

**ADVISORY**  
Industry Information

## CIMA Issues New Professional Qualification Rule for Insurance

April 2021

The Cayman Islands Monetary Authority (“CIMA”) has a new *Rule on Professional Qualification Requirements for Insurance Companies, Brokers, Agents and Agencies* (the “Rule”) with effect from 1 December 2021, which sets out minimum professional qualification requirements for relevant persons of insurance companies, brokers, agents and agencies. This advisory provides a summary of the key practical points.

CIMA has introduced minimum qualification requirements for “relevant persons” who are:

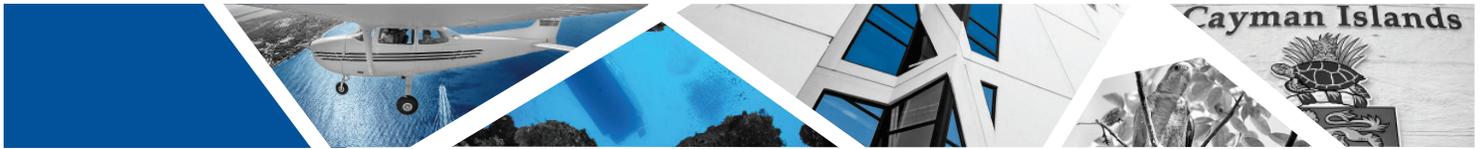
- (a) individual insurance agent licenses;
- (b) sales employees and employees providing advice and/or product and service recommendations (“customer handling employees”) of domestic insurance companies; and
- (c) sales employees (including representatives) and customer handling employees of insurance broker and insurance agency licenses.

Under the Rule, “relevant persons” must (i) have appropriate professional qualifications and sufficient relevant experience to carry out their functions and responsibilities; and (ii) complete at least 10 hours of continued professional training and/or development annually or 30 hours every two years.

Out of scope from this Rule are introducers of potential customers to an insurer or insurance intermediary and professionals giving insurance advice on an incidental basis or general information on insurance products without making recommendations, provided no insurance intermediation is being carried out.

A relevant person has appropriate qualifications only if they have attained any of the following:

- (a) an insurance related academic qualification including a diploma or degree from a recognised university or tertiary education institution;
- (b) a professional insurance qualification approved by CIMA;
- (c) any other qualification or program of study considered by CIMA to be equivalent to or higher than any qualifications set out in (a) and (b) above; or
- (d) successful completion of a CIMA approved training programme.



In assessing appropriate qualifications, including adequacy of the education or qualifications and training programmes for approval, CIMA will consider the role, duties, functions and seniority of the relevant person. Approval of the training programmes will depend on the relevance of the programme material to the roles, duties, functions and seniority of the relevant person.

Relevant persons must at a minimum successfully complete a training programme that has been pre-approved by CIMA, if they do not meet the other qualification requirements. CIMA will need at least 60 days to approve a training programmes. In some cases, particularly for senior officers, the completion of an approved training programme alone may not be sufficient. In these cases, CIMA will require that the relevant person has attained educational or professional qualifications, given the role, duties and functions of the relevant person.

Where the relevant person has attained an insurance-related qualification, CIMA will assess the appropriateness of qualifications based on, amongst other things, reputation and/or accreditation of the awarding body, and relevance of the qualification.

The Rule imposes reporting and recording keeping requirements. Relevant licensees must annually (i) provide to CIMA a full list of all relevant persons with details of their qualifications, experience and duties; and (ii) as part of the licence renewal process, demonstrate that relevant persons have met the continuing education requirements by submitting prescribed information to CIMA at the request of CIMA or in their annual returns, whichever is earlier. Licensees must also keep sufficient documentary evidence in support of attendance and completion of continued professional training and/or development by relevant persons.

## Practical impact and next steps

CIMA has given relevant licensees until 1 December 2021 to implement the minimum qualification requirements under the Rule. However, licensees should start reviewing these requirements sooner rather than later to allow sufficient time for relevant persons who do not currently have appropriate qualifications to successfully complete approved training programmes, including time for CIMA to pre-approve such training programmes.

Walkers' multidisciplinary insurance and reinsurance practice group comprises specialist lawyers with in-depth industry experience and unparalleled expertise to advise on all insurance and reinsurance matters. Our dedicated Regulatory & Risk Advisory group has extensive experience of advising on all aspects of insurance regulation and compliance including AML/CTF/PF, sanctions, corporate governance, AEOI, beneficial ownership, economic substance and data protection. We assist with licence applications and preparing or reviewing supporting documents, including any written compliance policies and procedures. We also assist with conducting independent regulatory and compliance reviews and testing, remediation following CIMA inspections and other regulatory matters.

## Contacts

For further information please speak with your usual Walkers contact or one of the following:

### Legal Services



**Lucy Frew**  
Partner - Cayman Islands  
T: +1 345 814 4676  
E: [lucy.frew@walkersglobal.com](mailto:lucy.frew@walkersglobal.com)



**Barnaby Gowrie**  
Partner - Cayman Islands  
T: +1 345 914 6365  
E: [barnaby.gowrie@walkersglobal.com](mailto:barnaby.gowrie@walkersglobal.com)



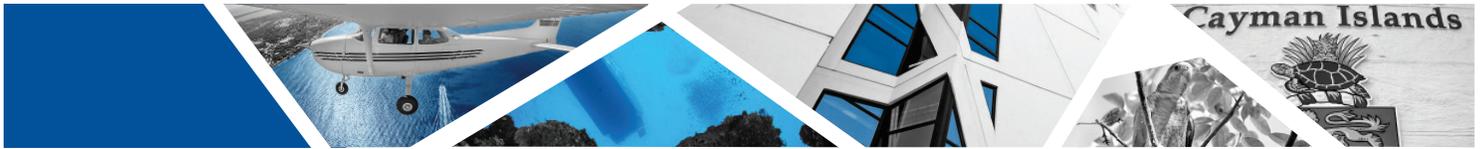
**Philip Paschalides**  
Partner - Cayman Islands  
T: +1 345 814 4675  
E: [philip.paschalides@walkersglobal.com](mailto:philip.paschalides@walkersglobal.com)



**Tony De Quintal**  
Senior Counsel - Cayman Islands  
T: +1 345 914 6388  
E: [tony.dequintal@walkersglobal.com](mailto:tony.dequintal@walkersglobal.com)



**Juliana Tang**  
Senior Counsel - Cayman Islands  
T: +1 345 814 4612  
E: [juliana.tang@walkersglobal.com](mailto:juliana.tang@walkersglobal.com)



**Daniel Wood**  
Partner - Dubai  
T: +971 4 363 7912  
E: daniel.wood@walkersglobal.com



**Alice Molan**  
Partner - Hong Kong  
T: +852 2596 3425  
E: alice.molan@walkersglobal.com



**Sara Hall**  
Partner - London  
T: +44 (0)20 7220 4975  
E: sara.hall@walkersglobal.com



**John Rogers**  
Managing Partner - Singapore  
T: +65 6595 4673  
E: john.rogers@walkersglobal.com

## Professional Services



**Anne Dolan**  
Director - Corporate Services  
T: +1 345 814 7620  
E: anne.dolan@walkersglobal.com



**Steven Manning**  
Director - Fiduciary Services  
T: +1 345 814 7612  
E: steven.manning@walkersglobal.com



**Dorothy Scott**  
Managing Director of Compliance  
& Regulatory Services  
T: +1 345 914 4202  
E: dorothy.scott@walkersglobal.com



**Nicholas Quin**  
Managing Director, Corporate Services  
T: +1 345 914 4295  
E: nicholas.quin@walkersglobal.com