

Frequently asked questions (FAQs)

Insurance Intermediaries

(status: 20 December 2010)

A. Definition

1. What is an insurance intermediary?

Pursuant to art. 40 of the Insurance Supervision Act¹ (ISA; SR 961.01) “insurance intermediaries” refers to all persons that offer or conclude insurance contracts. This extends to agents, brokers, independent insurance advisers as well as the sales force members of insurance companies.

2. Are there any exceptions?

Only address brokers and the in-house brokers of companies are not insurance intermediaries in terms of the Act.

3. What new developments specifically apply to insurance intermediaries?

As of 1 January 2006, all insurance intermediaries must comply with disclosure requirements as soon as they establish contact with a new client (art. 45 ISA). In the case of existing client portfolios, there is no disclosure requirement after the fact. It is sufficient when an existing client is informed the next direct contact is made or the next time a quote is submitted.

B. Entry in the register

4. Are all insurance intermediaries subject to registration?

No, only insurance intermediaries that are not affiliated with an insurance company legally, financially or in any other capacity are subject to registration (art. 43 sect. 1 ISA).

¹ www.admin.ch/ch/d/sr/c961_01.html

5. Who is entitled to registration?

All other insurance intermediaries are entitled to have themselves entered in the register (art. 43 sect. 2 ISA). This applies primarily to the sales forces of insurance companies. Art. 183 of the Insurance Supervision Ordinance² (ISO; SR 961.011) provides further explanatory notes.

6. Are all companies operating as unaffiliated insurance intermediaries subject to registration?

Legal entities (public and private limited companies, cooperatives, foundations, associations, establishments) are subject to registration. Companies with other corporate legal forms (e.g. sole proprietorships, non-trading (ordinary) partnerships, and general and limited partnerships) are subject to registration as natural persons.

7. Are the employees of companies or the client advisers of natural persons also subject to registration?

Employed insurance intermediaries (for definition, see above) are also subject to registration. The client advisers of natural persons (for definition, see above) are subject to registration as well.

8. Are there employees who are not subject to registration?

Employees without any client responsibility are not subject to registration. This applies in particular to staff not working as client advisers such as back-office personnel, accounting, IT and reception desk staff, and switchboard operators.

C. Registration requirements

9. What registration requirements apply?

- a) A client adviser must be able to show proof of suitable professional qualification.
- b) A company subject to registration (legal entity) must have a sufficient number of qualified client advisers.
- c) The insurance intermediary must either have taken out professional indemnity insurance or furnish proof of equivalent security (art. 44 ISA).
- d) Satisfaction of personal prerequisites.

In art. 186 sect. 1 ISO it is established that an insurance intermediary must possess professional indemnity insurance providing for coverage of financial loss so as to cover his or her liability ensuing from any violation of applicable professional standards. The sum insured for all claims of a year must amount to CHF 2 million at minimum.

² www.admin.ch/ch/d/sr/9/961.011.de.pdf

10. What does “sufficient professional qualification” mean?

An insurance intermediary must have professional training credentials recognized by FINMA.

11. What professional training credentials are recognized by FINMA?

Switzerland:

- Versicherungsvermittler VBV
- Eidg. Fachausweis Versicherungsfachmann/Versicherungsfachfrau
- Diplom eidg. Versicherungsfachexperte/-expertin
- Eidg. Fachausweis Finanzplaner/Finanzplanerin
- Eidg. Diplom Finanzplanungs-Experte/-Expertin
- Master of Advanced Studies in Financial Consulting (previously: NDS Financial Consultant FH)
- CIB Chartered Insurance Broker
- Dipl. Finanzberater/in IAF mit Modul Versicherung
- Diplom der Höheren Fachschule Versicherung HFV
- Zertifikat Versicherungsassistent VBV – partial equivalence – exemption from written exams

Other countries:

AT – Geprüfter Versicherungsfachmann BÖV, waiver of the oral examination

AT – Universitätslehrgang Akademischer Versicherungskaufmann *

AT – Versicherungskaufmann – partial equivalence – exemption from oral exams

BE – Gradué en Assurances of the Haute Ecole Francisco Ferrer in Brussels, Belgium *

DE – Versicherungsbetriebswirt (DVA)

DE – Versicherungsfachwirt (IHK)

DE – Diplombetriebswirt BA, Fachrichtung Versicherung (in accordance with the dual vocational training system) *

DE – Diplom-Kaufmann FH Köln / Studiengang Versicherung *
(previously: Betriebswirt der FH Köln / Fachrichtung Versicherung)

