

Finansinspektionen's Regulatory Code

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Regulations regarding amendments to Finansinspektionen's Regulations and General Guidelines governing insurance mediation (FFFS 2005:11);

FFFS 2009:2

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decided on 20 April 2009.

Finansinspektionen hereby prescribes the following¹ pursuant to Chapter 7 of the Insurance Mediation Ordinance with regard to Finansinspektionen's Regulations and General Guidelines (FFFS 2005:11) governing insurance mediation that Chapter 2, sections 6, 7, 9 and 14 as well as Chapter 5, section 1 shall have the following wording:

Chapter 2

Section 6 Those who will mediate insurances in other cases than those defined by section 3 shall possess knowledge of:

1. The insurance intermediary's role and responsibility
 - a) The Insurance Mediation Act
 - b) The Insurance Mediation Ordinance
 - c) Relevant regulations and general guidelines from Finansinspektionen
 - d) Finansinspektionen's role and supervision
 - e) Good insurance mediation practice
 - f) Moral and ethics

2. Law, such as:
 - a) Insurance business legislation
 - b) Insurance contract legislation
 - c) General contract law
 - d) Consumer legislation
 - e) Law relating to the rights of agents
 - f) Laws relating to claims of indemnification
 - g) Company law
 - h) Insider legislation
 - i) Fiscal law

3. Economics, such as:
 - a) Personal finance
 - b) Business administration

¹ Cf. Directive 2002/92/EC of the European Parliament and of the Council of 9 December 2002 on insurance mediation (OJ L9, 15.01.2003 p. 3, Celex 32002L0092).

c) Economics of insurance

4. International insurance, such as:

- a) EU legislation
- b) International insurance market

Section 7 Those who mediate life assurances in other cases than those set out in section 4 shall, in addition to that defined by section 6, possess knowledge of the following:

1. The Financial Advice to Consumers Act (2003:862) and relevant regulations and general guidelines from Finansinspektionen.

2. The Act on Measures against Money Laundering and Terrorist Financing (2009:62) and relevant regulations and general guidelines from Finansinspektionen.

3. Law, such as:

- a) The Marriage Code
- b) The cohabitation legislation
- c) The Parental Code
- d) Inheritance Code
- e) Fiscal law

4. Financial economics, such as:

- a) The capital market
- b) Financial instruments
- c) Investment strategies
- d) Portfolio theory
- e) Performance and risk

5. Insurance required by law

6. Contractual insurance, such as:

- a) Individual personal insurance
- b) Personal group Insurance
- c) Personal insurance based upon collective bargaining agreements

7. Types of insurance, such as:

- a) Traditional insurance
- b) Unit-linked insurance
- c) Occupational pension insurance

8. Actuarial and life assurance theory, such as:

- a) Calculation of premiums
- b) Surrender and right of transfer
- c) Bonus
- d) Solvency and collective consolidation

9. Legal forms of association

10. Risk assessment, such as:

- a) Qualifying periods
- b) Incorrect information
- c) Other limitations of the insurance company's liability
- d) Reinsurance

Section 9 Those mediating fund units or providing investment advice on fund units shall possess knowledge of:

1. Chapter 8, sections 1, 12, 15–19 and sections 22–27 of the Securities Market Act,
2. Chapters 2, 7 and Chapter 12, Chapter 13, sections 1–5, Chapter 14, and Chapter 21 of Finansinspektionen's Regulations governing investment services and activities, where appropriate,
3. Chapters 1–6, 8 and 9 of the Investment Funds Act (2004:46), where appropriate, and
4. Chapters 17 and 18 of Finansinspektionen's Regulations governing investment funds (FFFS 2008:11), where appropriate.

Section 14 Those mediating insurances or fund units or providing investment advice on fund units shall have taken a test that shows that he or she has the knowledge required in accordance with sections 2–12. The test shall have been provided or approved by someone with knowledge of the subject areas that the test refers to and by someone with knowledge of how the test was formulated in accordance with accepted methods for test development. Furthermore, the test shall be conducted in a safe and reliable manner that guarantees the tested person's skills.

For those providing investment advice on fund units to consumers, the provisions set forth in Chapter 16, section 6 of Finansinspektionen's Regulations governing investment services and activities apply.

As for insurance mediation, Finansinspektionen, after application by the insurance intermediary, may decide on waivers from the proficiency test requirement, if there are special grounds and the knowledge can be proven in another manner.

General guidelines

The test should be formulated in a way that ensures its validity, that is to say that the test measures what it is intended to measure, and its reliability, that is to say that the test is reliable and is free from random influence.

Chapter 5

Section 1 For professional indemnity insurance in conjunction with mediation of insurances, in addition to that set forth in Chapter 4, section 1 of the Insurance Mediation Ordinance, the following applies:

The highest remuneration that can be paid for an injury shall be an amount equivalent to at least one million Euro or the higher amount, based on changes in the European consumer price index, which the European Community's Commission announces every fifth year commencing 15 January 2003.

The highest total remuneration that can be paid for an injury during a period of one year shall be an amount equivalent to any of the following, or the higher amount, based on changes in the European consumer price index, which the European Community's Commission announces every fifth year commencing 15 January 2003.

1. at least two million Euro if the number of natural persons covered by the insurance during the beginning of the insurance term amounts to a maximum of 10,
2. at least three million Euro if the number of natural persons covered by the insurance during the beginning of the insurance term amounts to between 11 and 20, and
3. at least four million Euro if the number of natural persons covered by the insurance during the beginning of the insurance term exceeds 20.

These regulations shall enter into force on 15 May 2009.

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