



Group Market Conduct Standards & Disciplinary Action Framework

Contents

1. **Introduction**
2. **Objectives**
3. **Scope**
4. **Disciplinary Actions**
5. **Market Conduct Investigation Process**
6. **Conduct of Representative**
7. **Supervisor Accountability**
8. **Anomalous Adviser Detection Model**
9. **Update of the Standards**
10. **Appendix A –Types of Market Misconduct**

SECTION A – SERIOUS OFFENCES	
1.	FORGERY
2.	CHEATING
3.	CHEATING BY IMPERSONATION
4.	IMPERSONATION OF GOVERNMENT/STATUTORY BOARD OFFICIALS
5.	CRIMINAL BREACH OF TRUST/MISAPPROPRIATION
6.	MONEY LAUNDERING AND TERRORISM FINANCING
7.	BRIBERY AND CORRUPTION
8.	FRAUD (FALSIFICATION OF DOCUMENT OR ELECTRONIC RECORD)
9.	ABETMENT
10.	FIT AND PROPER CRITERIA
SECTION B – BREACH OF REGULATORY REQUIREMENTS	
11.	SUB-AGENCY
12.	DATA PROTECTION / DO NOT CALL PROVISIONS
13.	SELLING WITHOUT / BEFORE OBTAINING RELEVANT LICENSING
14.	UNAPPROVED INTRODUCERS / TELEMARKETERS
15.	USE OF NON-APPROVED MARKETING MATERIALS
16.	MISREPRESENTATION
17.	MIS-SELLING / INAPPROPRIATE ADVICE
18.	POOR DOCUMENTATION
19.	POOR FIELD UNDERWRITING/POOR FACT FIND
20.	NON-PROVISION OF MANDATORY SALES DOCUMENTS
21.	POOR AFTER SALES SERVICE
22.	IMPROPER SWITCHING OF POLICY / CHURNING
23.	CPF MEDISAVE DEFAULTERS
24.	CONDUCT OF NON-FINANCIAL ADVISORY ACTIVITIES

25.	LATE NOTIFICATION OF REPRESENTATIVE'S INFORMATION
26.	POOR CONDUCT OF REPRESENTATIVES (WITHIN PUBLIC PREMISES OR WITHIN AREAS IN THE VICINITY OF PUBLIC PREMISES)
SECTION C – BREACH OF INTERNAL GUIDELINES	
27.	CROSS-BORDER ACTIVITIES
28.	MANIPULATION OF SALES FOR AWARDS / BENEFITS / PROMOTIONS / APPOINTMENTS
29.	GIVING ADVICE / SELLING DURING SUSPENSION PERIOD
30.	REBATING OF CPF RELATED PRODUCTS
31.	POOLING
32.	INDUCEMENT
33.	COLLECTION OF CASH
34.	FINANCING OR ADVANCING OF PREMIUMS
35.	WITHHOLDING OF CLIENT'S PAYMENTS
36.	CROSS-SELLING
37.	PRE-SIGNED FORMS
38.	NON-DELIVERY OF POLICY DOCUMENTS
39.	UNAUTHORIZED POLICY CHANGES
40.	UNAUTHORISED DIRECT SUBMISSION OF DOCUMENTS TO PRODUCT PROVIDERS
41.	PROVIDING NON-INSURANCE ADVICE
42.	SELLING OF UNAPPROVED PRODUCTS/FUNDS
43.	MEDIA INTERVIEWS
44.	STANDARDS OF CONDUCT FOR MARKETING AND DISTRIBUTION ACTIVITIES
45.	USE OF COMMUNICATION SYSTEMS, EMAILS AND WEB PORTALS
46.	COLLECTION OF FINES FROM REPRESENTATIVES BY SUPERVISORS
47.	PROSPECTING AT RENTAL FLATS
48.	BREACH OF CONFIDENTIALITY
49.	UNPROFESSIONAL CONDUCT OF REPRESENTATIVES
50.	NON-COMPLIANCE OF INTERNAL GUIDELINES

10. **Appendix B – Disciplinary Framework**
11. **Appendix C – Accountability Framework for Supervisors**
12. **Appendix D – Disciplinary and Appeal Committee & Group Management Appeal Committee**
13. **Version Log**

1. Introduction

At Singlife, we expect all our representatives (“Representatives”) to conduct their activities with integrity, honesty, and high standard of ethics. Representatives are expected to comply with the market conduct rules and regulations, as well as any requirements under any code, guidelines, notices, policy statements or practice notes issued or published by MAS and/or LIA as well as Singlife internal requirements. By compliance, it is adherence to both the letter and spirit of the law, standards, and guidelines.

The Monetary Authority of Singapore (“MAS”) has issued the *Guidelines for Fair Dealing – Board and Senior Management Responsibilities for Delivering Fair Dealing Outcomes to promote fair dealing by financial institutions when they conduct business with their customers*. As such, Representatives are expected to provide clients with quality advice and appropriate recommendations.

This Group Market Conduct Standards and Disciplinary Action Framework (“GMCS”) sets out the guiding principles and disciplinary action framework that govern the conduct of Representatives so that Representatives are aware of the consequences of any misconduct and not acting ethically or professionally. This would help to shape the right behavior of the Representatives. This GMCS would also provide guidance and framework when considering the disciplinary actions to be taken against Representatives who breached the requirements.

The information contained herein is for Singlife’s Affinity Channel’s (“SRC”), Singlife Financial Advisers’ (“SFA”) and Professional Investment Advisory Services Pte Ltd.’s (“PIAS”), collectively henceforth as “Singlife Group” or “the Company” use.

This GMCS serves to guide and dictates the minimum guiding principles and prescribed disciplinary action framework. Should there be any other internal or additional guidelines and where respective firms want to adopt a higher standard, respective firms should include them accordingly and document it appropriately. The accountability and responsibility for good market conduct practices and appropriate disciplinary actions lies with the respective Material Risk Personnel (MRP) within the firms.

Depending on the severity and circumstances of each case, taking into consideration any extenuating or aggravating factor, respective firms may impose more lenient or a harsher disciplinary action than the stipulated penalties stated in this Guide. The respective firms also reserve the right to recover from Representatives and/or Supervisors any expenses incurred by the Company for service recovery or claw back any commissions earned from the sale.

2. Objectives

The main objectives of the GMCS are:

- To set a strong internal governance framework for managing market conduct risk.
- To provide a guide (though it is non-exhaustive) upon which Representatives are aware of the market conduct violations and possible resulting disciplinary actions so that Representatives can self-regulate their conduct.
- A consistent disciplinary action framework where the disciplinary action commensurate with severity of misconduct, with the deliberation of any possible mitigating or aggravating factors.
- With a robust disciplinary action framework and consideration of any possible mitigating or aggravating factors, Appeal Committee (“AC”) would be better placed to deliberate appeals and deciding whether original disciplinary actions meted to Representatives should be upheld, reduced, or even increased.

3. Scope

This GMCS shall apply to all Representatives and their Supervisors for the conduct of financial and non-financial advisory activities.

Market misconducts are classified into three categories:

- Statutory, Penal Code and Criminal offences;
- Breach of regulatory requirements (Subject to localization by relevant business units); and
- Breach of internal guidelines (Subject to localization by relevant business units)

4. Disciplinary Actions

In determining the appropriate disciplinary actions, the Company will consider the specific circumstances (including any mitigating or aggravating factors) of each case would be considered.

This could lead to:

- A harsher disciplinary action;
- A more lenient disciplinary action;
- Additional remedial actions such as re-training, close supervision, joint field work, suspension from promotion or receiving awards and incentives, claw-back of commission¹, reminders or recruitment embargo.

In line with LIA MU 82/22, if any aggravating factor was noted, the standard disciplinary action shall minimally apply, and insurers cannot allow for a more lenient disciplinary action. The same principle shall apply in the event of any appeal by the representative.

This is done to: -

- (i) redress a competency or behavior problem
- (ii) contain the risk exposure caused by the violations
- (iii) serve as a deterrent to enforce compliance in the future.

In addition, the following principles would be applied in an investigation assessment:

- Culpability of the Representative;
- Harm caused by the offence;
- The issue of remorse; and
- If the admission was forthcoming at the onset of investigations.

a) Examples to consider as aggravating factors are as follows:

- The representative committed the act with malicious intent for his own interest (e.g., to preserve the representative's persistency rate).
- The representative committed multiple substantiated misconduct involving the same client.
- The representative committed multiple breaches in a short span of time (over a 3-month period).
- The representative had a history of misconduct issues and showed no sign of improvement in his conduct or sales practices after prior reminders or disciplinary action.
- The representative displayed recalcitrant behavior.

¹ *This shall not apply in instances where the representative's misconduct was/would be assessed under the MAS BSC framework.*

- The representative's act resulted in a material impact on the interests of the client and/or loss of insurance protection.
- The representative's act involved or affected multiple clients
- The representative's act impinges on the fitness and propriety of the representative
- The representative is not forthcoming in providing his account, and the evidence found is contrary to the account provided such as when the representative is found to be lying.
- The representative has attempted to frustrate or impede investigations into his conduct
- The misconduct relates to a statutory breach (e.g., breach of FAR Section 22)
- The impacted client is a selected client.²

b) Examples to consider as mitigating factors are as follows:

- The act was committed due to contributory negligence or under instruction by the client such as where the policy documents were not delivered to the client because the latter had informed the representative to hold on to the documents
- The act did not cause disadvantage to the complainant or compromise the validity of the policy sale. For example: when the point-of-sales were not furnished before the proposal form was signed but within the free-look period.
- The representative has no prior disciplinary record.
- The representative was co-operative during the investigation or had voluntarily admitted to the misconduct.
- The representative did not derive any benefits from the misconduct.
- The representative did not display any malicious intent.
- The client or company did not suffer detriment.
- The representative's misconduct arose from company's poor controls or inadequate training provided to them.

The source of the above non-exhaustive examples of aggravating and mitigating factors for consideration when meting out disciplinary actions was the Information Paper: Good Practices Relating to Disciplinary Action Framework in the Financial Advisory Industry issued by the Monetary Authority of Singapore.

² *Individuals who meet two of the following criteria:*

(1) Aged 62 years or older (2) not proficient in written or spoken English (3) has below GCE 'O' Level or N level qualifications.

Along the above mitigating and aggravating factors for consideration for each case, the Singlife Group Business Ethics Code & Guidance sets the tone that all representatives must adhere to. The Singlife Group Business Ethics & Guidance applies to all directors, employers, officers, agents, suppliers, advisers, and consultants across the group. The values in the Ethics Code & Guidance form the moral compass that all representatives must think about to apply the right behaviors in all they do to sustain a strong ethical and inclusive culture.

Please refer to **Appendix B** on the Disciplinary Framework.

5. Market Conduct Investigation Process

All market conduct investigations will be conducted independently by Compliance. The investigation process must involve a thorough review of all relevant sales documentation and any other relevant documentation involved. For each interview with clients and Representatives concerned, a record of all salient interview notes will be recorded by Compliance and duly confirmed and acknowledged by clients and Representatives.

Compliance will propose the appropriate disciplinary action to be meted to Representatives after consideration and consultation with Disciplinary Actions and checklists in Considerations for Disciplinary and Remedial Actions in Appendix B – Disciplinary Framework. The severity of disciplinary actions will be commensurate with the full extent of the violations.

A Representative, who disagrees with the disciplinary actions taken against him/her can submit an appeal in accordance with the appeal process stipulated in **Appendix D**.

