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**Ordinance**  
of 27 June 2006  
**on Insurance Mediation**  
**(Insurance Mediation Ordinance; IMO)**

Pursuant to article 6 paragraph 3, article 7 paragraph 5, and article 27 of the Law of 17 May 2006 on Insurance Mediation (Insurance Mediation Act; IMA), Liechtenstein Law Gazette LGBL 2006 No. 125<sup>1</sup>, the Government issues the following Ordinance:

**I. Taking up and terminating mediation activities**

**A. License**

Article 1

*License application*

1) The FMA grants licenses for activities as an insurance intermediary on the basis of a written application. This application must in particular contain the following information and materials pertaining to the applicant:

- a) name or business name;
- b) a copy of a valid official identity paper with photograph or an extract from the Public Registry;
- c) proof of professional qualifications and information on previous professional experience;

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<sup>1</sup> LR 961.1

- d) a current extract from the criminal records and a written declaration on any pending criminal and administrative proceedings;
  - e) a current extract from the collections and attachment register and a written declaration on freedom from execution and bankruptcy;
  - f) a copy of the indemnity insurance policy or, if applicable, proof of other equivalent financial guarantee;
  - g) information on the planned activities, in particular whether the applicant will work as an agent and/or broker, in which classes of insurance he will work, and in which Contracting Parties to the EEA Agreement he intends to work by virtue of freedom of establishment or free movement of services;
  - h) information on organization of business;
  - i) information on any economic links of the applicant with insurance undertakings;
  - k) in the case of insurance agents, additionally also copies of the contracts governing cooperation with insurance undertakings.
- 2) The following must also be submitted:
- a) for the members of the general management responsible for insurance mediation, and for employees working directly for insurance mediation, the information and materials under paragraph 1(a) to (e);
  - b) for the other members of the general management, the information and materials under paragraph 1(a), (b), (d), and (e).
- 3) In justified cases, the FMA may grant exemptions from paragraphs 1 and 2.

## Article 2

### *Professional qualifications*

- 1) Only persons may work as insurance intermediaries, as members of the general management of an insurance intermediary responsible for insurance mediation, or as an employee thereof working directly in insurance mediation who have the expertise necessary to meet the consultation requirement.
- 2) The insurance intermediary must show that he has sufficient knowledge in particular with respect to the insurance business, sectoral knowledge, law, commerce, and marketing. As a rule, evidence is provided by presenting a certificate of competence recognized by the FMA.

3) In each case, the FMA shall verify whether a person referred to in paragraph 1 has the qualifications necessary to pursue the profession. In addition to theoretical training, it shall in particular also take practical experience into account.

4) In cases worthy of special consideration, especially in the case of financial intermediaries supervised pursuant to special laws, the FMA may waive evidence of professional qualifications in whole or in part, provided that the interests of the insureds are sufficiently protected.

5) Insurance intermediaries and their employees must continuously pursue appropriate continuing training to keep up their required professional qualifications.

### Article 3

#### *Part-time insurance mediation*

1) On a case-by-case basis, the FMA may adjust the requirements for professional qualifications to the activities of the insurance intermediary and the products he offers, especially when insurance mediation is not the main professional activity of the intermediary. In such a case, the person concerned may, however, only pursue activities as an insurance intermediary if another insurance intermediary meeting the requirements under article 2, paragraph 1 or an insurance undertaking assumes unrestricted liability for his actions.

2) If the insurance mediation activities are performed exclusively as an insurance agent and if neither premiums nor amounts designated for the client are received, then the professional qualifications may be shown by means of a confirmation by the insurance undertaking or undertakings of training appropriate to the requirements applicable to the products offered.

3) Where the insurance provided is complementary to a product or service supplied, evidence of knowledge relating to the products offered shall suffice.

### Article 4

#### *Reputation*

1) Only persons may work as insurance intermediaries, as members of the general management of an insurance intermediary, or as an em-

ployee thereof working directly in insurance mediation who are of good repute.

2) It shall be assumed that a person is of good repute if:

- a) the persons referred to in paragraph 1 are not listed in Liechtenstein or foreign criminal records due to a punishable act against third party assets as defined in the Criminal Code;
- b) bankruptcy has never been initiated against the person, or if no unsatisfied creditor claims remain from bankruptcy more than ten years prior.

## Article 5

### *Financial guarantee*

1) The insurance intermediary must conclude professional indemnity insurance:

- a) which covers his liability arising from violations of professional diligence;
- b) which provides for insurance cover in the amount of at least the equivalent of 1 million euros applying to each claim and the equivalent of 1.5 million euros for all claims within a year;
- c) whose territorial scope covers at least all Contracting Parties to the EEA Agreement;
- d) which provides subsequent liability for at least three years;
- e) which provides a deductible of at most 10% of the insurance cover; and
- f) which contains a provision requiring the insurance undertaking to immediately notify the FMA of the suspension or termination of insurance protection.

