship with Zurich clearly; ✓ ✓
- use Zurich’s stationery when you are representing Zurich; ✓ ✓
- advise customers the nature/types of service and the choice of products that you can offer; ✓ ✓
- **Important** - never use any title which suggests that you carry on a business or a line of insurance activity for which you are not registered, or perform any Regulated Activity for which you are not properly licensed.

##### 3.1.2 Due diligence

The Registered Intermediaries are obligated to comply with the legal and regulatory requirements in this section to perform customer or transactional due diligence on behalf of Zurich, and provide relevant due diligence information or document to Zurich upon receipt or upon Zurich’s request. ✓ ✓

##### 3.1.2.1 Anti-Money Laundering and Counter Terrorist Financing (AML/CTF).

To comply with our Group Policies and local regulations on Anti-Money Laundering and Counter Terrorist Financing (AML/CTF), You must:

- for any Regulated Activity involving our life product, identify the customers through “Know Your Customer” (KYC) by collecting the list of required documents and information after verifying the copies against the originals; ✓
- promptly report to Zurich if you query/know that: ✓ ✓
  - customer’s source of funds or originals of wealth are suspicious.
  - any of your customers might be a Politically Exposed Person (PEP)<sup>2</sup>.
  - nationalities/business of your customers are in high risk countries<sup>3</sup>.
  - certain customer transactions, e.g. premium/claim payments, may appear unusual.
- do not disclose to any person that a suspicious transaction report has been made. “Tipping-off”<sup>4</sup> is a criminal offence. ✓ ✓

<sup>2</sup> Refers to [Appendix 7.4.1](#) for the meaning of PEP.

<sup>3</sup> Refers to [Appendix 7.4.2](#) for the detail of high risk countries.

<sup>4</sup> “Tipping-off” is where a person knowing or suspecting that a disclosure has been made to the regulator, then disclose to any other person any matter that is likely to prejudice an investigation.



### 3.1.2.2 Trade and economic sanctions (TES)

Zurich conducts sanctions screening in accordance with international trade and economic sanctions (TES) requirements. The Registered Intermediaries should properly carry out the appropriate due diligence to enable Zurich to conduct the relevant sanctions screenings. You should:

- be aware of laws and regulations that prohibit or restrict doing business with certain countries, entities or individuals.
- seek advice from Zurich Business Development Team directly if you have any doubt/query on these regulations.

Zurich scantion list (as at 1 Apr 2020)

Against any of the following Countries with Comprehensive Sanctions:  Iran, Syria, North-Korea (DPRK), Cuba, Crimea and Sevastopol (district)	Against any of the following Goods and services:  Arms / Weapons, Military operation & services, Nuclear material, Diamonds, Oil, Dual use goods (especially if related to a country with Targeted Sanctions)	Against sanctions lists, issued by United Nations, UK, US, EU, CH, HK and Country of insured risk
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Zurich conducts sanctions screening in accordance with international trade and economic sanctions requirements. The Registered Intermediaries should properly carry out the appropriate due diligence to enable Zurich to conduct the relevant sanctions screenings.

Apart from fulfilling the requirement of AML/CFT and TES, there are other purposes of KYC listed below:

### 3.1.2.3 Automatic Exchange of Information (AEOI)

AEOI is a global standard to reduce the possibility for tax evasion.

#### Foreign Account Tax and Compliance Act (FATCA)

FATCA is an anti-tax evasion regime enacted by the U.S. to detect U.S. taxpayers who use accounts with non-U.S. financial institutions to conceal income and assets from the U.S. tax authority. To comply with FATCA, the Registered Intermediaries should: -

- Verify the identity of potential policy holder and fully disclose all relevant information to Zurich.
- Do not engage in any activity or put in place formal or informal policies and procedures that will direct, encourage, or assist policy holders with respect to strategies for avoiding identification of customer's accounts as U.S. accounts, including:
  - suggesting policy holders to split up accounts to avoid classification as a high-value account;
  - suggesting policy holders of U.S. accounts to close, transfer, or withdraw from customer's accounts to avoid reporting;
  - intentional failures to disclose a known U.S. account;
  - suggesting policy holders to remove U.S. indicia from customer's account information; or
  - facilitating the manipulation of account balances or values to avoid thresholds set by FATCA.

