



## **MEDIA RELEASE**

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FOR IMMEDIATE RELEASE

### **INDUSTRY BODIES SEEK CONSUMERS' COOPERATION IN PROVIDING FEEDBACK ON RECENT PURCHASE OF INVESTMENT PRODUCTS**

#### ***Exhortation comes as financial advisers implement new Balanced Scorecard Framework***

The Association of Banks in Singapore (ABS), Life Insurance Association of Singapore (LIA) and Association of Financial Advisers Singapore (AFAS) today jointly urged consumers to be forthcoming in giving feedback on their financial adviser representatives when evaluation of their recent experience in purchasing investment or insurance products is sought.

This comes as banks, life insurance companies and licensed financial adviser firms implement a new requirement under the Balanced Scorecard Framework (BSC Framework) this year.

The BSC Framework ensures that the remuneration of these representatives and supervisors are also tied to key performance indicators that are non-sales related. The variable income of these representatives and supervisors will be affected if they fail to provide suitable product recommendations or do not make proper disclosure of material information to clients.

As such, in reviewing the performance of their representatives and supervisors under the BSC Framework, banks, life insurance companies and licensed financial adviser firms are expected to contact their clients to obtain feedback about the latter's experiences on their recent purchases of investment or insurance products.

The enhancements in the BSC Framework are designed to ensure that banks, life insurance companies and licensed financial adviser firms, through their representatives, continue to provide quality advice and make appropriate investment recommendations.

Banks, life insurance companies and licensed financial adviser firms may contact their clients by way of telephone calls, written or e-surveys, or through face-to-face meetings to obtain such feedback.

The BSC Framework was one of the policy proposals of a Consultation Paper released by the Monetary Authority of Singapore (MAS) on 2 October 2014 on Legislative Amendments to the



Financial Advisers Act and Insurance Act in order to implement the policy proposals under the Financial Advisory Industry Review (FAIR). This follows a Consultation Paper on FAIR released by MAS on 5 March 2013 and subsequent response by MAS on 30 September 2013.

Said Mrs Ong-Ang Ai Boon, Director of ABS: ~~W~~e seek the co-operation of clients to respond to banks when such feedback is sought. This will help to enhance the standards of professionalism and proper conduct, which will ultimately benefit all clients.+

Said Ms Pauline Lim, Executive Director of LIA Singapore: ~~B~~ased on feedback shared, the life insurance industry in Singapore will implement additional efforts to improve quality of service as we continue to help individuals better meet their long-term protection, savings, investment, and other financial needs. This is our commitment and we hope to work closely with all parties involved to constantly elevate industry standards, further reinforcing Singapore's position as a regional financial powerhouse.+

Said Mr Vincent Ee, President of AFAS: ~~W~~e urge consumers not to overlook their financial advisory firms' attempts to seek their feedback, as this would prevent the industry from effectively implementing the objectives of the Balanced Scorecard Framework. With consumers' cooperation, we can further help the industry to increase its professionalism and competency level.+

**Contact details:**

Ong-Ang Ai Boon, Mrs  
Director  
The Association of Banks in Singapore  
Tel: (65) 6224 4300  
E-mail: [banks@abs.org.sg](mailto:banks@abs.org.sg)

John Lim, CEO  
Reputation Management Associates  
Tel: (65) 6298 2520  
Mobile: (65) 9756 3582  
E-mail: [jlim@reputation.com.sg](mailto:jlim@reputation.com.sg)

Pauline Lim, Ms  
Executive Director, LIA, Singapore  
Tel: (65) 6438 8900  
Mobile: (65) 9648 6407  
Email: [pauline.lim@lia.org.sg](mailto:pauline.lim@lia.org.sg)



**About The Association of Banks in Singapore:**

The Association of Banks in Singapore (ABS) plays an active role in promoting and representing the interests of the banking community in Singapore. In doing so, ABS works closely with the relevant government authorities towards the development of a sound financial system in Singapore. Since its establishment in 1973, ABS has promoted common understanding among its members and projected a unifying voice on banking issues. It has brought its members closer together through various guidelines and banking practices as well as the support of projects of mutual benefit to face the challenges of the financial and banking community in Singapore. Today, ABS has a membership of 158 local and foreign banks. Further information on ABS is available on the website: [www.abs.org.sg](http://www.abs.org.sg).

**About Life Insurance Association, Singapore (LIA):**

Established in 1962, the Life Insurance Association, Singapore (LIA) is the not-for-profit trade body of life insurance product providers and life reinsurance providers based in Singapore and licensed by the Monetary Authority of Singapore (MAS).

**Vision and Mission**

The vision of member companies is to provide individuals with peace of mind and to promote a society where every person is prepared for life's changing cycles and for those situations unforeseen.

They are committed to being a progressive life insurance industry by collectively enhancing consumer understanding, promoting industry best practices, and through the association fostering a spirit of collaboration and mutual respect with government and business leaders.

**Values underpinning the association and its members**

- Unified** in our resolve to deliver innovative solutions where every individual's needs are best met.
- Professional** in the way we conduct ourselves and in the counsel we give.
- Ethical** in ensuring our policyholders' interests are managed with utmost integrity.
- Fair** in how we strive to provide favourable outcomes to both our policyholders and shareholders.
- Open & honest** in all that we do to build an environment of trust and transparency.
- Proactive** in the steps we take to give our people the skills and knowledge to provide sound solutions at all times.



### **About the Association of Financial Advisers Singapore (AFAS):**

AFAS is the trade association representing IFAs in Singapore. Comprising 33 member firms, we represent about 90% of businesses done in the FA market. We are the voice of industry, recognised by the government and the media as the focal point for finding out the views of industry practitioners; our voice lends weight when decisions affecting IFAs are made. We provide a forum for members to develop opinions, recommendations and programmes, all of which will contribute to the further development of the financial services industry for the benefit of the public in Singapore. We also endeavor to advance the interests of our members and of the institution of the Financial Advisers through programmes and initiatives, and take steps as a group towards increasing the efficiency and professionalism of the Financial Advisers' Representatives recruited by members. For more information on AFAS, go to [www.afas.org.sg](http://www.afas.org.sg).