



Press Release

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For immediate release

SECP appoints members for small dispute resolution committees

ISLAMABAD: September 15, 2015: The Securities and Exchange Commission of Pakistan (SECP) has approved appointment of the members of all three Small Dispute Resolution Committees. These committees have been constituted in the cities of Islamabad, Karachi and Lahore for mediation and resolution of disputes arising between the insurers and the policyholders.

The said committees shall arbitrate small disputes arising between insurance policyholders and insurance companies. Each Committee shall comprise of a chartered accountant or a management accountant, a lawyer and senior insurance industry professional. Moreover, SECP has also designated three of its officials to coordinate with the said committees.

The idea behind the constitution of these Committees is to provide maximum relief to the insurance policyholders or their legal heirs in case any dispute arises between them and the insurance companies. Presently, two other grievance forums are available to the policyholders, which are the Federal Insurance Ombudsman and the Insurance Tribunals.

Amid many other developmental initiatives of the SECP for the insurance industry, there was keen need to reconstitute the dispute resolution committee (which was constituted almost a decade ago) with adequate empowerment and enhanced jurisdiction with respect to sum insured of the disputed insurance policy, keeping in view the busy schedules of the members of the previously constituted committee due to which the committee could not operate in full force.

With the above decision of the SECP, it is firmly believed that the reconstitution of the small dispute resolution committees will complement the existing grievance forums (Ombudsman and Tribunals). The outreach of the grievance forums will be strengthened and alongside, the aggrieved policyholders will have a 'fast-track' and 'free-of-cost' remedy to their grievances, as the decisions of these committees will be binding on insurers.