#### Common Reporting Standard (CRS)

CRS is an international standard to exchange tax information with other jurisdictions. Hong Kong has pledged its support on this new standard and has put in place domestic legislation to implement it. To comply with CRS requirements, the Registered Intermediaries are expected to identify and verify the tax residence of the policy holders and fully disclose all relevant information to Zurich.





### 3.1.3 Protection of customers' personal data (Customer data)

All the practice and guidance in this section is applicable when the Registered Intermediaries handle the Customer data in the course of conducting Regulated Activities on behalf of Zurich.

You should treat all Customer data as "Confidential" by: -

- Ensuring all "Confidential" record is properly protected and managed. ✓
- Strictly complying with the provisions of the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) [the SIX Data Protection Principles (DPP)], and Zurich Data Protection and Privacy Policy and all applicable guidance, etc. Practical guidance below could help you to comply with the SIX DPPs easily. ✓

#### DPP1 – Data Collection Principle



In the course of performing the Regulated Activities for Zurich, Registered Intermediaries will collect Customer data on behalf of Zurich.

You are reminded to follow the practical guidance below to ensure that the Customer data are collected in a lawful and fair way; data collected should be necessary but not excessive.

- Stick to "Need to Know" principle. ✓
- Present Zurich's "Personal Information Collection Statement"(PICS)<sup>5</sup> to the customers, AND ✓
- Inform customer of: ✓
  - purpose of collection and classes of persons to whom the data will be transferred,
  - whether it is obligatory or voluntary for the customer to supply the data,
  - consequences of failing to supply and the right of access to the data,
  - rights and procedures in processing the collected data,
  - use and duration of data retention.
- Provide Zurich's customer care centre hotline to customers for data access and correction requests (if any); ✓
- Obtain written consent from customer by signing Zurich's PICS; and ✓
- Never disguise as a customer to obtain Customer data from relevant sources. ✓
- Never use personal data available on public domain, e.g. Yellow Pages, and unidentified data sources. ✓

#### DPP2 – Accuracy & retention principle

Registered Intermediaries must not keep Zurich's data/record longer than is necessary and must dispose of such data appropriately.

- Accurately record and update all information submitted to Zurich. ✓
- Do not use the information if you are in doubt of its accuracy. ✓
- Paper records containing personal data should be disposed properly by shredding. Do not recycle or re-use the paper. ✓
- Completely delete all electronic records that you should not retain, i.e. emails, record in mobile devices etc. ✓
- For your keeping of any unsuccessful insurance applications: - ✓
  - (i) where money transaction is involved: NOT more than 5 years.
  - (ii) where no money transaction is involved: NOT more than 2 years.

<sup>5</sup> Please visit Zurich HK website for updated PICS (<https://www.zurich.com.hk/en/services/privacy>).



### DPP3 – Data use principle

You can only use and process our Customer data for the purposes of which you were collected or directly related purpose. Unauthorized use of Customer data is prohibited.

- Do not use the copy of document with Customer data for any purpose other than furnishing to Zurich for the purpose(s) as stipulated under Zurich’s PICS. ✓ ✓
- Do not disclose Customer data for unauthorized purpose at all times, including internal training, solicitation activities, etc. ✓ ✓
- Never sell Customer data to a third party. ✓ ✓

### DPP4 – Data security principle

Registered Intermediaries are responsible for safeguarding all Zurich and Customer data from unauthorized or accidental access, processing, use, erasure or loss.

