



Press Release

May 14, 2015

For immediate release

SECP forms committees to resolve insurance-related disputes

ISLAMABAD: May 14: The Securities and Exchange Commission of Pakistan (SECP) has approved the publication of proposed rules, envisaging the formation of committees for resolution of small disputes between the insurers and the policyholders. Through these rules, three committees will be formed in Islamabad, Lahore and Karachi, and each committee shall consist of three members, i.e. a senior chartered accountant, a lawyer and a representative of the Insurance Association of Pakistan (IAP).

The purpose of these rules is to provide maximum relief to the insurance policyholders or their legal heirs in case any dispute arises between them and the insurers. At present, there are two other grievance forums to redress complaints of the policyholders, which are the federal insurance ombudsman and the insurance tribunals.

Amid many other developmental initiatives of the SECP for the insurance industry, a need was felt to reconstitute the existing dispute resolution committee with adequate powers and enhanced jurisdiction with respect to the sum insured of the disputed insurance policy,

The SECP is sure that the reconstitution of the dispute resolution committees will complement the existing grievance-resolution forums (ombudsman and tribunals). The outreach of these forums will be expanded, and the aggrieved policyholders will have a fast-track and free-of-cost remedy to their grievances right on their doorstep.

However, the SECP would greatly appreciate the public's feedback to improve the proposed rules.

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