

Specification of Competency Standards of the Insurance Industry

**Unit of Competency**

**Functional Area: Legal & Compliance**

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| Title               | Handle non-compliance audit cases  |
| Code                | 105588L5   |
| Range               | This unit of competency is applicable to those who are responsible for handling non-compliance cases. It involves communicating the non-compliance findings with relevant company units and following up on remedial actions.  |
| Level               | 5  |
| Credit              | 3 (for reference only)   |
| Competency          | <p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Possess knowledge in handling non-compliance audit cases <ul style="list-style-type: none"> <li>• Fully aware of regulatory requirements in respect of the insurance industry, including all of the relevant ordinances and statutory regulations; guidance notes and circulars issued by the regulators; industry standards, guidelines and codes of practice issued by industry bodies</li> <li>• Comprehend audit system</li> <li>• Comprehend corporate development and risk management strategies</li> <li>• Familiar with operations of different business units</li> <li>• Comprehend audit operation work flow</li> </ul> </li> <li>2. Handle non-compliance cases <ul style="list-style-type: none"> <li>• Present reports of non-compliance findings to relevant company units</li> <li>• Explain reasons for non-compliance</li> <li>• Suggest remedial actions to relevant units for the non-compliance findings</li> <li>• Analyze possibility of the emergence of new risks</li> <li>• Provide recommendations for remedial action</li> <li>• Follow up with relevant unit for remedial action</li> <li>• Issue warnings to cases where remedial actions are not taken on time</li> <li>• Schedule more frequent audit inspection for repeated non-compliance findings</li> <li>• Report non-compliance findings to regulatory bodies timely and as required.</li> </ul> </li> <li>3. Handle non-compliance findings in accordance with company audit guidelines <ul style="list-style-type: none"> <li>• Identify causes for non-conformance to relevant audit system</li> <li>• Communicate with relevant units to suggest and enforce necessary remedial actions</li> <li>• Response to unsolved and/or recurring non-compliance activities through warnings and frequent audit inspections.</li> </ul> </li> </ol> |
| Assessment Criteria | <p>The integral outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Able to present comprehensive report on non-conformance finding to relevant units</li> <li>• Able to follow up with relevant units for corrective measures on non-compliance</li> <li>• Able to manage reoccurring and/or unsettled non-compliance activities with necessary actions.</li> </ul>   |
| Remark              | This unit of competency is also applicable to general insurers, life insurers and broker.  |