6. Conduct of Representatives During Investigation

Representatives must fully cooperate and render all possible assistance and support to Compliance conducting the investigations relating to any specific situation. At no time should Representatives obstruct, intimidate, or threaten Compliance or AC in the course of their work.

During the on-going investigations in the alleged market misconduct, Representatives are not allowed to contact or request any 3rd party to contact the complainants or clients with regards to the complaints. Representatives are also not allowed to try resolve the complaints themselves.

This is tantamount to interfering with investigations and severe disciplinary actions would be meted to any Representatives and/or Supervisors caught.

Any failure of the Representatives to fully cooperate shall be considered a breach, which the Company is entitled to take appropriate disciplinary action which may include but not limited to Letter of Warning and Suspension until such time the investigation is concluded. If the Representative persistently fails to cooperate, the Company may review their appointment/employment agreement or contract.

7. Supervisor Accountability

Supervisors play an important role in ensuring Representatives adhere to good market conduct practices and provide quality service to clients. These applies to representatives in a supervisory position who provide financial advisory services, Team Leaders, or Team Managers (T2 and T3), Supervisors, Financial Services Managers, Group Sales Managers and Directors (collectively known henceforth as “Supervisors”).

Therefore, Supervisors are directly accountable for their Representatives’ conduct. Disciplinary actions will be meted on Supervisors who failed to discharge their supervisory duties in the following circumstances (but not limited to):

- Representative who committed a market conduct violation where it should have been reasonably prevented or detected by the Supervisor.
- Representative committed a series of market misconduct which exhibits a clear trend.
- Multiple complaints received against the Supervisor’s team.
- Multiple market conduct issues identified from the Supervisor’s team.
- Supervisor failed to conduct duties with respect to joint field work, call back checks and coaching.
- Supervisor used non-approved materials for product and sales advisory process training; and
- Supervisor knowingly and willfully abetted and contributed to misconduct behavior of Representatives.
- Review of supervisor’s market conduct history, with key indicators such as number and nature of complaints, misconduct, and Balanced Scorecard grades.

The disciplinary actions taken on supervisor may include (to be documented in personal file).:

- Verbal warnings
- Written warning
- Temporarily limiting or reducing the span of control.
- Suspension for a specified timeframe.
- Disqualification of promotion, awards and/or incentives.
- Demotion (to non-supervisory role); and
- Termination of service

Please refer to **Appendix C** on the Accountability Framework for Supervisors.

8. Anomalous Advisor Detection Model

The Anomalous Adviser Detection (“AA”) Model seeks to drive the right and desired ethical culture through monitoring and detection of any anomalous Representatives. It is an AI-powered detection tool that identifies anomalous behaviors of Representatives based on the risk factors/indicators that business had identified. This model aims to reduce the Company’s market conduct and/or reputational risk.

Supervisors³ are the end-users of the AA model and accountable for conduct review of identified Representatives. The respective functions from Singlife Channels (SRC, SFA and PIAS) (“designated functions”) would provide governance on the respective Supervisors’ usage in accordance to agreed procedures.

Model and Metrics

Data scientists from the Data Science & Analytics, respective business units and Compliance set the risk proxies/factors to be fed into machine learning model. The machine learning model uses an outlier detection model called Isolation Forest to detect anomalies. It is an unsupervised model built on decision trees. For each Representative, data in relation to the risk proxies/factors are calculated and fed in the model for prediction. The model then generates an anomaly score for each Representative.

³ “Supervisor”, in relation to a financial adviser, means any person who (a) is in the direct employment of, is acting for, or has an arrangement with the financial adviser; and (b) is responsible, whether directly or indirectly, for the supervision or management of the conduct and performance of any representative of the financial adviser or another supervisor.

Based on the anomaly scores, a watchlist is created and sent to the business users to review, validate, and monitor.

Conduct Review of Anomalous Representatives

It is pertinent that Supervisors understand the rationale why the identified Anomalous Representatives were flagged and take pre-emptive / corrective actions to mitigate any market conduct risks.

The following action plans (the list is non-exhaustive) may be undertaken by Supervisors as part of their enhanced monitoring and oversight of the identified Anomalous Representatives:

- Coaching Sessions
- Joint Field Work
- Re-training
- Callbacks to Clients

Supervisors may decide on the action plans to be undertaken in consultation with the respective designated functions.

For Anomalous Representatives that are assessed to have suspicious sales trend / behavior that require further investigation, Supervisors may flag them to their respective BDs or respective designated function(s) for further review.

Disciplinary actions shall be taken by the respective designated functions against the Supervisors who failed submit the Conduct Review Form despite reminder and/or failed to take appropriate action to mitigate the risks identified.

Governance

The respective functions from Singlife Channels will be responsible for respective firms' review and checks on all follow-ups / assessment provided by Supervisors on the anomalous advisers flagged, as well as the issuance of disciplinary actions for non-adherence of AA Model process by Supervisors.

Each entity shall provide quarterly sharing on watchlist results / trends to the management team in an appropriate forum / committee.

A yearly periodic review of the risk indicators / thresholds should be conducted or as and when required. The Group Compliance, designated functions and DSA team will discuss, when needed, for any change in:

- Risk indicators / thresholds
- Governance process
- Whitelist process

9. Update of the Standards

In response to regulatory changes or developments as they evolve, the GMCS will be subjected to review on a regular basis. Any significant changes or updates to the GMCS will be made known to the Representatives. For avoidance of doubt, the latest edition of this Guidelines supersedes all previous versions. This Guide shall be reviewed minimally on an annual basis or as and when required.

10. Appendix A – Types of Market Misconduct

Introduction

The MAS Information Paper on “Good Practices Relating to Disciplinary Action Framework in the Financial Advisory Industry” recommends having a robust disciplinary action framework to shape the right behaviors of Representatives. The examples of aggravating and mitigating factors in the Information Paper provides guiding principles in meting out disciplinary actions that commensurate to the misconduct uncovered.

The LIA Disciplinary Framework establishes the minimum standards for disciplinary action for misconduct where each subsidiary may adopt a higher standard, to include additional misconduct not in the list and where any variation to minimum standards is to be documented.

Types of Market Misconduct

Section A – Serious Offences

Any market conduct violations in Section A are deemed as serious violations and the prescribed disciplinary action maybe the termination of the representatives' contract and the filing of N14 or N504 report to the MAS, as it impinges on the fitness and propriety of the Representative.

For any violations in Section A that are covered under the scope of Balanced Scorecard ("BSC") grading, the offences shall be classified as Category 1 infraction. The Representative will be assigned a BSC Grade E for the measurement period in which the market conduct investigation was concluded.

Penal Code / Criminal Offence

For allegation of a criminal offence that could likely contravene the Singapore Penal Code, such as cheating, dishonesty, fraud, forgery, misappropriation of monies or criminal breach of trust, the Company and complainant should make a police report.

If the complainant refuses to make a police report, the Company has the duty to make a police report to record the complainant's allegation against the representative. The Company is not responsible for any loss resulting from such disclosure.

Fraud is defined as criminal offences punishable under the law. It is the intentional use of deception to obtain an unjust or illegal advantage at the detriment of interest of another. All proven and suspected cases of fraud will be reported to the police.

The default disciplinary action for this section is termination of representatives' contract and employment with the Company. For Balanced Scorecard ("BSC") grading purposes, these offences may be considered a Category 1 infraction and Representative would be issued with a BSC grade E.

Penal Code includes but is not limited to the following:

1. FORGERY

Section 468 of the Penal Code 1871 states: Whoever commits forgery, intending that the document or electronic record forged shall be used for the purpose of cheating, **shall be punished with imprisonment for a term which may extend to 10 years, and shall also be liable to fine.**

Representative shall abide by the following rules:

- Must never forge the signature of a proposer or existing policyholder on any document, even if it is with his/her consent or authorization.
- Must never forge any document or use any counterfeit document with the intention to deceive or induce the recipient of the document to believe that it is genuine.
- Must never accept any document on behalf of the Company if they know or have reason to believe that the signature on the document is forged.
- Must never sign off as a witness on any document signed by a client if they did not witness the signing of the document by the client.

2. CHEATING

Section 420 of the Penal Code 1871 states: Whoever cheats and thereby dishonestly induces the person deceived to deliver any property to any person, or to make, alter or destroy the whole or any part of a valuable security, or anything which is signed or sealed, and which is capable of being converted into a valuable security, **shall be punished with imprisonment for a term which may extend to 10 years, and shall also be liable to fine.**

Representatives shall abide by the following rules:

- Must never fraudulently misrepresent the features of any Company's products or financial advisory services they provide to any prospect or policyholder.
- Must never sell any bogus policy to a prospect or policyholder or collect any premium for the sale of a bogus policy.
- Must never deceive the Company to enter into a contract or change the terms of an existing contract with representations that are false.

3. CHEATING BY IMPERSONATION

Section 416 of the Penal Code 1871 states: A person is said to "cheat by personation" if he cheats by pretending to be some other person, or by knowing substituting one person for another, or representing that he or any other person is a person other than he or such person

really is.” Whoever cheats by personation **shall be punished with imprisonment for a term which may extend to 5 years, or with fine, or with both.**

Representatives must never impersonate anyone under any circumstances, even if it is with clients’ or Representatives’ consent or authorization.

4. IMPERSONATION OF GOVERNMENT/STATUTORY BOARD OFFICIALS

Section 170 of the Penal Code 1871 states: whoever pretends to hold any particular office as a public servant, knowing that they do not hold such office, or falsely personates any other person holding such office, or attempts to do any act under such office, **shall be punished with imprisonment for a term which may extend to 2 years, or with fine or with both.**

Representatives must not engage in unethical practices to mislead any clients into thinking that they are representing Government of Statutory Board Officials. This includes creating the appearance that they are acting on behalf of any Government or Statutory Board. This applies to whether the activity was to generate leads or solicit business.

5. CRIMINAL BREACH OF TRUST/MISAPPROPRIATION

Section 405 of the Penal Code 1871 states: Whoever, being in any manner entrusted with property, or with any dominion over property, in his capacity of a public servant, or in the way of his business as a banker, a merchant, a factor, a broker, an attorney or an agent, commits criminal breach of trust in respect of that property, **shall be punished with imprisonment for life, or with imprisonment for a term which may extend to 20 years, and shall also be liable to fine.**

Criminal Breach of Trust (“**CBT**”) is committed when a person dishonestly misappropriates money that has been entrusted or converts to his own use the money in violation of the trust.

Representatives must never misappropriate any monies entrusted to them:

- By prospect or policyholder for premium payments.
- From the Company owing to prospect or policyholder.

6. MONEY LAUNDERING AND TERRORISM FINANCING

Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992

Money Laundering is a criminal offence. Any representative found to be involved or assisted in any form of Money Laundering (e.g., tipping off) or allow his/ her business to be used as a means of facilitating any money laundering activities or fail to co-operate with Law Enforcement Agencies will be terminated immediately. Representatives are strictly prohibited to assist in or to allow their business to be used as a means of money laundering activities. Therefore, when establishing a business relationship with client, representatives must perform all necessary client due diligence, including but not limited to, providing complete documentation of business relations, transaction records and identification.

Terrorism (Suppression of Financing) Act 2002

Any representative who directly or indirectly, willfully and without lawful excuse, provides or collects property:

- With the intention that the property, be used; or
- Knowing or having reasonable grounds to believe that the property will be used,

in whole or in part, in order to commit any terrorist act, shall be guilty of an offence and will be terminated immediately.