- Ensure that Customer data contained in document or conversations concerning sensitive customer information are not seen/overheard by unrelated parties. ✓ ✓
- Make sure sufficient security measures are in place on your electronic devices where Customer data is stored or processed, i.e. use of encryption, passwords, etc. (Electronic devices include mobile phone/tablet.) ✓ ✓
- Minimise the use of Instant Messaging (e.g. WhatsApp) to transfer Customer data. ✓ ✓
- Do not upload Customer data to USB memory sticks without approval by Zurich in advance. ✓ ✓
- Never transfer any Customer data to third parties or other insurers. ✓ ✓
- Make sure secured transmission of Customer data to Zurich: ✓ ✓
  - Properly label (i.e. mark “Private & Confidential”) and seal the package if sending it physically by mail/hand; ✓ ✓
  - Use encryption and strong password if sending it electronically, i.e. email. ✓ ✓

### DPP5 – Openness principle

- Registered Intermediaries should clearly explain to and communicate with the customers on all relevant issues about personal data policies and practices, i.e. inform customers the types of personal data you/Zurich will collect and hold, how the Customer data are being used and process, etc. ✓ ✓

### DPP6 – Data access & correction principle

- Assist the customer to correct or update their Customer data collected by Zurich. ✓ ✓
- Relay any “Data Access Request” from customers to Zurich within two working days upon receipt. ✓ ✓

#### 3.1.3.1 Reporting of data breaches

Any known or suspected data breaches must be reported to Zurich within two working days. Example of data breaches include:

- loss of Customer data or any copies. ✓ ✓
- processing of Customer data without obtaining relevant consent.
- unauthorized disclosure of Customer data.
- unlawful retention of Customer data.
- any transfer of Customer data without prior approval from Zurich.



## 3.2 Needs analysis

Each Registered Intermediary has to ensure that the outcomes of the sales process are appropriate to meet the needs of the customer.

### 3.2.1 Act on the customer's interest

A Registered Intermediary must always act on the best interest of the customer based on the customer's needs, and putting the customer interests above his own interest.

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### 3.2.2 Suitability assessment

A Registered Intermediary has to offer the product(s) that:-

- meet the need(s) identified and agreed by the customer.
- is appropriate to the customer's situations and circumstances.

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For life insurance product: Registered Intermediary has to

- submit to Zurich all documents on your customer's financial needs analysis that establishes customer's requirements;
- comply with all relevant initiatives on financial needs analysis and suitability assessment required by the Insurance Authority, in particular GL30: Guideline on Financial Needs Analysis;
- offer the product(s) for customer's choices supported by the fact finding and financial needs analysis;
- ensure every application of life insurance policy must be accompanied by a completed "Financial Needs Analysis Form" (FNA);
- for the application of ILAS product: Suitability assessment would be reflected in customer's completion and submission of "Risk Profile Questionnaire" (RPQ) and "Important Facts Statement & Applicant's Declaration" (IFS/AD).

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**Important** – Financial needs analysis and Suitability assessment should be carried out whenever there are changes to the circumstances of the customer, including where an existing customer requests for any rider additional or top-up.

### 3.2.3 Affordability assessment

A Registered Intermediary must ensure that the product recommended should be sustainable by the customer for the duration of the insurance policy, particularly the premium term and level.

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### 3.3 Advice and recommendations

#### 3.3.1 Full explanation to customers

Registered Intermediary should fully explain each recommended policy's features to the customer for ensuring customer's understanding of all material product information before making Material Decision(s).

- Disclosure of material product information includes:
  - policy benefits, restrictions or exclusions, conditions or obligations, product risk.
  - cancellation rights and conditions.
  - premium and deductibles.
  - complaint procedure.
  
- For Life insurance products, the Registered Intermediary must fully explain the material product information including without limitation of the following:
  - product benefits, premium and payment term
  - fees and charges payable.
  - assumptions used in the illustrations of guaranteed and projected benefits, premium level, premium period, grace periods (where applicable).
  - financial performance risk borne by the policy owner, e.g. unit value, non guarantee bonus/dividends in the future.
  - consequences of discontinuing the premiums, early discontinuance/surrender.
  - Specify all guaranteed and non-guaranteed terms and conditions.
  - Intermediaries' Remuneration Disclosure Statement.
  - customer's rights and obligations, e.g. cooling-off period, completion of post-sale call (if applicable).
  - for holders of identity card of People's Republic of China (PRC), to explain and assist the customers to complete the "Important Facts Statements for Mainland Policyholder"(IFS-MP).

