

## News in Brief

## Axa UK cover arm outshines

Axa UK's protection sales saw a significant increase in 2008 in marked contrast to the rest of its business. Axa's Life and Savings division, which includes wealth management, corporate pensions, direct business and protection saw its annual premium equivalent (APE) – the sum of 100% of premiums and 10% of single premiums – reduced from £1087m in 2007 to £1026m in 2008. Yet protection sales were up 63% and corporate pensions up 10%. Axa said this result strongly outperformed the market as mortgage activity has fallen off sharply. Axa's general and healthcare revenue was up 2% in 2008.

## Norris steps up as FSA COO

The FSA has appointed Mark Norris as its new chief operating officer. Norris, who most recently held the same position for Credit Suisse's UK private banking business, will take over from David Kenmir. Hector Sants, chief executive officer of the FSA, said that Norris would be a valuable addition to the management team. He added: "I want to thank David Kenmir both for his outstanding service to the FSA and to the financial services industry over 20 years."

## Charity aids staff wellbeing

Shaw Trust, a national employment charity, has launched a one-stop shop for employers seeking to create healthier workplaces and manage the effects of medium to long-term sickness absence. The services include diversity management, mental health services, vocational rehabilitation services and web accessibility. Tim Cooper, managing director of health and wellbeing at the charity, said: "At a time when redundancy is a real threat for many, it is vital that employers pay attention to the wellbeing of their staff." Shaw Trust worked on giving disabled and disadvantaged people opportunities to work for a quarter of a century.

# Industry supports IFA on board

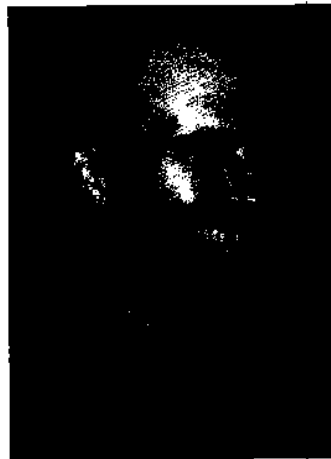
Proposal hoped to provide FSA with insight into intermediary community

By Peter Carvill

Advisers should be properly represented on the FSA's board, the industry has said.

Following the departure of Sir James Crosby from the FSA board, two intermediaries have voiced their support for the appointment of an IFA to the regulatory body's current board.

Phil Jaynes, professional development manager for key accounts at LifeQuote, said: "I think it would be a great idea to get an IFA representing our corner of the market on the FSA board. The right person could provide some valuable insight into the IFA world and help the decision-making process. Having said that, I think it is important to recognise that the FSA board would have to become quite large if it were to



Jaynes: Board would have to grow include representation from every regulated area of financial services."

Jaynes' view was echoed by Matt Morris, senior policy adviser at LifeSearch, who said: "I think

including an adviser on the board would be a good idea, considering all the recent regulation we have had, and particularly with the Retail Distribution Review. It would be good to have someone on the FSA board who understands how advisers work and how the market works. Doing that would make sense. I can't think of any negatives around including an adviser at the moment so I think doing it would be a step forward."

The current FSA board is made up of appointees from diverse backgrounds and different companies, such as William Morrison Supermarkets, ITV and Morgan Stanley.

It is understood that appointees to the FSA board are decided by HM Treasury which has yet to react to calls for comment.

## Online 'sign-off' launched

MorganAsh has introduced an e-signature process for the online approval of tele-interview reports after the interview. The service aims to overcome the delay waiting for 'wet signatures'.

Currently, options for sending tele-interview reports to applicants are: to post to the applicant for return with a wet signature; to send to the applicant with the option to make changes and return it, with cover going on risk after a set period of days; or to do nothing and take the risk

Current Association of British Insurers best practice recommends an interview report is sent to the applicant and a wet signature is received in return. However, to mitigate cost and accuracy downsides, MorganAsh allows applicants to review, modify and 'sign off' their reports securely online.

"Companies will no longer face the difficult choice between speed and compliance. This option is compliant, customer friendly and quick," said Andrew Gething, managing director of MorganAsh.

## Ban instructed in writing

FSA requests withdrawal of single payment PPI

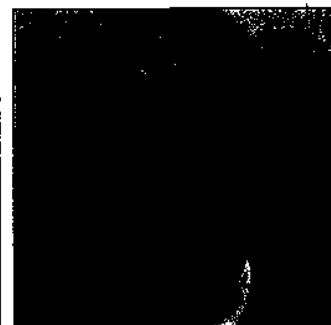
The FSA has written to all firms still selling single premium payment protection insurance (PPI) with unsecured personal loans, asking them to withdraw the product as soon as possible, and by no later than 29 May.

The letter, sent to chief executives, follows the decision last month by a number of major banks to stop selling such products, some of which intend to switch to selling

29 January, included a remedy that prohibits the sale of single premium PPI policies after 1 October 2010.

It continued: "We recognise the severity of the current economic climate and the financial problems many consumers are facing. Moreover, we believe that PPI can play an important and legitimate role to cover repayments on specific credit agreements for consumers facing job loss, or other issues at this difficult time. However, our focus remains on how this product has been, and continues to be, sold and whether consumers have been treated fairly during the sales process.

"We therefore request that if your firm has not already done so, it stops selling single premium PPI with unsecured personal loans as soon as possible and in any event by 29 May 2009. In view of our ongoing concerns across the single premium market over the standard of sales, we believe this request is justified to bring an orderly withdrawal of single premium PPI from the market."



Pain: PPI can still play important role regular premium PPI. The letter's author, Jon Pain, the FSA's managing director of retail markets, also noted that the Competition Commission's final report on its PPI market inquiry, published on