

10 December 2021

Our Ref: MC/CPD/CIR

**By email only**

To: Chief Executives of all authorized insurers, Responsible Officers of all licensed insurance agencies and licensed insurance brokers companies

Dear Sirs,

**CPD Penalty Framework and CPD Compliance Reporting**

**Merged CPD assessment period – 23 September 2019 to 31 July 2021**

In our circular dated 23 July 2021, we published the Penalty Framework for Non-Compliance with Continuing Professional Development (“CPD”) Requirements (“CPD Penalty Framework”). This outlined, among other matters, the disciplinary actions the Insurance Authority (“IA”) would impose for non-compliances related to CPD requirements for the merged assessment period from 23 September 2019 to 31 July 2021 (“Merged CPD Assessment Period”).

In accordance with the CPD Penalty Framework for the Merged CPD Assessment Period, in order to ameliorate the impact of the coronavirus pandemic, individual licensees with a shortfall in CPD hours as at 31 July 2021 of no more than 50%, were given the opportunity to make good the shortfall by 31 October 2021 (in order avoid any penalty). Any individual licensees in this category who failed make good their shortfall by 31 October 2021 would face a fine HK\$600 per hour of shortfall and would be required to rectify the shortfall by 31 December 2021, failing which, his/her license will be suspended. We therefore remind individual licensees in this category, of the imperative need to rectify their continuing shortfall by 31 December 2021 in order to avoid further penalization, and to ensure that they report that they have made good their shortfall by the following means:

- Individual licensees with an appointing principal must report that they have made good their shortfall (together with supporting documents to show their attendance of the requisite CPD courses) to their appointing principal by 7 January 2022. Appointing principals are then required, by 21 January 2022, to submit a list to the IA, detailing the updated position of these individual licensees together with the relevant supporting documents. The list (in the following format) and supporting documents should be submitted by email to cpdreporing@ia.org.hk.

Licence Number	Name of Licensee	Shortfall of CPD hours as of 31 July 2021	Shortfall of CPD hours as of 31 Oct 2021	Shortfall of CPD hours as of 31 Dec 2021

- Any individual licensees without an appointing principal must report that they have made good their shortfall directly to the IA (together with relevant supporting documents showing attendance at the requisite CPD courses) by email to [cpdreporting@ia.org.hk](mailto:cpdreporting@ia.org.hk) on or before 7 January 2022.

Failure to report will be taken to mean that an individual licensee has not made good his/her shortfall by 31 December 2021 (and it is likely that suspension of licence would follow).

For further details on the proposed penalties for non-compliance of the CPD requirements, please refer to the CPD Penalty Framework and if you have any queries, please e-mail us at [cpd-enf@ia.org.hk](mailto:cpd-enf@ia.org.hk).

Yours faithfully,

Peter Gregoire  
Head of Market Conduct  
General Counsel  
Insurance Authority

c.c. The Hong Kong Federation of Insurers  
Professional Insurance Brokers Association  
The Hong Kong Confederation of Insurance Brokers