#### 3.3.2 Advise the customer

Any advice or recommendation made by our Registered Intermediaries must match those needs identified by the FNA or suitability assessment, and give reasons why a particular product is being recommended.

- Give advice to customer only on those matters which you are competent to deal with.
- Never exert undue pressure/influence or adopt unfair techniques.
- Do not make inaccurate or misleading representations to induce customers making any Material Decision.
- Any recommendation that is accepted by the customer must be countersigned by the customer, confirming agreement or recording any deviation.
- Where there is a need for life insurance policy to be replaced (Policy Replacement), the Registered Intermediary must: -
  - Disclose all facts regarding both the new coverage and the existing insurance.
  - Assist customer to duly complete the "Important Facts Statement - Policy Replacement" (IFS-PR) and observe the requirements as stipulated under GL27: Guideline on Long Term Insurance Policy Replacement issued by the Insurance Authority.

#### 3.3.3 Conflict of interest

Personal interests of our Registered Intermediaries must never influence your business judgment or decision-making when carrying out the Regulated Activities for Zurich.

- If a conflict of interest cannot be avoided, you should disclose to Zurich in writing and refrain from the Regulated Activities in question until our provision of further guidance.

Applicable Product



✓ ✓

✓

✓ ✓

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### 3.4 Illustration and product literature

The Registered Intermediaries must only use Zurich’s provided sales illustration, product literature and marketing materials, matching the product identified, recommended, and agreed with the customer throughout the sales process.

- Present the entire illustration. Do not add, alter, modify, waive and change in any way, or selectively use favourable terms during the entire selling process.
- Provide customers with the latest product information and materials.

For life insurance product:

- ensure all relevant sales illustration is provided to and signed by the customers.
- present and provide the customers with: -
  - Applicable marketing materials, eg principal brochure, including Key Facts Statement & Important Facts Statement, Illustration Documents, Investment Options Leaflets issued by Insurer.
  - Applicable “Important Fact Statement” as required under relevant Guidelines of the Insurance Authority.
  - Any “Education Pamphlet” for the public issued by the Insurance Authority.

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### 3.5 Completed application (Closing the sales)

The Registered Intermediaries have to ensure that the application form matching the recommendation and illustration is fully completed and signed by the customers.

#### 3.5.1 Accomplishing & submitting Zurich’s form/document

When assisting the customers to complete any (hard copy/electronic) forms or documents, the Registered Intermediaries should: -

- explain to customers their duty of full and frank disclosure to Zurich, the consequences of fraud, non-disclosure and misrepresentation and draw their attention to the relevant declaration statements in the application forms/documents;
- never influence the customers, and make it clear that the answers or statements given are the customer’s own responsibility;
- never request or persuade the customers to sign on blank or partially completed forms or documents;
- never induce customers to sign multiple copies of the same forms, e.g. service forms.

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#### 3.5.2 Appending signatures on forms & documents

The Registered Intermediaries must properly obtain and witness the customer’s signatures (If applicable).

- Do not sign on the forms as witness without you being physically present at the time when the customer signed. Never put a signature date on the form which is not the actual signing date. All of these behaviours are considered as making false declaration to Zurich.
- Any alterations to the information on the forms must be counter-signed and endorsed by the customer/statement maker.
- Do not imitate or write the customers’ signatures/names in the signature field, even with the consent or at the request by the customers.
- Invite customers to review and check the completeness and accuracy of the forms/documents before asking the customers to sign for confirmation.

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#### 3.5.3 Full disclosure to Zurich

The Registered Intermediaries must fully and truthfully reflect to Zurich of all customer information known, which might influence Zurich’s acceptance (underwriting/claim decision) and classification of risk, e.g. medical history, financial record, etc.

✓	✓
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### 3.6 Handling of customer's assets/money

A Registered Intermediary must not mix any customer's money with his own personal funds.

- Zurich does NOT accept cash from customers and Registered Intermediaries without prior exemption.
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### 3.7 Provision of post-sales services to customers

The Registered Intermediaries must always respond to customers' requests for information or additional policy servicing in a timely manner, and submit such requests to Zurich upon receipt.

