

Finansinspektionen's Regulatory Code

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Regulations

amending Finansinspektionen's regulations and general guidelines (FFFS 2011:39) regarding information about insurance and occupational pensions;

FFFS 2021:6

Published on
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decided on 22 June 2021.

Finansinspektionen prescribes pursuant to Chapter 7, sections 2 and 5 of the Insurance Business Ordinance (2011:257) that Chapter 1, section 6 of Finansinspektionen's regulations and general guidelines (FFFS 2011:39) regarding information about insurance and occupational pensions.

Chapter 1

Section 6 In these regulations and general guidelines, the terms and expressions shall have the following meaning:

1. *Allocated bonus*: a bonus that is preliminarily distributed.
2. *Inheritance profit*: pension income or insurance capital due to the decease of an insured with an insurance that does not have full repayment cover, or other survivor benefits, which therefore go to other similar contracts.
3. *Deposit insurance*: traditional insurance that normally does not have guaranteed insurance amounts and for which the policyholder, or the insured, decides the saving profile by selecting one or more of the investment options offered by the insurance undertaking.
4. *Party entitled to payment*: the party that is entitled to payment as a result of the insurance, e.g. a policyholder, an insured or a beneficiary.
5. *Transfer of an insurance policy's value*: given certain conditions, transfer of insurance capital to another insurance, from one insurance undertaking to another or from one type of management to another.
6. *Paid-up policy*: occupational pension insurance or private pension insurance where the agreed premium payments were prematurely terminated and the future pension is based on the premiums already paid.
7. *Guaranteed bonus*: a bonus that is guaranteed in nominal or real amounts via an insurance contract or a unilateral commitment from the insurance undertaking.
8. *Geometric mean*: n th root of the product of the n positive numbers whose mean shall be calculated. In financial contexts, the numbers whose mean shall be calculated are normally written as

$$1 + \frac{r}{100}$$

where r is an effective yield or an interest rate expressed in per cent. This mean is a more accurate calculation of average yield or average interest rate than a normal arithmetic mean.

9. *Insurance based on collective bargaining agreements*: personal insurance or non-life insurance that is

1. taken out by employers to give insurance cover to employees,
2. issued pursuant to a collective bargaining agreement specified in the insurance terms and conditions and that was agreed between an employer's organisation, or an individual employer, and an employees' organisation, and
3. underwritten by an insurance undertaking or a foreign insurer in accordance with the collective bargaining agreement,

10. *Solvency ratio*: the ratio between own funds and the solvency capital requirement in accordance with Chapter 8 of the Insurance Business Act (2010:2043).

11. *Occupational pension*: pension for an employee or survivor of an employee which is provided by the employer and based on a collective bargaining agreement or individual agreements between the employee and the employer, or pension to self-employed and elected representatives that is based on an occupational pension insurance.

12. *Occupational pension insurance*: life insurance policy for an employee which is linked to a professional activity and in which the disbursement of the sum insured (a lump sum or periodic disbursement) depends on one or more persons reaching or being expected to reach a particular age, and insurance policies issued as supplements to such life insurance policies. Occupational pension insurance also refers to such insurance that is taken out

- a) by a person self-employed on their own account,
- b) by the state for a member of Parliament,
- c) by the state for a juryman in court,
- d) by a municipality or a region for an elected representative,
- e) for an elected representative appointed to represent an employer or employee organisation or appointed as a member to a decision-making body within such an organisation, or
- f) for a person with an assignment comparable to the assignments referred to in points b–e.

13. *Conditional bonus*: agreed or unilaterally guaranteed bonus which is conditional upon changes in value and yield on assets or upon a certain actuarial result in respect to which the policyholders or other parties entitled to payment bear the risk.

14. *Surrender*: disbursement to the policyholder of an amount that corresponds in full or in part to the value of the insurance before the end of the agreed insurance term.

These regulations shall enter into force on 06 July 2021.

ERIK THEDÉEN

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