



REGULATION OF INSURANCE INDUSTRY ACT, NO. 43 OF 2000 – DIRECTION

08th February 2024

No. 02 of 2024

Direction issued to Insurers and Brokers on qualifications of Insurance Agents (Verification of educational qualifications of insurance agents)

In terms of Section 78 (4) of the Regulation of Insurance Industry Act, No. 43 of 2000 (RII Act), the Insurance Regulatory Commission of Sri Lanka (Commission) has published Rules in Gazette Extraordinary No. 1255/3 of September 23, 2002 as amended by Gazette Extraordinary No. 1341/8 of May 17, 2004 and Gazette Extraordinary No. 1674/4 of October 5, 2010 setting out the qualifications required of any individual to be registered as an insurance agent.

According to Rule 2(d) an individual to be registered as an insurance agent, shall, *inter alia*, have passed the pre-recruitment test conducted by the Sri Lanka Insurance Institute (SLII) or any other body approved by the Commission.

The Commission, subsequently has issued instructions by its letter dated 7th April 2016 to the Insurance Association of Sri Lanka with copies to SLII and Sri Lanka Insurance Brokers' Association, stating, *inter alia*, that, the agency of Insurance Agents who are registered upon receiving results of the SLII pre-recruitment test will be revoked if the verification of G. C. E. Ordinary Level results is not received from the Department of Examination, within a period of three (3) months from the date of appointment of a person as an agent (The letter is attached).

The Commission has observed that there are several insurance agents already working for insurers and brokers, without having the certificate issued by the SLII. These agents have sat for the pre-recruitment test conducted by the SLII, but the respective insurer or the broker concerned has not verified/confirmed compliance with the said Rules of IRCSL, particularly the verification of results of the G. C. E. Ordinary Level examination from the Department of Examination to the SLII.

The Commission, having considered the above, at its 246th meeting, has decided to issue this Direction in terms of Section 96A of the RII Act with a view to safeguarding the interests of policyholders and potential policyholders.

Accordingly, **all insurers and brokers are directed to revoke the agency contracts of individuals whose results of the G.C.E. Ordinary Level examination are not verified and confirmed to SLII, as per paragraph 4 of IRCSL letter dated 07th April 2016 on or before 30th April 2024.**

This direction shall come into effect immediately.

This Direction is issued in terms of Section 96A of the Regulation of Insurance Industry Act, No. 43 of 2000.


Director General
Signed for and on behalf of the Commission



INSURANCE
BOARD OF SRI LANKA

INSURANCE BOARD OF SRI LANKA

(Established under Act No. 43 of 2000)

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By Hand/ Fax

07th April 2016

Ref: IBSL/DG/INV/16/04/171

Mr. Dirk Pereira
President
Insurance Association of Sri Lanka
No. 143A, Vajira Road
Colombo 05.

Dear Sir,

Joint Committee meeting on Insurance Agency Issues – 3rd November 2015 Authentication of G. C. E. Ordinary Level (O/L) Results

We refer to your letter dated 6th January 2016 with regard to the captioned matter.

The Board at its 158th meeting agreed with the following process with regard to the verification of educational qualifications of persons registering as insurance agents:

1. Insurers/brokers to request verification of G.C.E. (O/L) examination results from the Department of Examinations at the same time forwarding candidates to sit for SLII pre-recruitment test;
2. candidates will be registered as agents upon receiving the results of pre-recruitment tests from SLII;
3. obtain verification of results from the Department within a period of three (3) months from the date of appointment of a person as an agent;
4. the SLII certificates will be issued only upon a senior level person of the respective insurer (GM/AGM) or Principal Officer of the respective broker, confirming in writing to SLII that the results have been verified by the Department and the candidate complies with the minimum GCE (O/L) requirement;
5. the names and specimen signatures of the persons authorized to issue the above confirmation to be submitted to SLII in advance and signed off by the CEO (or equivalent);
6. insurers/brokers to revoke agency immediately if the candidate has submitted a forged exam certificate;
7. Insurers/brokers will also revoke agency if the verification of results is not received from the Department, within a period of three (3) months from the date of appointment of a person as an agent.

Forwarded for your information and compliance.

Kindly acknowledge receipt of this letter.

Yours faithfully,

Damayanthi Fernando
Director General
ss/lia

Cc: Mr. Rukmal Seneviratne, President, Sri Lanka Insurance Brokers Association - For information and compliance

Mr. Udeni Kiridena, CEO, Sri Lanka Insurance Institute - For information