### 3.8 Policy renewals, expiry and cancellation

Zurich is responsible for notifying policy holder of renewal or expiry of the policy, and will send policy-related communication to policy holder directly.

### 3.9 Customers/external complaint handling

The Registered Intermediaries have to report any complaint relating to Zurich upon receipt.

- Provide Zurich with copies of relevant information/document and any assistance necessary in dealing with the complaint immediately.
- Co-operate with Zurich for the investigation.

### 3.10 Probes conducted by regulators/Law Enforcement Agencies

Registered Intermediaries must fully cooperate with all regulators (e.g. IA, SFC) and law enforcement units (e.g. ICAC, Police) upon request by such regulators.

- Notify Zurich if you encounter following situations:
  - your premises (e.g. office, individual's workstation, residence) are searched (with or without warrant) and Zurich's related document/record is seized, and provide to Zurich a full list of Zurich's document/record that has been seized;
  - you are invited to assist an investigation in relation to the business of Zurich;
  - you are arrested for contravening any criminal offence.
- Keep Zurich informed of the latest investigation progress/outcome (including but not limited to any disciplinary action/penalty, etc.) or your engagement in any litigation/court proceedings where appropriate.

## 4. Other business conducts and guidance

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### 4.1 Rebate and bribery

The Registered Intermediaries must strictly comply with the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) and our Group Policy on Anti-Bribery/Anti-Corruption.

The Registered Intermediaries must: -

- never pay or offer to pay any rebate of premium, commission or other incentive, which have not been specified in the policy, as an inducement to customers/potential customers without Zurich's prior authorization;
- never offer, solicit or accept any advantage to/from any person as the inducement to or reward for doing or not doing anything in relation to the Regulated Activities of Zurich, e.g. insurance policy referral from unlicensed individual, conceal material information on policy or claim applications, etc.;
- immediately submit to Zurich for review or prior approval if you intent to offer or have received any gift, entertainment or other advantage from a government official, public body or official of a state-owned enterprise (regardless of amount) in the capacity as an Registered Intermediary of Zurich;
- report to Zurich if there is any facilitation payment, which is prohibited under any circumstance. Facilitation Payment is a payment made to secure or expedite a lawful process or outcome in a manner that is not generally published or available to others on equal term.

### 4.2 Antitrust and competition

The Registered Intermediaries are prohibited from engaging in anti-competitive practices or behaviour that is governed by the Competition Ordinance (Chapter 619 of the Laws of Hong Kong).

- Do not gather, exchange or provide sensitive or confidential information (e.g. pricing, confidential business tactic or strategy) with our competitors.
- Never make any agreement, understanding or coordinated activities with actual or potential competitors.

## 5. Social media guidelines/dealing with media

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The Registered Intermediaries have to refrain from any conduct or activity on your social media that could harm Zurich.

Always interact with **common sense** and comply with Zurich Group Policies and applicable laws, regulations and ethical standards.

### 5.1 Respect copyright Laws and other Intellectual Property Rights

- Do not use Zurich's trademarks, brand name, tagline, slogans or other trademarks in any media without prior approval from Zurich. You are welcomed to seek approval/advice from our Zurich Business Development Team directly.
- Do not upload/post content or produce material that may infringe a third party's right including intellectual property, privacy and publicity rights (e.g. songs, clips, photographs, images, logos or other protected material) without having secured the proper licenses or authorization.

### 5.2 Publication on media

- Prohibited from using Zurich name, logo/brand name and business addresses/contacts in whatever formats, without prior written authorization by Zurich. You are welcomed to seek approval/advice from our Zurich Business Development Team directly.
- Never publish or cause to publish any advertisement or statements about Zurich in any media channels.
- Never publish or cause to publish any advertising or marketing promotion outside Hong Kong.