7. BRIBERY AND CORRUPTION

Prevention of Corruption Act Cap 1960, and Penal Code Cap 1871, Section 161 to 165

The Singapore Corrupt Practices Investigation Bureau defines corruption as “An act done with intent to give advantage inconsistent with official duty and the rights of others. The act of official or fiduciary person who unlawfully and wrongfully uses his status or character to procure some benefit for himself or for another person contrary to duty and the right of others. Corruption is the solicitation, receiving or agreeing to receive, giving, promising, or offering any gratification (bribe) as an inducement or reward to a person to do or forbear to do any act, with a corrupt intent.

Any representative found guilty of contravening the above will be terminated immediately.

8. FRAUD (Making a false document or false electronic record)

Section 464 of the Penal Code 1871 states: A person is said to make a false document or false electronic record. Any Representative:

- 1) who dishonestly or fraudulently —
 - (i) makes, signs, seals or executes a document or part of a document;
 - (ii) makes any electronic record or part of any electronic record;
 - (iii) affixes any electronic signature on any electronic record; or
 - iv) makes any mark denoting the execution of a document or the authenticity of the electronic signature,

with the intention of causing it to be believed that such document or electronic record or part of a document or electronic record or electronic signature was made, signed, sealed, executed or affixed by or by the authority of a person by whom or by whose authority he knows that it was not made, signed, sealed, executed or affixed, or at a time at which he knows that it was not made, signed, sealed, executed or affixed;

- 2) who without lawful authority, dishonestly or fraudulently, by cancellation or otherwise, alters a document or an electronic record in any material part thereof, after it has been made, executed or affixed with an electronic signature, either by himself or by any other person, whether that person is living or dead at the time of the alteration; or
- 3) who dishonestly or fraudulently causes any person to sign, seal, execute or alter a document or an electronic record or to affix his electronic signature on an electronic record, knowing that such person by reason of unsoundness of mind or intoxication cannot, or that by reason of deception practiced upon him he does not, know the contents of the document or electronic record or the nature of the alteration.

Any representative found guilty of contravening the above will be terminated immediately.

9. ABETMENT

Section 107 of the Penal Code 1871 states that a person abets the doing of a thing who:

- Instigates any person to do that thing;

- Engages with one or more other person or persons in any conspiracy for doing of that thing, if an act or illegal omission takes place in pursuance of that conspiracy, and in order of doing that thing; or
- Intentionally aids, by any act or illegal omission, the doing of that thing.

A person abets an offence within the meaning of the Penal Code who abets either the commission of an offence, or the commission of an act which would be an offence, if committed by a person capable by law of committing an offence with the same intention or knowledge as that of the abettor.

10. FIT AND PROPER CRITERIA

Reference: MAS FSG-G01

The criteria for consideration on whether a Representative is fit and proper include (but not limited to):

- Honesty, integrity, and reputation
- Competence and capability
- Financial soundness

The failure of representatives to meet any of the above criteria depends on the seriousness of and circumstances resulting in representative not meeting any specific criteria.

Representatives who intentionally withhold information from the Company, especially those relating to financial soundness, honesty, and integrity, may be deemed to have failed the fit and proper criteria under the **FSG-G01**: MAS guidelines on Fit and Proper Criteria.

SECTION B – BREACH OF REGULATORY REQUIREMENTS

This section deals with market conduct offences that are regulatory breaches and violations of regulatory obligations.

11. FIT AND PROPER CRITERIA

Sub-agency is the passing of cases from Individual A to Representative B, where Representative B was not in attendance when the sales presentation was made to the prospective buyer and when the proposal form was signed.

Sub-agency is similar to pooling, except where Individual A is not a qualified representative to sell the respective Product Providers' products.

Representatives are not allowed to engage or use any non-representatives of the Company to conduct any financial advisory activities or close a sale of any product on their behalf. Representatives must be physically present to conduct the sales presentation and for the signing of the sales documents.

Representatives also should not sell / recommend products of Companies which they are not licensed to represent.

12. DATA PROTECTION / DO NOT CALL PROVISIONS

Reference: Personal Data Protection Act 2012 (“PDPA”)

The PDPA in Singapore provides a baseline standard of protection for personal data in Singapore. It complements sector-specific legislative and regulatory frameworks such as the Insurance Act, and comprises various requirements governing the collection, use, disclosure and care of personal data in Singapore.

Consequences for any intentional or negligent contravention of the Data Protection Provisions:

- A financial penalty of up to **S\$1m or 10%** of the organisation's annual turnover in Singapore, whichever is higher.

Representatives must adhere to the requirements as set out in Singlife's Group Privacy Policy and Standard (which is aligned with the PDPA and related Directions issued by the Monetary Authority of Singapore).

Representatives shall obtain the necessary consent for a specified purpose before collecting personal data. Such information collected must be safeguarded and not processed, disclosed and transferred without expressed consent.

Representatives must ensure the following:

- That they have obtained consent for the collection that they only use personal data for the purpose for which it was collected for;
- That they should not disclose personal data relating to their prospects or policyholders to third parties without the consent from the individual;
- That they should not obtain any policyholder's personal data from any system / records unless authorized by the Company;
- That they should put in place the necessary technical/physical/operational controls to ensure the security of personal data held in their possession;
- That they should cease to retain any personal data when there is no legitimate business, legal or regulatory purpose to do so and securely dispose of it; and
- That they should notify the Company as soon as reasonably practicable (but no later than 24hours) in the event of any unauthorized disclosure of personal data.

The Do Not Call ("DNC") Provisions operate in conjunction with the Data Protection Provisions ("DP Provisions") of the PDPA. The DNC Provisions requires persons sending specified messages to Singapore telephone numbers to check the DNC register before sending a specified message to a Singapore telephone number, and to identify the sender of a message when sending a specified message to a Singapore telephone number.

A specified message as defined under the PDPA is one where its purpose or one of its purpose is:

- a) to advertise, promote, or offer to supply or provide goods or services, land or an interest in land, or a business opportunity or an investment opportunity;
- b) to advertise or promote a supplier/provider (or a prospective supplier/provider) of the items listed in a) above; or
- c) any other prescribed purpose related to obtaining or providing information.

The sender of a specified message as defined within the scope of the PDPA is:

- a) the person who actually sends the message or makes a voice call containing the message;
- b) the person who causes the message to be sent or the voice call to be made; and
- c) the person who authorises the sending of the message or the making of the call.

There are 3 DNC Registers which individuals may choose to opt out of receiving specified messages by a sender, as defined within the scope of the PDPA, via voice/video call, text/sound/visual messages and fax on his/her Singapore telephone number.

Consequences for any intentional or negligent contravention of the Do Not Call (“DNC”)

Provisions involving the use of dictionary attacks and address-harvesting software:

- A financial penalty of up to **S\$200,000** for individuals; or
- A financial penalty of up to **S\$1m or 5%** of the organisation’s annual turnover in Singapore, whichever is higher.

Consequences for any intentional or negligent contravention of other DNC Provisions:

- A financial penalty of up to **S\$200,000** for individuals; or
- A financial penalty of up to **S\$1m** for organisations.

Representatives must conduct the following checks before using it:

How were leads obtained?	Has consent been obtained? <i>The content of the consent should include to whom the consent is given, the purpose for which the consent is obtained for and the channel for contact.</i>	Need to check National DNC?
Existing Client	Yes	Not required
Survey	Yes	Not required
Referral * 3 rd party (i.e. referrer) can be existing client, friends, siblings etc.	Yes Written confirmation <u>MUST</u> be obtained from the Referrer that the Referrer has obtained consent from the individual concerned (i.e. Referee) to disclose the individual's personal details to you for a specific purpose; <u>MUST</u> be able to disclose the full name of Referrer and Referrer's relationship to Referee; and <u>MUST</u> use approved script for the contact channel to Referee. You should not collect or use the Referee's details if (a) and (b) are not met.	Not required
Publicly available where personal data * Must be observed by reasonably expected means (i.e., if individuals ought to reasonably expect their personal data to be collected in that particular manner at that location or event); and * Must be observed at a public location or public event at which the individual appears and that is open to the public	Not required	Yes

13. SELLING WITHOUT / BEFORE OBTAINING RELEVANT LICENSING

Reference: MAS FAA and FAA-N13

Representatives must possess the relevant minimum entry requirements of the Capital Markets and Financial Advisory Services Examination if they intend to provide financial advisory services as appointed representatives under the FA Act and been issued with a unique representative number by MAS.

Representatives who sell before they are authorized are deemed to have breached Financial Advisers Regulations.

14. UNAPPROVED INTRODUCERS/TELEMARKETERS

Reference: MAS FAA-N02

Representatives are not allowed to appoint an introducer on their own. Introducers can only be appointed by the Company. Telemarketing arrangements which involve introducing arrangements must be approved the Company.

Representatives should only purchase leads from Company-approved introducers (including websites that sell leads).

Introducing activities refers to the act of introducing any client to a representative in relation to the provision of any type of financial advisory service by the representative. Telemarketing activity is the act of prospecting, cold calling, promoting, soliciting or attempting to sell a product or service over the phone.

15. USE OF NON-APPROVED MARKETING MATERIALS

Reference: MAS FAA - N03 / Financial Advisers Regulations

Representatives shall only use marketing materials that are issued or approved by the Company. Marketing material covers any form of material, for the purpose of conveying standardized information or message of a promotional nature.

Such materials include but are not limited to:

- Product advertisement in any form of media
- Call script
- Flyer/Brochure/Pamphlet/Poster/Postcard

- Letter (other than personalized letter to prospects/policyholders)
- Newsletter/Magazine
- Sales presentation material
- Client survey form
- Website/Blog/Social media platforms e.g., Facebook, Twitter, etc.

Representatives are to adhere to the following guidelines when designing marketing materials:

- They must obtain permission from the owner if photos, background textures, video clips or clip arts used are copyrighted. They must submit evidence of approval to Compliance Department together with the application form.
- They must indicate the source and date on the marketing or recruitment material if any reference is made to an article or other external source of information.

They must submit a new application for approval if:

- the approved marketing and recruitment materials have passed the maximum validity period of one year (from the date of approval or period of intended use as advised by the applicant, whichever is earlier); or
- there has been a change in the regulatory requirements that will affect the usage of approved material.

Please refer to the full requirements in the Group Marketing and Social Media Standards.

Representatives are prohibited from using any marketing materials that have been sent in for approval but have yet to be approved by the Company. Representatives are to note that the sending of approved marketing materials via SMS and emails in bulk volume to prospects or existing clients are to comply with the Spam Control Act.

16. MISREPRESENTATION

Reference: MAS FAA- N03

Misrepresentation refers to non-disclosure of information, or making of a deceptive, false, or misleading statement. Fraudulent misrepresentation occurs when the misrepresentation is

made maliciously with the intent to deceive and creating a false impression, causing the client to believe the representation to be true when it is not.

- Representative must provide clear and adequate information, and disclose all warnings, disclaimers, and exclusions of Singlife's products and their services, including the products belonging to other product providers that they are licensed to sell, to their prospects/policyholders.
- Representative must not make any deceptive, false, or misleading statement or withhold material information to induce a prospect/policyholder into buying, making changes or surrendering a policy.
- Representative shall disclose and clearly explain to the client in a manner that is clear, adequate, not false, or misleading and shall not omit to disclose any material facts may affect the validity of the policy.

