

FMA Instruction 2018/9 – Grant of a licence under the Insurance Distribution Act (VersVertG)

This Instruction contains an overview of the procedure for granting a licence under the Insurance Distribution Act (VersVertG) and the documents to be submitted. The legal assessment is governed solely by the relevant legal provisions and the orders of the Financial Market Authority (FMA). The FMA is happy to provide additional information.

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Addressees:	Insurance intermediaries
Re:	Grant of a licence under the Insurance Distribution Act (VersVertG)
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1. General provisions

- 1.1 Insurance intermediaries, reinsurance intermediaries, and ancillary insurance intermediaries are hereinafter collectively referred to as "intermediaries". Should the requirements for the occupational categories differ, the present Instruction makes explicit reference to this fact.

Unless otherwise stated in this Instruction, all statements also apply to reinsurance distribution.

- 1.2 Where this Instruction refers to "current" documents or information, they must not be older than three months.
- 1.3 Natural and legal persons wishing to take up or carry out insurance distribution in Liechtenstein or from Liechtenstein are subject to the Insurance Distribution Act (VersVertG) of 5 December 2017.

The only exceptions to this are intermediaries practicing distribution as an ancillary activity if the following conditions are met:¹

- a. the insurance is complementary to the goods or services supplied by a provider, where such insurance covers:
 1. the risk of breakdown, loss of, or damage to, the good or the non-use of the service supplied by that provider; or
 2. damage to, or loss of, baggage and other risks linked to travel booked with that provider.
- b. the amount of the premium paid for the insurance product does not exceed 600 euros or the equivalent in Swiss francs calculated on a pro rata annual basis.
- c. by way of derogation from point (b), where the insurance is complementary to a service referred to in point (a) and the duration of that service is equal to, or less than, three months, the amount of the premium paid per person does not exceed 200 euros or the equivalent in Swiss francs.

- 1.4 The following activities are not considered insurance distribution:²

- a. the provision of information on an incidental basis in the context of another professional activity

¹ Article 3(1) VersVertG

² Article 4(2) VersVertG

where:

1. the provider does not take any additional steps to assist in concluding or performing an insurance contract;
 2. the purpose of that activity is not to assist the customer in concluding or performing a reinsurance contract.
- b. the management of claims of an insurance undertaking on a professional basis, and loss adjusting and expert appraisal of claims;
- c. address mediation (tip provider):
1. the mere provision of data and information on potential policyholders to intermediaries or insurance undertakings where the provider does not take any additional steps to assist in the conclusion of an insurance contract;
 2. the mere provision of information about insurance products, an intermediary, or an insurance undertaking to potential policyholders where the provider does not take any additional steps to assist in the conclusion of an insurance contract.
- 1.5 Supervision of insurance distribution is the responsibility of the FMA.³
- 1.6 Insurance brokers licensed under the VersVertG, insofar as they broker life insurance contracts and other services for investment purposes, are subject to the scope of application of the Due Diligence Act (SPG).⁴
- 1.7 The approval of the company name of an intermediary and the clarification of the availability of the designation of the company is the responsibility of the Office of Justice.⁵ With regard to the designation of the company, it must also be noted that the terms "insurance", "reinsurance", "insurer", "reinsurer" or "insurance company", alone or in a combination of words or as abbreviations, and corresponding foreign-language designations in the company name, to designate the business purpose, or for advertising purposes may be used only for undertakings that have received a licence to operate direct insurance or reinsurance. Intermediaries may use such designations only if they are accompanied by a suffix clarifying the intermediary's status. This also applies mutatis mutandis to designations and paraphrases which indicate an activity as an insurer.⁶

2. Licensing requirement⁷

- 2.1 Intermediaries domiciled in Liechtenstein that are not covered by point 1.2 of this Instruction require a licence from the FMA to take up insurance distribution. A distribution activity without a licence constitutes a misdemeanour under Article 82(1) VersVertG and is punishable by the Court of Justice.
- 2.2 No licence is required for intermediaries who are already supervised in another Contracting Party to the European Economic Area (EEA) Agreement or Switzerland and are active in Liechtenstein under the freedom to provide services or freedom of establishment.
- Insurance undertakings and their employees subject to supervision under the Insurance Supervision Act (VersAG) also do not require a licence.
- 2.3 General agencies of insurance undertakings that are not employees of insurance undertakings (independent general agencies) require a licence under the VersVertG. Criteria supporting consideration as an independent general agency are, for example:
- activities in its own name and for its own account;
 - agent or agency bears the entrepreneurial risk independently;
 - Old-Age and Survivors' Insurance contributions are settled independently.

³ Article 64 VersVertG

⁴ Article 3(1)(g) SPG

⁵ see Articles 1011 et seq. PGR

⁶ Article 23(2) VersAG

⁷ Article 5 VersVertG

3. Licensing procedure

- 3.1 As part of the licensing procedure, the FMA undertakes a comprehensive review of the applicant's circumstances.
- 3.2 All information provided by the applicant is treated confidentially and is subject to official secrecy within the framework of Article 71 VersVertG.
- 3.3 If facts relevant to the licence change during the licensing procedure, updated documents must be submitted without delay.
- 3.4 The duration of the licensing procedure depends primarily on the conclusiveness and completeness of the information and documents contained in the application. Once the application is complete, the FMA is required to decide on the grant of a licence within three months and to inform the applicant without delay.⁸ The FMA confirms the completeness of the application.
- 3.5 Under Article 82(2) of the National Administration Act (LVG), the applicant may waive the issuance of a formal decree. In that case, the FMA informs the applicant of its decision concerning the application in writing without giving reasons. This has the advantage that the procedure can be completed more quickly. There are no disadvantages for the applicant: If the FMA does not grant the application, the applicant will in any event receive a decree including a statement of reasons. The licence application must state whether a decree is waived for the purpose of expediting proceedings.