### 5.3 Interaction on the social online platforms/with the media

- Do not use official Zurich title, e-mail address or any other credentials etc. when participating in any personal media or online social media.
- Do not use Zurich's office contacts for accessing personal social media sites.
- Do not speak on behalf of Zurich. Any media enquiry must be referred back to Zurich.
- Do not conduct any Regulated Activities relating to Zurich within social media spaces, e.g. promote any Zurich products or offer any professional advice, unless it is specifically permitted by Zurich in advance.
- Do not upload personal data (e.g. photos) of any third party unless explicit consents have been obtained.
- Do not discuss or compare Zurich with Zurich's competitors in any media platform.
- Never make any direct approach to the media on behalf of Zurich or Zurich's customers.
- Beware of unintentional defamation when commenting or forwarding articles or photographs.

### 5.4 Interaction with customers on Instant Messaging (IM)

Be aware your communication with customers on instant messaging applications or tools (e.g. WhatsApp, Facebook messenger, WeChat etc.) may easily lead to data leakage or misleading/misrepresentation.

- Seek explicit prior consent from customers if you intend (or upon customer's request) to transfer the Customer data via online social platform or IM.
- Do not add your customers' contacts to any IM group (e.g. WhatsApp group) without the customers' prior consent.
- Avoid using IM (e.g. WhatsApp, WeChat, etc.) for delivering Customer data/information.
- Never use IM as a mean to carry out any Regulated Activities on behalf of Zurich.

## 6. Appendix

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### 6.1 Definitions and interpretations

Capitalized terms used in this “Compliance Manual for Registered Intermediaries (Agency/Brokerage)” (“Manual”) shall have the meanings set forth below. All other terms used in this Manual which are not specifically defined shall have the meanings customarily given them in accordance with the “[Code of Conduct for Licensed Insurance Agents](#)” and “[Code of Conduct for Licensed Insurance Brokers](#)” (“Code”) issued and published by the Insurance Authority pursuant to section 95 of the Insurance Ordinance (Chapter 41, the Laws of Hong Kong) (“Ordinance”) and the Ordinance.

#### 6.1.1 “Registered Intermediary”/“Registered Intermediaries”

A Registered Intermediary in this Manual MEANS any licensed insurance intermediary registered with Zurich under the IA 2019 Statutory Regime in writing, namely: -

##### **Licensed Insurance Agent**

- Licensed Insurance Agency
- Licensed Technical Representative (Agent)
- Licensed Individual Insurance Agent

##### **Licensed Insurance Broker**

- Licensed Insurance Broker Company
- Licensed Technical Representative (Broker)

#### 6.1.2 “Authority”

The Authority means: -  
The Insurance Authority;

#### 6.1.3 “Customer data”

Customer data means any personal data relating to the customers of Zurich. Personal data refers to the definition as stated in the Personal Data (Privacy) Ordinance (Chapter 486, the Laws of Hong Kong).

#### 6.1.4 “Group Policies”

Group Policies refer to all policies issued and approved by the Zurich Insurance Group from time to time.

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#### 6.1.5 “Regulated Activity”

A Regulated Activity refers to Part 1 of Schedule 1A, the Ordinance, which defines it as any of the following: -

- a) the act of negotiating or arranging a contract of insurance;

- b) the act of inviting or inducing, or attempting to invite or induce, a person to enter into a contract of insurance;
- c) the act of inviting or inducing, or attempting to invite or induce, a person to make a material decision;
- d) the act of giving regulated advice.

#### 6.1.6 “Material Decision”

A Material Decision refers to Part 2 of Schedule 1A, the Ordinance, which defines it as any of the following: -

- b) the making of an application or proposal for a contract of insurance;
- c) the issuance, continuance or renewal of a contract of insurance;
- d) the cancellation, termination, surrender or assignment of a contract of insurance;
- e) the exercise of a right under a contract of insurance;
- f) the change in any term or condition of a contract of insurance;
- the making or settlement of an insurance claim.

#### 6.1.7 “Regulated Advice”

A Regulated Advice refers to Part 3 of Schedule 1A, the Ordinance, which defines it as any of the following: -

- a) the making of an application or proposal for a contract of insurance;
- b) the issuance, continuance or renewal of a contract of insurance;
- c) the cancellation, termination, surrender or assignment of a contract of insurance;
- d) the exercise of a right under a contract of insurance;
- e) the change in any term or condition of a contract of insurance;
- f) the making or settlement of an insurance claim.