If the misrepresentation is made with malicious intent to deceive, it is fraudulent misrepresentation which may be treated with a harsher disciplinary act.

17. MIS-SELLING / INAPPROPRIATE ADVICE

Reference: MAS FAA - N03/MAS FAA-N16

Representatives should ascertain and ensure that financial resources of their prospective clients are able to meet the premium for the intended duration of payment.

Representatives should ensure that there is a reasonable basis of recommendation, taking into consideration, the client's needs, circumstances, affordability, and risk tolerance. Representatives have to ensure that there is no overselling, which is likely to lead to difficulties in premium payment and the possible lapsing of policies.

Over-selling occurs when Representatives sold a product to a client who does not have the financial means to service the premiums and/or Representative sold a product to a client where - sum assured is beyond client's needs. Representatives have to ensure and document that they have addressed their client's affordability in the basis of recommendation.

Mis-selling occurs when a product is sold to a client that does not meet the needs and concerns of the client. Representatives must ensure that there is a reasonable basis when

making a recommendation to client. Representatives must exercise due diligence and recommend products that are suitable to client's needs.

Representatives must ascertain whether prospects have any pre-existing medical conditions that are covered by their existing policies before making any recommendation to switch to another suitable life / A&H insurance policy.

18. POOR DOCUMENTATION

Representatives must always ensure that all information provided by prospect / policyholder is accurately and adequately recorded in all sales application documents i.e., proposal form, fact find form etc.

19. POOR FIELD UNDERWRITING/POOR FACT FIND

Representative must be involved in the field underwriting process of gathering and documenting prospect/policyholder's information. This includes but is not limited to pre-existing medical conditions, height, weight, hazardous occupation, and lifestyle at the point of sale. Representatives must also take reasonable steps to conduct sufficient fact-find to understand the circumstances and needs of their customers.

- (a) Representative must go through every question in the proposal form's health questionnaire with the life assured and record his/ her answers accurately.
- (b) Representative must always ensure that all information provided by prospect/policyholder is accurately and adequately recorded in all sales application documents i.e., proposal form, fact-find form etc.
- (c) Representatives must take reasonable steps to collect all pertinent information from client and correctly document all information collected from the fact-find process.
- (d) Representatives must conduct fact-find with client before giving advice or making recommendation.
- (e) Representative must ensure that Selected Client(s) are accurately assessed and disclosed in the sales application documents. For prospects identified as vulnerable/ selected client(s), representative must offer a trusted individual to be present in the sales presentation. Definition of Selected Client means a client who meets any two of the following criteria:
 - is 62 years of age or older;
 - has below GCE 'O' level or 'N' level certifications, or equivalent;

- not proficient in spoken or written English
- (f) Representative must ensure that the prospect/policyholder countersigns against all amendments made in the sales application documents.
- (g) Representative shall disclose any additional information on the proposer or life assured that is material to the underwriting of the policy to the Company, so that the underwriter can make an informed decision when assessing the application. Whenever the Representatives are doubtful on whether the information, they have is material, they should always disclose the information.
- (h) Representatives shall submit their fact-find form to their Supervisors ~~Manager~~ for review and validate the fact-find form within the stipulated timeline of the proposal date.
- (i) Representatives must only use pre-sales tools that are authorized by the Company for conducting financial advisory services to prospects and clients.
- (j) Representatives must not influence client's inputs or responses during fact-find stage.

20. NON-PROVISION OF MANDATORY SALES DOCUMENTS

Reference: MAS FAA-N03 and FAA-N16

Representatives must explain the contents of the respective mandatory sales documents and give a copy of these documents to every prospect **before** he/she signs the proposal/subscription form. This is to ensure that the prospect has all the information to make an informed decision on his/her purchase.

The mandatory sales documents may be provided to the client either in the form of hardcopies or softcopies saved in an appropriate storage media e.g., flash drive, CD-Rom etc.

Mandatory Sales Documents	Traditional Life Policies	Investment Link Policies	Health & Medical Policies/Riders	Unit Trusts
Fact-Find Form	√	√	√	√
Policy Illustration	√	√	√	
Product Summary	√	√	√	
Your Guide to Life Insurance	√	√		
Your Guide to Health Insurance, if applicable			√	
Fund Information Booklet, if applicable		√		
Product Highlight Sheet		√		√
Prospectus				√

21. POOR AFTER SALES SERVICE**Reference: MAS FAA-G11**

This is defined as the failure to provide professional and prompt after-sale service to clients. Providing servicing or timely updates to clients is regarded as an important stage of the sales advisory process and it is essential for clients to be aware of their investments to be able make informed decisions. Risk appetites and needs would also change along different stages of a client's lives.

Therefore, all Representatives are reminded to provide professional after sales service to clients and to contact and service all clients (whether clients who have purchased from them or clients assigned to them) in a timely manner.

22. IMPROPER SWITCHING OF POLICY / CHURNING**Reference: MAS FAA G10 & LIA MU 49/12**

Improper switching refers to the switching of one product to another product where there it would be detrimental to client's interest.

Representatives shall always ascertain if the product purchased by a prospect or policyholder is intended to replace another Singlife product or products of other Insurers. They must disclose the detriments of a switch to the prospect/policyholder and document the prospect's/policyholder's reason for the switch in the Fact Find Form.

To ascertain whether the switch is detrimental to the client's interest, the following factors are considered.

- (a) whether the customer suffers any penalty for terminating the original product;
- (b) whether the customer will incur any transaction cost without gaining any real benefit from such a switch;
- (c) whether the replacement product confers a lower level of benefit at a higher cost or same cost to the client, or the same level of benefit at a higher cost; and
- (d) whether the replacement product is less suitable for the customer.

Stipulated by the LIA Members' Undertaking No. 49, under the Replacement Rule,

- i) All commissions paid for the sale of a regular/single premium policy (including top-ups) or a term policy will be clawed back if it replaces the policyholders' other regular/single premium policies which were discontinued 12 months before or after it was sold.
- ii) Policies that replace policies purchased with the same source of funds, e.g., Cash to Cash or SRS to SRS will be considered as replacement policies.
- iii) Policies purchased with CPF funds that replace policies purchased with the same or other CPF funds will be considered as replacement policies.
- iv) Replacement Rule applies to replacement of similar policies, i.e., SP with SP, and RP with RP.

Another aspect of improper switching is churning. Churning refers to practice of Representative advising the policyholder to generate proceeds from selling existing policies to finance part or all of the premiums to buy a new policy in order to earn more commission from the fees charged at point of sale. Churning falls under the category of detrimental switch. This "buy-sell-buy" process may occur several times.

The policy in question may be:

- a single premium, recurring single premium, or regular premium policy
- a traditional or investment-linked policy
- unit trust

surrendered, fully or partial; and followed by buying of another policy/ unit trust or topping up of another policy/ unit trust.

23. CPF MEDISAVE DEFAULTERS

Reference: CPF Board

As required under Central Provident Fund (Self Employed Persons) Regulations 1992 (the CPF Regulations), representatives should not be in arrears in the payment of their CPF contributions. Representatives who breach the CPF Regulations by having arrears in payment have failed to maintain fit and proper based on MAS FAA Guidelines on Fit and Proper Criteria.

Representatives may be suspended from all financial advisory, including servicing, until settlement or payment arrangement is made.

24. CONDUCT OF NON-FINANCIAL ADVISORY ACTIVITIES

Unless approved by the Company, Representatives are not allowed to participate in or promote any form of non-financial advisory activities, that may have potential conflict of interest. This includes but not limited to activities that:

- Conflict with the Company's business;
- Tarnish the image of the FA industry; and
- Lead to a neglect of the representative's financial advisory role.

In line with Financial Adviser Regulations, Representatives are not allowed to participate in or promote any form of non-financial advisory activities, whether directly or indirectly. This includes (but not limited to):

- Selling multi-level marketing products;
- Recruiting any Representatives for any form of multi-level marketing activities;
- Using office premises for any form of multi-level marketing activities or any other personal non-FA business activities. This includes any non-FA activities that have been approved.
- Holding a valid CEA (Council of Estate Agents) Registration Number.
- Carrying on, engaged, or employed in the business of moneylending.
- Organizing, promoting, or conducting any casino marketing arrangement in or with respect to any casino.
- Marketing any investment that is not an investment product.

25. LATE NOTIFICATION OF REPRESENTATIVE'S INFORMATION

Under the Financial Adviser Regulations, Representatives are required to notify the Company of any changes to their personal particulars (including but not limited to name, home address, email address, mobile number, nationality, passport number), financial soundness, honesty and integrity within 7 calendar days after the occurrence of the change. This is to enable the Company to meet its regulatory obligation in lodging the changes under the MAS Representative Notification Framework on a timely basis.

26. POOR CONDUCT OF REPRESENTATIVES (WITHIN PUBLIC PREMISES OR WITHIN AREAS IN THE VICINITY OF PUBLIC PREMISES)

Reference: LIA MU 48/20

Poor conduct of Representatives contributes to a poor image of the life insurance industry. As such, any Representatives caught exhibiting poor conduct or unacceptable behavior that brings disrepute to the Company within Public Premises or within Areas in the Vicinity of Public Premises shall:

- **For 1st offence, be suspended for 3 months with regards to any new business submissions.**
- **On 2nd offence, be suspended for 12 months with regards to any new business submission.**
- **On 3rd offence, have Representative's contract terminated.**

*Where the facts of the offence fall under the BSC Framework as well, the representative shall **not** be penalized under MU 48/20 **and** BSC Framework. **The representative shall be penalized only once, under either MU or BSC.***

Examples of Poor Conduct of Representatives include (but not limited to):

- Representative claimed to represent CPF Board in a telephone survey to obtain prospect's financial information.
- Representatives' door knocked HDB flats and claimed to be conducting CPF survey.
- Representative used public premises (for example: CPF or HDB branch offices) to conduct advisory services.
- Groups of Representatives harassed members of public near or in the vicinity of public premises (outside CPF/HDB branch offices or MRT stations).
- Harass prospects at public places

SECTION C – BREACH OF INTERNAL GUIDELINES

This section deals with market conduct violations against internal requirements.

27. CROSS-BORDER ACTIVITIES

Representatives are only licensed to provide financial advisory services and shall only conduct business in Singapore. They must not conduct any form of financial advisory

services outside the jurisdiction of Singapore. Documentary proof must be obtained to prove that financial advice was conducted to non-residents when they are physically present in Singapore at the time when said services are conducted.

Examples of prohibited activities include (but not limited to):

- Handing out of business cards to solicitate business
- Making business contact via phone, email, or any messaging devices via social media
- Soliciting any person for the purpose of selling products distributed by Singlife.
- Conducting fact-find, making presentations, or generating quotations for the purpose of selling products distributed by Singlife
- Promoting or explaining products distributed by Singlife and bringing any marketing materials, application forms or electronic devices for purpose of marketing products distributed by Singlife
- Collection of premiums
- Inviting or soliciting foreign nationals or enterprises to purchase products distributed by Singlife
- Using a foreign agent or agency in a foreign jurisdiction to sell products distributed by Singlife or to solicit business by encouraging foreigners to visit Singapore to buy products distributed by Singlife
- Signing of any documents or forms (electronic or otherwise) outside of Singapore jurisdiction.

