

China's new insurance law to become effective

China's new Insurance Law will become effective starting October the 1st. The new law has become more sophisticated with provisions increasing from 157 to 186.

The newly added provisions mainly focus on protecting the rights of policy holders and insurance beneficiaries. One of the new rules states that policy holder's failure to release crucial information is a serious "fault", instead of an "offence" as defined by the old version.

Another big change states that the insurer is required to fully explain detailed insurance terms and conditions before the client signs the contract.

But experts also warn that clients should ask insurance sales persons to explain terms and conditions clearly until they fully understand their rights.

Source: CCTV.com