### 6.1.8 "Zurich"/"We"/"Our"

Zurich refers to the following Hong Kong entities of the Zurich Insurance Group:

- (a) Zurich Assurance Ltd (a company incorporated in England and Wales).
- (b) Zurich International Life Limited (a company incorporated in the Isle of Man).
- (c) Zurich Life Insurance Company Ltd (a company incorporated in Switzerland).
- (d) Zurich Life Insurance (Hong Kong) Limited (a company incorporated in Hong Kong)
- (e) Zurich Insurance Company Ltd (a company incorporated in Switzerland).
- (f) Kono Insurance Limited (a company incorporated in Hong Kong).

## 6.2 More information about due diligence

### 6.2.1 What is Politically Exposed Persons (PEP)?

In accordance with Schedule 2 of the Anti-Money Laundering and Counter Terrorist Financing (Financial Institutions) Ordinance (Chapter 615, the Laws of Hong Kong), PEP means: - (Extracted below)

- (a) an individual who is or has been entrusted with a prominent public function in a place outside the People's Republic of China and
  - (i) includes a head of state, head of government, senior politician, senior government, judicial or military official, senior executive of a state-owned corporation and an important political party official; but
  - (ii) does not include a middle-ranking or more junior official of any of the categories mentioned in subparagraph (i);
- (b) a spouse, a partner, a child or a parent of an individual falling within paragraph (a), or a spouse or a partner of a child of such an individual; or
- (c) a close associate of an individual falling within paragraph (a).

### 6.2.2 Information about "high risk countries"

According to Zurich Group policy, general guidance at Financial Action Task Force and worldwide recognition, following countries are flagged as high level of money-laundering risk. Registered Intermediary should report to if You query/consider that the nationality of/business conducted by the customer falls into the high risk countries below. (The list of high risk countries would be updated from time to time).

#### **High Risk Country List – Jan 2020**

- |                               |                 |                       |
|-------------------------------|-----------------|-----------------------|
| • AFGHANISTAN                 | • GAMBIA        | • NICARAGUA           |
| • ALGERIA                     | • GHANA         | • NIGER               |
| • ANGOLA                      | • GUATEMALA     | • NIGERIA             |
| • BAHAMAS                     | • GUINEA        | • PAKISTAN            |
| • BANGLADESH                  | • GUINEA-BISSAU | • PALESTINE           |
| • BOLIVIA                     | • GUYANA        | • PANAMA              |
| • BOSNIA AND<br>HERZEGOVINA   | • HAITI         | • PHILIPPINES         |
| • BOTSWANA                    | • HONDURAS      | • RUSSIAN FEDERATION  |
| • BURUNDI                     | • ICELAND       | • SIERRA LEONE        |
| • CAMBODIA                    | • INDIA         | • SOMALIA             |
| • CAMEROON                    | • IRAN          | • SOUTH SUDAN         |
| • CENTRAL AFRICAN<br>REPUBLIC | • IRAQ          | • SRI LANKA           |
| • CHAD                        | • KENYA         | • SUDAN               |
| • CHINA                       | • KOREA, NORTH  | • SYRIA               |
| • COLOMBIA                    | • LAOS          | • TAJIKISTAN          |
| • COMOROS                     | • LEBANON       | • TRINIDAD AND TOBAGO |
| • CONGO DEM. REP.             | • LIBYA         | • TUNISIA             |
| • CONGO REP.                  | • MACEDONIA     | • TURKEY              |
| • DJIBOUTI                    | • MADAGASCAR    | • TURKMENISTAN        |
| • EGYPT                       | • MALI          | • UGANDA              |
| • EL SALVADOR                 | • MAURITANIA    | • UZBEKISTAN          |
| • EQUATORIAL GUINEA           | • MEXICO        | • VANUATU             |
| • ERITREA                     | • MONGOLIA      | • VENEZUELA           |
| • ETHIOPIA                    | • MOZAMBIQUE    | • VIET NAM            |
|                               | • MYANMAR       | • YEMEN               |
|                               | • NEPAL         | • ZIMBABWE            |