The Company recognizes that there are certain circumstances where clients stationed overseas would want to purchase policies, either for themselves or for their families. For this exception, it needs to fulfill all the following criteria:

- (a) Incidental cross border is permitted where existing customers who are Singapore citizens or Singapore PRs wherever they are based.
- (b) Foreigners previously onboarded in Singapore where the relevant business volume is under 5% in respect of premiums/investments and customer numbers for a particular month.
- (c) Funds for payment must originate from a Singapore bank account

- (d) Additional checks via a different channel to complement the non-face-to-face onboarding process.
- (e) Use of EDMs with product offers limited to only Singapore citizens and PRs (who have at least one Singlife product).
- (f) Singlife digital platforms should only be used to onboard customers who are resident in Singapore using MyInfo.

28. MANIPULATION OF SALES FOR AWARDS / BENEFITS / PROMOTIONS / APPOINTMENTS

Representatives must not manipulate their production or sales for purpose of qualifying for incentives, contests, or awards to satisfy their personal gain.

Manipulation includes (but not limited to):

- Pooling – the recording of the sale of a policy under a representative who did not provide financial advisory service to the client. In this context, pooling would create the artificial appearance that the receiving representative's performance is better than it really is.
- Splitting of policies – Representatives are not allowed to advise clients to split their purchases into two or more policies. The only exception is if the client requested for the split, has a valid reason and the difference in premiums and charges are clearly explained to client and documented in the sales documents. If a client requests for their purchase to be split, into two or more policies, the representative must clearly explain the difference in terms of premiums and charges incurred. This must be clearly documented in the fact-find form.

29. GIVING ADVICE/ SELLING DURING SUSPENSION PERIOD

Representatives who are suspended for new business and/or servicing are not allowed to provide advice, sell and/or service with any client. This is tantamount to unlicensed selling.

Where a representative is suspended, he/she is not allowed to:

- Give any financial advice to clients/prospects
- Submit any new business, reinstatements, or top-ups
- Provide any form of servicing to his/her clients

When a Supervisor is suspended, he/she is not allowed to:

- Perform any financial advisory or supervisory functions. This includes but not limited to recruitment activities, receive of any transferred Representative(s), performing pre-transactions checks, performing joint-field work and coaching etc.

30. REBATING OF CPF RELATED PRODUCTS

Rebating refers to the offer or giving of some form of benefit, be it cash or in kind, to induce a purchase.

Representatives are also not allowed to induce their clients to use their CPF funds to purchase an insurance policy or any investments by offering to refund or rebate all or part of any commissions that they will earn from the sale. Representatives shall not offer any form of incentives, monetary or non-monetary, to any clients.

31. POOLING

Pooling is the passing of cases from Representative A to Representative B, where Representative B was not in attendance when the sales presentation was made to the prospective buyer and when the proposal form was signed. The Representatives may be licensed representatives of different financial services firms.

Representative is not allowed to close a sale of any product on behalf of another Representative if the latter was not present in any of the sales presentations or when the proposal was signed.

32. INDUCEMENT

Inducement is a motive or consideration that leads one to action or induces one to act. Any gifts must be Company approved.

Representatives must not use un-approved gifts to entice prospects to buy a policy or existing clients to make changes to their policy. Any gifts must be Company approved.

Representatives must not offer any incentives (monetary or non-monetary such as unapproved vouchers) to induce prospects to buy a policy or existing policyholders to make changes to their policy. Any incentives must be Company approved.

Representatives must not offer or rebate **part or all of** the commissions earned from a policy to a customer to induce the customer to purchase that policy from them.

33. COLLECTION OF CASH

All Representatives are strictly prohibited from accepting cash from clients for premium payments. This also applies to Representatives who participate in marketing and distributing activities at public events organized by the Company. Any cash payments should be made by clients at the customer service centers. For avoidance of doubt, collection of cash includes online or ATM transfer of funds from clients to Representative's bank account.

34. FINANCING OR ADVANCING OF PREMIUM

Financing of any form is not allowed, and Representatives are strictly prohibited to pay premiums on client's behalf. Representatives are not allowed to receive client's premiums via bank transfer to their personal account and not allowed to hold client's money in their bank accounts at any point of time. Representatives are also not allowed to advance premiums to their clients in any form, whether is it cash or cheque and whether with or without client's consent.

Representatives are only allowed to make premium payment for their immediate family members⁴. Representatives are to declare this qualifying relationship at the time of premium payment.

35. WITHHOLDING OF CLIENT'S PAYMENTS

Representatives must always act in the interest of their clients and exercise due care and diligence when conducting, soliciting, and servicing their businesses. All clients' payments, for example cheques, must be processed promptly. Representatives must not withhold any payments made by clients.

⁴ To define the term, "immediate family member" in relation to an individual, it will mean individual's spouse, child, adopted child, step-child, parent, step-parent, brother, step-brother, sister or step-sister.

36. CROSS-SELLING

Representatives are not allowed to sell any policy to another Representative and/ or immediate family members of another Representative. This is to prevent Representatives from using the credits earned from cross selling these policies to satisfy production, promotion, or contest/ incentive requirements.

37. PRE-SIGNED FORMS

A pre-signed form is the practice whereby a representative would obtain the genuine signature of proposers and/or policyholders on blank copies of the Company's forms, on the rationale or pretext of 'administrative convenience'. This is prohibited, with or without the consent of the proposer and/or policyholder.

Representatives must always obtain their prospects'/policyholders' signature on Company's forms after they are completely filled up. Representatives must not get their prospects/policyholders to sign blank or partially filled forms or letters, even if it is with their consent or authorization.

38. NON-DELIVERY OF POLICY DOCUMENTS

Representatives must ensure that all relevant policy documents including but not limited to, welcome letter, policy certificate, policy booklet are delivered to client without any undue delay.

39. UNAUTHORIZED POLICY CHANGES

Representatives must always obtain policyholders' written and signed authorization before making any changes to their policies.

Representatives are prohibited from using their personal or business address as the policyholders' mailing address on the proposal form unless the policyholders are residing in the said address.

40. UNAUTHORISED DIRECT SUBMISSION OF DOCUMENTS TO PRODUCT PROVIDERS

For Representatives authorized to sell products from other product providers, they are not allowed to submit any documents directly to the product providers. Representatives must

ensure that all documents are properly lodged in accordance with Company's existing sales process for record keeping purposes.

41. PROVIDING NON-INSURANCE ADVICE

Representatives are prohibited from giving non-insurance advice to their prospects and clients. Representatives are also prohibited from expressing opinions on investments to clients and prospects, even if it is upon their request, unless it is with Company's approval. All information communicated to prospects/ clients must be factual and adequately supported by references.

Representatives not authorized shall not make investment allocation decisions for their clients.

42. SELLING OF UNAPPROVED PRODUCTS/FUNDS

All products and funds approved for distribution by the Company have gone through a comprehensive due diligence process. Representatives are not allowed to promote or sell any products and/or funds that have not been approved.

43. MEDIA INTERVIEWS

Representatives must obtain the Company's prior approval before they accept any interviews or invitation to comment on any issue that features them as a Representative of the Company.

Representatives are not allowed to act as spokesperson for the Company. Only authorized head office staff are allowed to deal with media enquiries or make public statements about Singlife. Representatives shall refer all media enquiries to the Company's Corporate Communications team.

44. STANDARDS OF CONDUCT FOR MARKETING AND DISTRIBUTION ACTIVITIES

Representatives are to adhere to the following standards of conduct set out by the guidelines under the **FSG-G02: Guidelines on Standards of Conduct for Marketing and Distribution Activities**, when conducting marketing, distribution and/or sales activities (road shows) at retailers, public places, and corporate offices, including street canvassing, conduct of surveys, door-to-door prospecting and holding seminars.

- Representatives should always conduct themselves in a professional manner when prospecting for and dealing with clients. They must not cause annoyance by being unreasonably persistent or by placing undue pressure on members of the public to purchase any financial product or service. Representatives are not allowed to harass clients.
- Representatives should clearly disclose upfront their identities and the financial institution they represent when they prospect for customers. Where there are tie-ups with retailers, representatives are required to clearly disclose to customers the tie-up between the financial institution and the retailer and explain each party's roles and responsibilities.
- Representatives are required to undergo training on proper sales and advisory conduct for their marketing and distribution activities at retailers and public places.
- Representatives should ensure that any gift offered to customers does not unduly influence the decisions of customers to purchase any financial product or service. They should also ensure that the details of gifts are not displayed or promoted in such a manner as to inappropriately influence the purchase decisions of customers.
- Representatives should ensure that the venues for their marketing and distribution activities are adequate and conducive to conduct a proper sales and advisory session.
- Representatives should ensure that payments collected from customers are properly handled and securely kept.
- Representatives must record the roadshow identification number or source of prospecting on fact find forms for all transactions that are closed at or prospected from roadshow, street prospecting or door knocking activities.

For a breach of this guideline, the Company may mete out disciplinary actions such as ~~like~~ suspension in the participation of marketing and distribution events for Representatives and for Supervisors organizing and/or participating at such events. The suspension period will have to commensurate with the degree and circumstances surrounding the substantiated market misconduct.

45. USE OF COMMUNICATION SYSTEMS, EMAILS AND WEB PORTALS

Representatives must only use their corporate email address or Company approved processes when conducting business related matters / transactions. Business related matters / transactions includes the following:

- Instruction taking for business / transaction related matters
- Sending / receipt of policy related information / documents.

Representatives are prohibited from using email addresses or web portals that suggest that they are Independent Financial Advisers within the meaning of the FAA.

46. COLLECTION OF FINES FROM REPRESENTATIVES BY SUPERVISORS

Supervisors are not permitted to impose fines on their Representatives.

47. PROSPECTING AT RENTAL FLATS

Lower-income Singaporeans residing in rental flats should not be the target market that our representatives should focus on for Integrated Shield Plans (ISP)/ EldersShield (ESH)/CareShield. As such, any activities relating to prospecting at rental flats for ISP/ESH/CareShield shall be prohibited. The Company shall:

- Exclude prospects/policyholders residing in rental flats from any Lead Management system used by representatives for ISP/ESH/CareShield related campaigns, and
- Exclude prospects/policyholders residing in rental flats from any Direct Marketing Campaign for ISP/ESH/CareShield.
- Prohibit representatives from prospecting (street prospecting/door-knocking) at rental flats for ISP/ESH/CareShield.

48. BREACH OF CONFIDENTIALITY

Reference: Guidelines on Standards of Conduct for Financial Advisers and Representatives, paragraph 3.2

Representatives must maintain confidentiality of any information obtained from prospects, clients or assigned by the Company. Representatives must not divulge any confidential information obtained in the course of their work and safeguard confidential information.

49. UNPROFESSIONAL CONDUCT OF REPRESENTATIVES

Representatives must always conduct themselves with the highest decorum and be mindful that their actions do not bring disrepute to the Company. Representatives are expected to always conduct themselves professionally and respectful to clients, members of public, fellow representatives, and internal company staff. Representatives must cooperate in providing relevant information and assistance on timely basis, if requested by company staff.

Unprofessional conduct includes but not limited to:

- Bad-mouthing the Company or any of its Representatives.
- Use of abusive language or behavior towards prospects, clients, or employees.
- Sending rude, politically, or racially insensitive or sexually suggestive messages to prospects, clients or employees.
- Passing of demeaning remarks.
- Delay in providing or submission of additional information on client's background, upon request from Company staff.
- Non-compliance of any Employment contract, Representative Agreement, Sub-Unit Agreement and Management Unit Agreement.

50. NON-COMPLIANCE WITH INTERNAL GUIDELINES

All representatives are to fully comply with all internal company guidelines.