DE – Fachwirt für Finanzberatung IHK

DE – Fachberater für Finanzdienstleistungen IHK

DK – Examineret assurandør of the Danish Insurance Academy

FR – Diplôme d'études supérieures spécialisées en Assurance *

FR – Diplôme de l'Ecole Nationale d'Assurance — Cadre supérieur de l'assurance der Ecole Nationale d'Assurance in Paris

FR – Diplôme d'université de l'Institut des Assurances de Lyon in combination with the Diplôme d'études supérieures spécialisées d'assurances (DESS) *

FR – Master II Droit privé – Spécialité professionnelle: Droit et pratique de l'assurance

FR – Licence professionnelle assurance, banque, finance – partial equivalence – exemption from oral exams

NL – Asurantiebemiddeling A *

NL – WFT-Basis & WFT-Schade & WFT-Leven *

NL – Assurantiebezorger A / Assurantie A *

UK – Advanced Diploma in Insurance (previously: “Associateship”)

UK – Chartered Insurance Broker

UK – Associated Chartered Insurance Institute (ACII)

UK – Fellowship of the CII (FCII)

UK – Chartered Financial Planner

UK – Chartered Insurer

UK – Chartered Insurance Practitioner

AU – Diploma in Business (General Insurance)

US – Chartered Property Casualty Underwriter, CPCU

* Only in combination with professional insurance intermediary experience of at least 5 years

Application for recognition of other professional training credentials may be submitted to the VBV/AFA board of examiners. Upon receiving the application FINMA will decide on their admissibility.

12. What is the VBV/AFA?

The VBV/AFA is the Vocational Training Association of the Swiss Insurance Industry (www.vbv.ch > Intermediary Qualification). The VBV/AFA organizes “*Versicherungsvermittler VBV // Intermédiaire d’assurance AFA*” examinations on behalf of FINMA. The following dates have been scheduled for 2011:

17 March / 9 June / 27 October

Address of the VBV/AFA: Head Office VBV/AFA | Bubenbergplatz 10 | P.O. Box 8625 | 3001 Bern
Christine Farine Phone: 031 310 10 73 | Fax 031 328 26 28

To register for the examination, go here: www.intermediaryatinsurance.ch.

Please note that there is a limited period preceding each examination during which registration is possible.

13. Which documents must be additionally furnished by post subsequent to registering for the examination on the website?

a) Legal entities:

- Application for entry in the Insurance Intermediaries' Register — PDF document form, can be printed out
 - Affidavit — PDF document form, for printing out and signing
 - Certified extract from the commercial register — original, not older than 90 days
 - Certificate of professional indemnity insurance/equivalent security — copy of policy
 - Certification of a self-regulatory organization/Anti-Money Laundering Control Authority — copy
- b) Natural persons:
- Application for entry in the Insurance Intermediaries' Register - PDF document form, can be printed out
 - Affidavit - PDF document form, for printing out and signing
 - Valid passport or personal identity card - copy
 - Certification of professional indemnity insurance / equivalent security - copy of policy
 - Professional training credentials and diplomas - copies
 - Extract from the Central Criminal Records Division - original, not older than 90 days
 - Debt registry extract - original, not older than 90 days
 - Applicable to foreign nationals only: work permit - copy

D. Registration

14. Where can one register?

Insurance intermediaries can register here: www.vermittleraufsicht.ch (extranet area with restricted access).

E. Charges and fees

15. What does registration cost?

Each registration costs CHF 300.00.

A supervision fee of CHF 150.00 is payable by registered unaffiliated insurance intermediaries every 12 months, the fee being payable for the first time in the calendar year subsequent to registration. The fee payable is the same for companies and client advisers alike.

16. How is payment to be made?

Payment of the registration fee and the annual supervision fee is to be done electronically via the website. To this end, you need a valid VISA or MasterCard credit card or PostFinance debit card.

F. Scope of supervision of insurance intermediaries

17. May insurance intermediaries domiciled abroad offer insurance contracts in Switzerland? (Insurance of risks in Switzerland or of Swiss citizens)

Generally speaking, insurance intermediaries are prohibited from working on behalf of insurance companies that are not authorized by FINMA to operate in the insurance business.

Unaffiliated insurance intermediaries may not offer their services in Switzerland unless they are registered in Switzerland; affiliated insurance intermediaries may only work for foreign insurance companies that possess a valid Swiss operating permit.

Insurance intermediaries domiciled or resident in Switzerland that engage in insurance business outside of Switzerland are not subject to supervision in Switzerland.

G. Further information

18. Who can I contact if I have any more questions?

vermittler@finma.ch or phone: 031 327 91 00