2) Professional indemnity insurance must be concluded with an insurance undertaking licensed to conduct business in Liechtenstein.

3) The minimum insurance amounts must be periodically adjusted to the European Index of Consumer Prices determined by Eurostat. The FMA shall publish the currently applicable minimum insurance amounts.

4) The obligation to conclude professional indemnity insurance shall be waived for insurance intermediaries who:

- a) as an insured person are covered by other professional indemnity insurance satisfying the requirements set out in paragraph 1 that has

- been concluded by an insurance undertaking or other undertaking on whose behalf the insurance intermediary acts or is authorized to act;
- b) demonstrates that an undertaking referred to in (a) has assumed unrestricted liability for its actions; or
  - c) renders another equivalent guarantee.

5) In cases under paragraph 4(b) and (c) on a case-by-case basis, the FMA shall decide whether the preconditions for waiver of the insurance obligation are met. It shall also take the interests of potential claimants into account.

## Article 6

### *Identity card*

- 1) The identity card issued by the FMA shall in particular provide information:
- a) on the identity and address of the insurance intermediary;
  - b) indicating that the insurance intermediary is entered in the register;
  - c) whether the insurance intermediary is entered as an agent and/or a broker;
  - d) in the case of legal persons, additionally also on the names of the members of the general management responsible for insurance mediation, to the extent required.

2) In justified cases, the FMA may issue certification of entry in the register instead of an identity card under paragraph 1.

## B. Register

### Article 7

#### *Content of the register*

The following information on the insurance intermediary shall be entered in the register, broken down by divisions:

- a) name, business name, and address;
- b) the classes of insurance in which the insurance intermediary works;

- c) the Contracting Parties to the EEA Agreement in which the insurance intermediary works by virtue of the freedom of establishment and the free movement of services;
- d) the employer, if the insurance intermediary is in an employment relationship;
- e) any economic links of the insurance intermediary with insurance undertakings;
- f) in the case of legal persons, additionally also the names of the members of the general management responsible for insurance mediation, to the extent required;
- g) the registration number;
- h) the date of first registration.

#### Article 8

##### *Public access to register*

- 1) The data entered in the register shall be public.
- 2) The FMA shall make the data available on the Internet for access free of charge.
- 3) The FMA shall issue register extracts and certifications against payment of a fee.
- 4) Register extracts and certifications for official use shall be issued free of charge.

#### Article 9

##### *Data security and archiving*

- 1) The data entered in the register may be deleted ten years after removal of an insurance intermediary from the register.
- 2) Paper files may be destroyed ten years after removal of an insurance intermediary from the register.

#### Article 10

##### *Supplementary publications*

The FMA shall publish separate lists of:

- a) all authorities responsible for maintaining the register for insurance intermediaries in the Contracting States to the EEA Agreement;
- b) the Contracting States to the EEA Agreement that must be notified by the FMA pursuant to article 8, paragraph 3 of the Act prior to taking up of activities by an insurance intermediary whose residence or registered office is in the Principality of Liechtenstein.

## II. Information and consultation requirements

### Article 11

#### *Economic links with insurance undertakings*

If the Act or this Ordinance requires the insurance intermediary to disclose economic links with insurance undertakings, he must notify:

- a) whether he has a holding, direct or indirect, representing more than 10% of the voting rights or the capital in a given insurance undertaking; and
- b) whether a given insurance undertaking or parent undertaking of a given insurance undertaking has a holding, direct or indirect, representing more than 10% of the voting rights or of the capital in the insurance intermediary.

### Article 12

#### *Durable medium*

A durable medium for the purposes of article 15, paragraph 1(a) of the Act shall mean any instrument which enables the insurant to store information addressed personally to him in a way accessible for future reference for a period of time adequate to the purposes of the information and which allows the unchanged reproduction of the information stored. In particular, durable medium covers floppy disks, CD-ROMs, DVDs and hard drives of personal computers on which electronic data is stored, but it excludes Internet sites, unless such sites meet the criteria specified above.

### III. Transitional and final provisions

#### Article 13

##### *Transitional provision*

Insurance intermediaries who, at the time of entry into force of this Ordinance, have full-time experience of at least three years or part-time experience of at least five years in insurance mediation shall be deemed professionally qualified for purposes of article 2.

#### Article 14

##### *Entry into force*

This Ordinance shall enter into force on 1 July 2006.

The Government:  
signed *Otmar Hasler*  
Prime Minister