Internal guidelines include but not limited to:

- Representative can only service policyholder if they are officially appointed as their servicing representative.
- Representatives are to attend and pass all mandatory product training and assessments.
- Representatives are required to declare all business interest to the Company.
- Representatives are to adhere to Company communications.
- Representatives are not allowed to request clients to reveal their SingPass (PIN).

DISCIPLINARY ACTIONS

DISCIPLINARY ACTIONS

SECTION A - SERIOUS OFFENCES		
1	FORGERY	NOTICE OF TERMINATION
2	CHEATING	
3	CHEATING BY IMPERSONATION	
4	IMPERSONATION OF GOVERNMENT/STATUTORY BOARD OFFICIALS	
5	CRIMINAL BREACH OF TRUST/MISAPPROPRIATION	
6	MONEY LAUNDERING AND TERRORISM FINANCING	
7	BRIBERY AND CORRUPTION	
8	FRAUD (FALSIFICATION OF DOCUMENT OR ELECTRONIC RECORD)	
9	ABETMENT	
10	FIT AND PROPER CRITERIA	
SECTION B - BREACH OF REGULATORY REQUIREMENTS		
11	SUB-AGENCY	1st BREACH - 3 MONTHS SUSPENSION 2nd BREACH - NOTICE OF TERMINATION
12	BREACH OF DATA PROTECTION / DO NOT CALL PROVISIONS	1st BREACH - LETTER OF WARNING 2nd BREACH - LETTER OF SUSPENSION 3rd BREACH - NOTICE OF TERMINATION
13	SELLING WITHOUT / BEFORE OBTAINING RELEVANT LICENSING	
14	UNAPPROVED INTRODUCERS / TELEMARKETERS	
15	USE OF NON-APPROVED MARKETING MATERIALS	
16	MISREPRESENTATION	
17	MIS-SELLING / INAPPROPRIATE ADVICE	
18	POOR DOCUMENTATION	
19	POOR FIELD UNDERWRITING/POOR FACT-FIND	
20	NON-PROVISION OF MANDATORY SALES DOCUMENTS	
21	POOR AFTER SALES SERVICE	
22	IMPROPER SWITCHING OF POLICY / CHURNING	
23	CPF MEDISAVE DEFAULTERS	

24	CONDUCT OF NON-FINANCIAL ADVISORY ACTIVITIES	
25	LATE NOTIFICATION OF REPRESENTATIVE'S INFORMATION	
26	POOR CONDUCT OF REPRESENTATIVES (WITHIN PUBLIC PREMISES OR WITHIN AREAS IN THE VICINITY OF PUBLIC PREMISES)	1st BREACH - 3 MONTHS SUSPENSION 2nd BREACH - 6 MONTHS SUSPENSION 3rd BREACH - NOTICE OF TERMINATION
SECTION C - BREACH OF INTERNAL GUIDELINES		
27	CROSS-BORDER ACTIVITIES	NOTICE OF TERMINATION
28	MANIPULATION OF SALES FOR AWARDS / BENEFITS / PROMOTIONS / APPOINTMENTS	1st BREACH - 3 MONTHS SUSPENSION
29	GIVING ADVICE / SELLING DURING SUSPENSION PERIOD	2nd BREACH - NOTICE OF TERMINATION
30	REBATING OF CPF RELATED PRODUCTS	1st BREACH - LETTER OF WARNING 2nd BREACH - LETTER OF SUSPENSION 3rd BREACH - NOTICE OF TERMINATION
31	POOLING	
32	INDUCEMENT	
33	COLLECTION OF CASH	
34	FINANCING OR ADVANCING OF PREMIUMS	
35	WITHHOLDING OF CLIENT'S PAYMENTS	
36	CROSS-SELLING	
37	PRE-SIGNED FORMS	
38	NON-DELIVERY OF POLICY DOCUMENTS	
39	UNAUTHORIZED POLICY CHANGES	
40	UNAUTHORISED DIRECT SUBMISSION OF DOCUMENTS TO PRODUCT PROVIDERS	
41	PROVIDING NON-INSURANCE ADVICE	
42	SELLING OF UNAPPROVED PRODUCTS/FUNDS	
43	MEDIA INTERVIEWS	
44	STANDARDS OF CONDUCT FOR MARKETING AND DISTRIBUTION ACTIVITIES	
45	USE OF EMAILS AND WEB PORTALS	

46	COLLECTION OF FINES FROM REPRESENTATIVES BY SUPERVISORS	
47	PROSPECTING AT RENTAL FLATS	
48	BREACH OF CONFIDENTIALITY	
49	UNPROFESSIONAL CONDUCT OF REPRESENTATIVES	
50	NON-COMPLIANCE OF INTERNAL GUIDELINES	

11. APPENDIX B – DISCIPLINARY FRAMEWORK

Depending on the substantiated offence against Appendix A – Market Misconduct, the typical outcome of an investigation would typically be one of the following:

- No Further Action (*for when the investigation outcome is unsubstantiated or could not be substantiated*)
- Letter of Warning (“LOW”)
- Letter of Suspension (“LOS”)
- Notice of Termination (“NOT”)

Implications of Disciplinary Action.

This section explains the implications for Representatives who have received a disciplinary action. If any aggravating factor was noted, the standard disciplinary action shall minimally apply, and a more lenient disciplinary action cannot be allowed. The same principle shall apply in the event of any appeal by the representative.

✓ **Letter of Warning**

All substantiated market conduct investigation outcomes would minimally result in a Letter of Warning (LOW) issued to Representatives involved. The purpose of issuance of LOW is to deter against any market misconduct violations and aims to be a preventive measure against any future violations. Even if a Representative is issued with a LOW, they may be required to undergo additional requirement which may include re-training, additional documented coaching sessions, and enhanced supervision (depending on severity of offence).

Representatives who have received 2 or more LOW in the preceding 24 months may be barred from any incentives, awards, or promotion.

✓ **Letter of Suspension**

Incidents that may result in the suspension of a Representative includes any violation of Section B – Breach of Regulatory Requirements, as prescribed in Appendix A- Market Misconduct. If a Representative is recalcitrant, unnecessarily uncooperative during the investigation process or if breach is not an isolated incident, suspension may be meted out as well.

The period for suspension of the Representatives may range from 1 month to 6 months. The purpose of the suspension period is to address a competency or behavior issue, contain the potential risk exposure caused by the violation and serve as a deterrent to enforce compliance in future. Additionally, Representative may be required to fulfil re-training, additional documented coaching session, and enhanced supervision.

Where a Representative is suspended, he/she is not allowed to:

- Give any financial advice to clients/prospects
- Submit any new business, reinstatements, or top-ups
- Provide any form of servicing to his/her clients

When a Supervisor is suspended, he/she is not allowed to:

- Perform any financial advisory and/or supervisory functions. This includes but not limited to recruitment activities, receive of any transferred Representative(s), performing pre-transactions checks, performing joint-field work and coaching etc.

While on suspension, Representatives are still required to attend monthly meetings and any coaching sessions. Representatives must attend and complete any re-training or validation prescribed to them as part of the disciplinary action. Any Representatives suspended will be disqualified from any promotions, awards, and incentives for the year. An extension of suspension or other disciplinary actions (depending on severity of activity done) may be meted out if Representatives are caught conducting any unauthorized activities during suspension period.

✓ **Notice of Termination**

Any substantiated market conduct pertaining to any violations in Section A - Penal code/criminal offence and Statutory Offences will automatically result in a Notice of Termination served and a police report may be lodged (depending on circumstances).

In incidents where there are breaches to Guidelines on Fit and Proper Conduct (Guideline No. FSG-G01), systematic recalcitrant behavior, violations of Representatives' contract and/or poses a considerable reputational risk to the Company, a Notice of Termination may be issued.

The Notice of Termination will be effective 14 days from date of Notice of Termination letter. During these 14 days, Representatives are suspended from all financial advisory activities.

Representatives' record of misconduct, market conduct violations and disciplinary actions will be taken into consideration and overall assessment of Representatives' conduct record. Any violations with stipulated period will be considered as an aggravating factor. Representatives' record will be cleared if there are no occurrences of similar violations after 36 consecutive months from date of last substantiated complaint.

In addition to the above disciplinary actions and in accordance with notice: FAA-N14 on Notice on reporting of Misconduct of Representatives by Financial Advisers and MAS 504 on Reporting of Misconduct of Broking Staff by Insurance Brokers, the Company will lodge the FAA-N14 or MAS 504 report to the MAS, as it impinges on the fitness and propriety of the representative. The Company will lodge the report upon discovery of the following types of misconduct committed by its Representatives:

a) Acts involving Fraud, Dishonesty or Other Offences of a Similar Nature.

In cases where the Company has reason to suspect that Representative has committed any offence involving cheating, dishonesty, fraud, forgery, misappropriation of monies or criminal breach of trust, the Company is expected to lodge a police report and submit to MAS a copy of police report, together with police investigation officer and any update of police investigation.

b) Acts involving Inappropriate Advice, Misrepresentation, or Inadequate Disclosure of Information.

Cases in which Representatives

- Made a recommendation to client without due consideration to client's investment objectives, financial situation, or particular needs.
- Made a deceptive, false, misleading statement to client.
- Failed to disclose to a client all material information relating to any designated investment product.

c) Failure to satisfy Guidelines on Fit and Proper Criteria.

Cases where Representatives failed to satisfy the fit and proper criteria set out in FSG-G01: Guideline on Fit and Proper Criteria. Criteria include, but not limited to:

- a) Honesty, integrity, and reputation.
- b) Competence and capability.
- c) Financial soundness.

d) Other Misconduct.

- A non-compliance with any regulatory requirement relating to the provision of any financial advisory service.
- A serious breach of the Company's internal policy or code of conduct

For Representatives who have left the Company, letters of Outcome stating the outcome of the investigation will be sent to the ex-Representative, either via email or to their last known mailing address.

Considerations for Disciplinary and Remedial Actions

The Company determines the appropriate disciplinary and remedial actions for Representatives found to have breached **Appendix A – Market Misconduct** by considering the root cause of the violation and its severity. However, a more severe disciplinary action may be meted should the Representative exhibits recalcitrant behavior or a systematic trend based on past misconduct and complaint history. If a Representative is found to be lacking in integrity, honesty or conduct poses a considerable reputational risk to the Company, their contract may be terminated.

In line with the LIA Disciplinary Framework, specific circumstances of each case would be considered which could lead to a harsher or more lenient disciplinary action. The checklist below serves to form a guide and a framework to assess and identify root cause of the violation and

identify whether there are any mitigating or aggravating factors, in order to determine the appropriate disciplinary and/or remedial actions. This is not meant to be exhaustive, and the Company may propose and impose additional disciplinary actions or remedial actions to ensure customers' and Company's interest are protected.

Further, these checklists provide a platform for coaching and training purposes, conducted by either by the Supervisors or respective Training departments.

Checklist 1: Root-Cause Assessment would highlight the cause of the misconduct and allude to the areas that proper training can be targeted for the representatives. This can be done by the Supervisors within their team via sharing or coaching session or Training departments for newcomers.

Checklist 1: Root-Cause Assessment

	Root-Cause Assessment	
General information	<input type="checkbox"/> Statutory offence. <input type="checkbox"/> Serious market conduct violations. <input type="checkbox"/> Breach of regulatory requirements. <input type="checkbox"/> Breach of internal requirements. <input type="checkbox"/> Breach of non-client related requirements.	<input type="checkbox"/> First time offender. <input type="checkbox"/> Second offence within 36 months. <input type="checkbox"/> Recalcitrant.
Skills & Competency	<input type="checkbox"/> Poor sales prospecting skills. <input type="checkbox"/> Inadequate product knowledge. <input type="checkbox"/> Lack of competency of the sales advisory process. <input type="checkbox"/> Inadequate understanding of Market Conduct Guidelines	<input type="checkbox"/> Lack of awareness of proper procedure. <input type="checkbox"/> Received incorrect guidance from supervisor.
Sales Practice / Trust Issue	<input type="checkbox"/> Inappropriate practice. <input type="checkbox"/> Circumventing control checks. <input type="checkbox"/> Unapproved vouchers to entice customer.	<input type="checkbox"/> Unprofessional practice. <input type="checkbox"/> Wilful misconduct. <input type="checkbox"/> Others: _____
Customer detriment	<input type="checkbox"/> No. of customers impacted: <ul style="list-style-type: none"> <input type="checkbox"/> Nil (no customer impacted) <input type="checkbox"/> Isolated case. <input type="checkbox"/> Less than 10. <input type="checkbox"/> More than 10. 	<input type="checkbox"/> Customer's financial detriment: <ul style="list-style-type: none"> <input type="checkbox"/> Nil <input type="checkbox"/> Low (< S\$200). <input type="checkbox"/> Moderate (S\$200 to S\$1,000). <input type="checkbox"/> Significant (S\$1,001 to S\$10,000). <input type="checkbox"/> Very significant (>S\$10,000).

Checklist 2: Factors for Consideration

	Additional Factors To Be Considered	
	Mitigating factors	Aggravating factor
Representative	<ul style="list-style-type: none"> <input type="checkbox"/> The representative is new or relatively inexperienced at the time of committing the violations. <input type="checkbox"/> The representative demonstrated remorse for the violation, such as seeking advice on how to remediate the mistake. <input type="checkbox"/> The representative cooperated fully with the investigation and put the customers' interest as the priority. <input type="checkbox"/> The representative self-declared similar violations involving other customers and completed the CSR quickly. <input type="checkbox"/> The violation was partly contributed by miscommunication with the customers or there was other contributory negligence. <input type="checkbox"/> The violation was partly caused by incorrect learnings in the past or the wrongful actions were directed by the representative's supervisor. <input type="checkbox"/> There is a lack of communication on the part of Company on the requirements. 	<ul style="list-style-type: none"> <input type="checkbox"/> The representative is a recalcitrant offender. i.e., multiple violations over a short time frame. <input type="checkbox"/> The wrongful action was committed wilfully with the intention to hit production targets or to qualify for awards and incentives. <input type="checkbox"/> The representative was involved in a number of other violations in recent past and the series of violations indicates a serious systemic issue that may require significant efforts to address. <input type="checkbox"/> The representatives targeted vulnerable customers for sale prospecting activity. <input type="checkbox"/> The representative tried to conceal the full extent of the violations by falsely declaring that the incident is an isolated case. <input type="checkbox"/> The representative directly or indirectly attempted to contact/ harass the customers to try to resolve the issue. <input type="checkbox"/> The representative was uncooperative and/ or threatened or insulted the investigating officers during the course of investigation. <input type="checkbox"/> Multiple customers were affected, and the detriment is severe.
Supervisor	<ul style="list-style-type: none"> <input type="checkbox"/> The supervisor is inexperienced or newly promoted. <input type="checkbox"/> The supervisor completed the CSR quickly and put the interest of the customer as the priority. <input type="checkbox"/> The supervisor accepted responsibility for the conduct of the representative and had developed a plan for enhance supervision. 	<ul style="list-style-type: none"> <input type="checkbox"/> The supervisor is in denial that a violation had occurred and provided excuses to defend the representative. <input type="checkbox"/> The supervisor was uncooperative and/or threatened or insulted the investigating officers during of the investigation. <input type="checkbox"/> The violation was wholly or partially abetted by the supervisor.

Checklist 3: Disciplinary and Remedial Actions

	Disciplinary & Remedial Actions	
	For Representative	For Supervisor
Representative's competency:	<input type="checkbox"/> Re-training: <ul style="list-style-type: none"> <input type="checkbox"/> Sales prospecting. <input type="checkbox"/> Sales advisory process. <input type="checkbox"/> Product knowledge. <input type="checkbox"/> Market conduct guideline. <input type="checkbox"/> Others: _____ 	<u>For the Supervisor:</u> <ul style="list-style-type: none"> <input type="checkbox"/> Targeted re-training for supervisor on the specific area of weakness. <input type="checkbox"/> Join the representative for the re-training <input type="checkbox"/> Validation test by Competency Dept.
	<input type="checkbox"/> Validation test by Competency Dept <input type="checkbox"/> Confirm having read and understood the following Company policy and/or guidelines: _____ _____	<u>Enhanced supervisory duties:</u> <ul style="list-style-type: none"> <input type="checkbox"/> Coaching the representative on area of weakness. <input type="checkbox"/> Joint field work with representative for <ul style="list-style-type: none"> <input type="checkbox"/> Next 5 / 10 sales prospecting. <input type="checkbox"/> Followed by 2 / 3 / 5 sales prospecting each month for the subsequent 3 / 6 months.
Risk/Damage control:	<input type="checkbox"/> Temporary and immediate suspension pending conclusion of investigation. <input type="checkbox"/> Suspension from 3 / 6 months on: <ul style="list-style-type: none"> <input type="checkbox"/> Prospecting method: <ul style="list-style-type: none"> <input type="checkbox"/> Roadshows. <input type="checkbox"/> Street prospecting. <input type="checkbox"/> Door-to-door knocking. <input type="checkbox"/> Telemarketing. <input type="checkbox"/> All prospecting activities. <input type="checkbox"/> Sale of: <ul style="list-style-type: none"> <input type="checkbox"/> CIS. <input type="checkbox"/> Shield plans. <input type="checkbox"/> Endowment policies <input type="checkbox"/> A&H policies <input type="checkbox"/> Others: _____ 	<ul style="list-style-type: none"> <input type="checkbox"/> 100% call back for 3 or 6 months for sales prospected by the representative: <ul style="list-style-type: none"> <input type="checkbox"/> Investment sales. <input type="checkbox"/> Endowment sales. <input type="checkbox"/> Shield plans (IP; ElderShield etc) sales. <input type="checkbox"/> Protection sales. <input type="checkbox"/> Special attention on: <ul style="list-style-type: none"> <input type="checkbox"/> Replacement of policy / Switching. <input type="checkbox"/> Pre-existing medical condition. <input type="checkbox"/> Budget and affordability. <input type="checkbox"/> Cost of splitting policies. <input type="checkbox"/> Wrap fee agreed. <input type="checkbox"/> Others: _____ <input type="checkbox"/> Portfolio review for all similar transactions prospected by the representative. <input type="checkbox"/> Customer service recovery (CSR) for all affected customers.
Deterrent:	<input type="checkbox"/> BSC infraction: <ul style="list-style-type: none"> <input type="checkbox"/> Category 1. <input type="checkbox"/> Category 2. 	<u>For the supervisor:</u> <ul style="list-style-type: none"> <input type="checkbox"/> Letter of advice

	Disciplinary & Remedial Actions	
	For Representative	For Supervisor
	<ul style="list-style-type: none"> <input type="checkbox"/> Letter of advice <input type="checkbox"/> Formal warning (Letter of Warning). <input type="checkbox"/> Suspension for: <ul style="list-style-type: none"> <input type="checkbox"/> 1 month / 3 months / 6 months. <input type="checkbox"/> Subject to completion of validation. <input type="checkbox"/> Subject to completion of CSR. <input type="checkbox"/> Termination of service. <input type="checkbox"/> Claw-back of transitional allowance. <input type="checkbox"/> Claw-back of commission <input type="checkbox"/> Lodgement of MAS FAA-N14 report <input type="checkbox"/> Lodgement of MAS 504 <input type="checkbox"/> Lodge a police report. <input type="checkbox"/> Reimbursement of CSR expense. <input type="checkbox"/> Demotion (if representative is a TL). 	<ul style="list-style-type: none"> <input type="checkbox"/> Formal warning (Letter of Warning). <input type="checkbox"/> Suspension for supervisory duties for: <ul style="list-style-type: none"> <input type="checkbox"/> 1 month / 3 months / 12 months. <input type="checkbox"/> Subject to completion of validation. <input type="checkbox"/> Supervisor's span of control: <ul style="list-style-type: none"> <input type="checkbox"/> Restricted to 8 / 10 / 12. <input type="checkbox"/> Freeze on recruitment. <input type="checkbox"/> Reduce by 12.5% / 20%. <input type="checkbox"/> Termination of service (for abetment violation). <input type="checkbox"/> Claw-back of transitional allowance. <input type="checkbox"/> Reimbursement of CSR expenses.

12. APPENDIX C – ACCOUNTABILITY FRAMEWORK FOR SUPERVISORS

The types of market misconduct stated in Appendix A and the disciplinary framework in Appendix B covers the violations and the associated disciplinary actions for Representatives. These applies to representatives in a supervisory position who provide financial advisory services, Team Leaders, or Team Managers (T2 and T3), Supervisors, Financial Services Managers, Group Sales Managers and Directors (collectively known henceforth as “Supervisors”).

Supervisors play an essential role in ensuring that their representatives act with integrity, honesty and have high standard of ethics when providing financial advisory services. Therefore, an accountability framework for Supervisors is a crucial component of ensuring good market conduct practices.

1. Day-to-day supervisory activities

The day-to-day supervisory activities include, but is not limited to:

- Conduct proper coaching with documentation for their representatives.

- Conduct joint field work for new representatives or representatives placed under close supervisor.
- Conduct proper pre-transaction review of fact-find and suitability of product recommendations in sales propositions submitted by their representatives.
- Conduct call-backs checks for selected clients using approved call scripts.

2. Supervisors' accountability

Supervisors are minimally expected to train, coach, and guide their representatives. As such, they should be held accountable for market conduct violations by their representatives. Therefore, the completed Checklists 1 and 2 will help guide and aid the recommendations for Checklist 3: Disciplinary and Remedial Actions.

If Supervisors are found wanting, they will be subjected to disciplinary actions. Examples of failure to adequately perform supervisory duties include but is not limited to:

- Failure by Supervisor to detect or prevent a market conduct violation committed by their representative where it could have been reasonably prevented or detected by Supervisor.
- A representative committed a series of market misconduct which exhibits a clear trend.
- Multiple complaints received against Supervisors' team.
- Multiple market conduct issues identified from Supervisors' team.
- Supervisor knowingly or willfully abetted and contributed to misconduct of their representatives.
- Failure to conduct joint field work for new representatives or representatives placed under close supervision.
- Failure to conduct proper pre-transaction review of fact-find and suitability of product recommendations in sales propositions submitted by their representatives.
- Failure to conduct call-backs checks for selected clients or failure to adhere to approved call scripts.
- False declaration on confirmation of sales-related call back.
- Failure to conduct proper coaching with documentation for their representatives.
- Used non-approved marketing material or created non-approved marketing material for product training and/or sales advisory.
- Failure to complete customer service recovery (if needed).

Supervisors' variable income for the quarter will be impacted by their direct representatives' BSC results for the relevant measurement quarter, as in accordance with the BSC framework. Therefore, the penalty meted to Supervisors for their deficiencies or inadequacies on pre-transaction checks are covered under the BSC framework.

Notwithstanding, a harsher disciplinary action may be meted out if there is evidence of gross negligence on the Supervisors based on the examples quoted above. Possible prescribed disciplinary actions could include:

- Letter of Warning.
- Suspension.
- Demotion.
- Termination.

3. Span of Control

The Supervisors' ability to effectively discharge their duties and responsibilities can be affected by their span of control ("SOC") or the number of representatives reporting to them. To ensure effectiveness of Supervisors, GMCS adopts the LIA MU 65/15 where:

The standard agency unit (Group) comprises of a maximum of 176 persons in total.	
Tier 3	1 Agency Manager with up to 15 representatives under him and/or up to 10 Tier 2 Agency supervisors.
Tier 2	10 Agency supervisors with up to 15 representatives under them.
Tier 1	Up to 15 representatives under 1 supervisor.

In the scenario where the number of representatives that requires close supervision/enhanced monitoring within a team are too many, the Supervisors may not effectively manage. When such happens, the Supervisors' span of control will need to be managed or temporarily reduced. This serves as a guide:

Number of Representatives under close supervision				
Team size	2	3	4	5
1 to 5	SOC limit at 10	SOC limit at 10	Freeze on recruitment	Suspension from supervisory duties

6 to 10	No action	SOC limit at 12	Freeze on recruitment	SOC reduced by min. 12.5%
11 to 15	No action	No deviation allowed	Freeze on recruitment	SOC reduced by min. 20%

13. APPENDIX D – DISCIPLINARY AND APPEAL COMMITTEE & GROUP MANAGEMENT APPEAL COMMITTEE

Guiding principles, Appeals will only be heard if it fulfills both criteria:

- Only if new evidence or evidence not otherwise considered during investigations.
- Only if Group Sales Managers/T3 and Head of Affinity/Chief Agency Officer/Chief Distribution Officer endorses the appeal.

** Disciplinary actions meted and issued may be increased for any appeals that are frivolous in nature.*

Role of Disciplinary and Appeal Committee (“DAC”) and Group Management Appeal Committee (“GMAC”):

- Ensure that the disciplinary actions issued are fair and consistent.
- The decision-making process for handing of disciplinary actions and appeals must be robust and transparent.
- Establish an independent, structured, and well documented decision-making process for handling DAs and appeals.

Disciplinary and Appeal Committee (“DAC”)

- A DAC shall have a quorum of at least (1) chairman and two (2) members from functions, that do not have conflict of interest, to be appointed by the respective firms.
- DAC will deliberate cases of representative’s / supervisor’s appeal against (i) letter of warning (ii) demotion (iii) disqualification from awards/incentives issued to them in relation to market misconduct and/or unethical practices; and (iv) infractions / adverse grading (i.e. Satisfactory and below) under the BSC framework.
- DAC appeal cases will be facilitated by Compliance team of respective firms.

DISCIPLINARY AND APPEAL COMMITTEE (“DAC”) WORKFLOW

Representative received notification on substantiated market conduct outcome for:

- **Letter of Warning**
- **Infractions / adverse grading (i.e. Satisfactory and below) under the BSC framework**
- **Demotion**
- **Disqualification from Awards / Incentives**



Before accepting any appeals, respective Compliance teams to check if:

1. There is any new evidence not provided or considered during the investigations.
2. Appropriate approvals given by Group Sales Managers/T3, and Head of Affinity/Chief Agency Officer/Chief Distribution Officer endorses the appeal.

Important note:

For any appeals that are frivolous in nature, the respective DAC reserves the right to increase the disciplinary action originally meted out.



If there are grounds and reasons for the appeal, Appellant’s Supervisor to forward the reason for appeal, necessary approvals and endorsements, and evidence to respective Compliance teams.

Compliance teams to acknowledge the appeal within **T+2 business days**.



Compliance teams of respective firms to facilitate the DAC, either via face-to-face meeting, online meeting, or email (respective Compliance teams have discretion).

Depending on circumstances of case, Appellant will have no more than **30 mins** to state reasons for their appeal. Appellant will leave meeting once DAC dismiss them, for DAC to deliberate.

After respective DAC have reached a decision on appeal, Compliance will convey decision and outcome to Appellant via either letter or email **no later than 7 business days after appeal meeting** (This is to facilitate the confirmation of meetings with the GMAC),



DAC’s decision is **final**.

There is no further recourse for appeals.

Group Management Appeal Committee (“GMAC”)

- A GMAC shall consist of the following members: -
 - Chief Operations Officer
 - Group Chief Risk Officer (Chairman)

- Group Head, People Function Director
- GMAC will deliberate cases of representative's appeal against serious market misconduct cases/penalty (i.e. suspension or termination)
- GMAC cases will be facilitated by Central Market Conduct Team

GROUP MANAGEMENT APPEAL COMMITTEE ("GMAC") WORKFLOW

Representative received notification on substantiated market conduct outcome for:

- **Letter of Suspension**
- **Notice/Letter of Termination**



Before accepting any appeals, Central Market Conduct Team to check if:

3. There is any new evidence not provided or considered during the investigations.
4. Appropriate approvals given by Group Sales Managers/T3, and Head of Affinity/Chief Agency Officer/Chief Distribution Officer endorses the appeal.

Important note:

For any appeals that are frivolous in nature, the respective GMAC reserves the right to increase the disciplinary action originally meted out.



If there are grounds and reasons for the appeal, Appellant's Supervisor to forward the reason for appeal, necessary approvals and endorsements, and evidence to Central Market Conduct.

Central Market Conduct to acknowledge the appeal within **T+2 business days**.



Central Market Conduct to convene GMAC (as soon as possible) via Face-to-face meeting (if possible) or online meeting.

Appellant will have opportunity to plead their case to GMAC (if they choose to) and Supervisor can accompany Appellant. Depending on circumstances of case, Appellant will have no more than **30 mins** to state reasons for their appeal. Appellant will leave meeting once GMAC dismiss them, for GMAC to deliberate.

Once decision has been decided, Central Market Conduct will convey decision to Appellant via email or letter **no later than 7 business days after appeal meeting** (This is to facilitate the confirmation of meetings with the GMAC).



GMAC's decision is **final**.
There is no further recourse for appeals.

Prior to DAC or GMAC meeting (whichever applicable), the Compliance team from the respective firm (in the case of GMAC, by the Central Market Conduct Team) shall circulate to the respective members the following documents (where appropriate):

- Summary of the facts of the complaint or BSC infraction
- Recorded statements (e.g., representative, complainant etc.)
- Documentary evidence of the alleged misconduct or BSC infraction
- Representative's past findings of misconduct and past complaints
- Compliance's investigation findings and assessment
- Compliance's recommended disciplinary action to be taken against the representative or BSC grading assigned to the representative.

14. GMCS VERSION LOG

Version	Summary of Change	Approved Date
1.0	Issuance of Group Market Conduct Guidelines	1 Apr 2022
1.1	<p>Amendments made:</p> <ol style="list-style-type: none"> 1. In line with LIA MU 82/22, Sub-agency moved to No.13, Section B – Breach of Regulatory Requirements with disciplinary actions changed to 1st breach – 3 months Suspension and 2nd breach – Notice of Termination. 2. In line with LIA MU 82/22, Selling without/before Obtaining Relevant Licensing moved to No. 14, Section B – Breach of Regulatory Requirements with Disciplinary Actions changed to 1st Breach – Letter of Warning, 2nd Breach – Letter of Suspension and 3rd breach – Notice of Termination. 3. In line with LIA MU 82/22, separated Late Notification of Representatives' Information from Fit and Proper Criteria and moved to No. 27 Late Notification of Representatives' Information, Section B – Breach of Internal Requirements with disciplinary actions changed to 1st Breach – Letter of Warning, 2nd Breach – Letter of Suspension and 3rd breach – Notice of Termination. 4. In line with LIA MU 82/22, Cross-Border Activities moved to No. 29 with change in disciplinary action to 1st Breach – Notice of Termination. 5. In line with LIA MU 82/22, No. 30 Manipulation of Sales for Awards/Benefits/Promotions/Appointments, Section C – Breach of Internal Guidelines, change in disciplinary actions to 1st breach – 3 months Suspension and 2nd breach – Notice of Termination. 6. In line with LIA MU 82/22, No. 31 Giving Advice/Selling during Suspension Period, Section C – Breach of Internal Guidelines, change in disciplinary actions to 1st breach – 3 months Suspension and 2nd breach – Notice of Termination. 7. Removal of Non-Disclosure of Client Information and replaced with Poor Field Underwriting/Poor Fact-Find, as there is overlap - No. 20 Poor Field Underwriting/Poor Fact-Find, Section B – Breach of Regulatory Requirements. 8. Added Bookmark to contents page. 	1 Oct 2022

1.2	<p>Amendments made:</p> <ol style="list-style-type: none"> 1. Update of “Singlife with Aviva” to “Singlife”. 2. Change of naming from “Group Market Conduct Guide & Disciplinary Action Framework” to “Group Market Conduct Standards & Disciplinary Action Framework” 3. Moved ‘Rebating of CPF Related Products’ clause from Section A No. 10 to Section C No. 30 given that regulations have been lifted on rebates of CPF related products but still disallowed by Company. 4. Combined Section B No. 24 Breach of Do Not Call Provisions with Section B No. 12 Breach of Data Privacy to be under Breach of Data Protection / Do Not Call Provisions given that they are under the same Act, and the premise of the Do Not Call Provisions is on the PDPA obligations. Amended the combined clause for clarity. 5. Amendments to Section B No. 14 Unapproved Introducers/Telemarketers to provide clarity that engagement of introducers can only be appointed by the Company. 6. Amendments to Section B No. 15 Use of Non-Approved Marketing Materials to provide clarity. 7. Amendments to Section B No. 16 Misrepresentations to include mention of products by other product providers for clarity. 8. Amendments to Section B No. 25 Late Notification of Representative’s Information to provide clarity. 9. Amendments to Section C No. 27 Cross-Border Activities to state the criteria that needs to be fulfilled for circumstances where clients stationed overseas would want to purchase policies. 10. Amendments to Section C No. 32 Inducement to include an example of vouchers as unapproved incentives for clarity. 11. Amendments to the definition of “immediate family members” under Section C No. 34 Financing or Advancing of Premium as per discussion and agreement during the FDC meeting. 12. Amendments to Section C No. 41 Providing Non-Insurance Advice to state that the representatives are not allowed to provide non-insurance advice unless with Company’s approval. 	27 Nov 2023
-----	--	-------------

	<p>13. Amendments to Section C No. 45 Use of Emails and Web Portals to state that only corporate email address or Company approved process should be used for business related matters / transactions.</p> <p>14. Amendments to Appendix B – Disciplinary Framework for clarity on the activities that a representative/supervisor are not allowed to engage in during suspension period.</p> <p>15. Amendments to Appendix D – Disciplinary and Appeal Committee & Group Management Appeal Committee to reflect the changes of the Appeal Committee Terms of Reference.</p>	
2.0	<p>Amendments made:</p> <ol style="list-style-type: none"> 1. Added the Group's standards on Anomalous Adviser Detection Model under section 8. 2. Amendments to DAC and GMAC workflow – appellant will be given no more than 30mins to state their reasons of appeal instead of 10mins. 3. Amendments to Section B No. 14 Unapproved Introducers/Telemarketers to state that representatives should only purchase leads from Company-approved introducers (including websites that sell leads) 	1 Apr 2024