4. Licence application

- 4.1 The licence application and the documents to be submitted with it must be in German or English.
- 4.2 The online form is available on the FMA website, www.fma-li.li.⁹ Other forms referred to below that must be included with the application can likewise be found at <https://www.fma-li.li/en/intermediaries/insurance-and-pension-funds-division/insurance-intermediaries/licences-authorisations.html>:
 - confirmation of professional liability insurance coverage;
 - statement of unlimited liability under Article 17(4)(b) VersVertG;
 - statement of good repute.
- 4.3 The application must be completed online and subsequently submitted to the FMA. With regard to the submission, it may be submitted in writing by post or in electronic form to the FMA:¹⁰

In the case of postal submission, the electronically completed application must be printed out, legally signed, and transmitted to the FMA together with all enclosures. The applicant then receives a confirmation of receipt by post from the FMA.

In the case of electronic submission, the applicant receives an acknowledgement of receipt generated by the system immediately after submission. In the case of electronic submission, the original signed application form (without enclosures) must be submitted.
- 4.4 The application must contain all the information and documents required to demonstrate compliance with the licensing requirements set out in Article 6 VersVertG. Upon request, the FMA shall be provided with further information and documents required for the assessment of the application.¹¹
- 4.5 The licence application must contain the following minimum content.¹² The following information is based on the structure of the electronic licence application and is intended to serve as a guide.
 - 4.5.1 Basic information
 - a. The application for a licence to take up insurance distribution may be submitted by a legal person, a sole proprietorship, or a natural person.¹³ In the case of a legal person, all legal forms are permitted which are authorised to carry on a commercial activity under the Law on Persons and

⁸ Article 9(2) VersVertG

⁹ Article 7(2) VersVertG

¹⁰ Article 7(1) VersVertG

¹¹ Article 8(2) VersVertG

¹² Article 8 VersVertG

¹³ Article 7(2) VersVertG

Companies (PGR) and which are able to meet the requirements of the VersVertG.

- b. The licence application must be submitted by the legal person (or by the founder, if the company has not yet been founded), the owner of the sole proprietorship, or the natural person as the applicant. If the application is not made by these persons themselves, a corresponding power of attorney must be submitted.

4.5.2 Scope of the licence

- a. Distribution may be carried out as a principal or ancillary activity. An ancillary insurance intermediary may be any natural person (including sole proprietorships) and legal person that is neither a bank nor an investment firm and cumulatively fulfils the following conditions:¹⁴
1. the principal professional activity is other than insurance distribution;
 2. only certain insurance products that are complementary to a good or service are distributed;
 3. the insurance products concerned do not cover life insurance or liability risks, unless that coverage complements the good or service which the intermediary provides as its principal professional activity.
- b. The distribution activity may be carried out either as a broker or agent.¹⁵ Given the possibility of a conflict of interest, dual licences as a broker and as an agent are not permitted. Agents must disclose their agency relationships by submitting the agency contract.¹⁶
- c. Distribution activities may be carried out in life insurance, non-life insurance, and/or reinsurance. In the field of life and non-life insurance, a specification is required as to which classes of life and non-life insurance are carried out in accordance with Annexes 1 and 2 of the VersAG.¹⁷ In addition, it must be stated whether insurance-based investment products will be distributed.

4.5.3 Organisational structure

The organisational structure must be presented in graphical form (organisational chart).

4.5.3.1 Governing bodies¹⁸

In the case of legal persons, all governing bodies must be designated by name, and their function must be stated. Dual functions are in principle permissible; in the event of suspicion of improper management of the company or the risk of conflict of interest, the FMA reserves the right to take measures in this regard.

All governing bodies must be of good repute and – insofar as they work directly in or are responsible for insurance distribution – must also have the necessary professional qualifications. As a minimum requirement, at least one management body (member of the general management or general manager) must meet the required professional qualifications and thus bear the responsibility for insurance distribution.

In the case of a sole proprietorship or a natural person, the requirements for good repute and the necessary professional qualifications apply to the owner of the sole proprietorship or the natural person as such.

For each governing body, the owner of the sole proprietorship, or the natural person, the following documents must be enclosed with the application:

- copy of a valid official photo ID;
- current, dated, and signed curriculum vitae;
- current extract from the criminal register;
- current extract from the garnishment register; if no garnishment register extract is available in the country of residence, an official confirmation of the respective competent administrative or

¹⁴ Article 4(1)(20) VersVertG

¹⁵ Article 8(1)(i) in conjunction with Article 10 VersVertG

¹⁶ Article 8(1)(n) VersVertG

¹⁷ Article 8(1)(i) in conjunction with Article 10 VersVertG

¹⁸ Article 8(1)(f) and (g) in conjunction with Articles 14 and 15 VersVertG

- bankruptcy court must be submitted;
- current statement concerning good repute;
 - evidence of professional qualifications (if the governing body is directly involved in or responsible for insurance distribution). The provisions of Communication 2018/2 on professional qualification requirements under the Insurance Distribution Act must be observed.

4.5.3.2 Employees¹⁹

All employees who work directly in insurance distribution must be designated by name and have a good repute and the necessary professional qualifications.

The documents enumerated under point 4.5.3.1 must be enclosed with the application for each employee.

4.5.3.3 Holdings (relevant only for legal persons)²⁰

The ownership structure must be represented graphically (company structure).

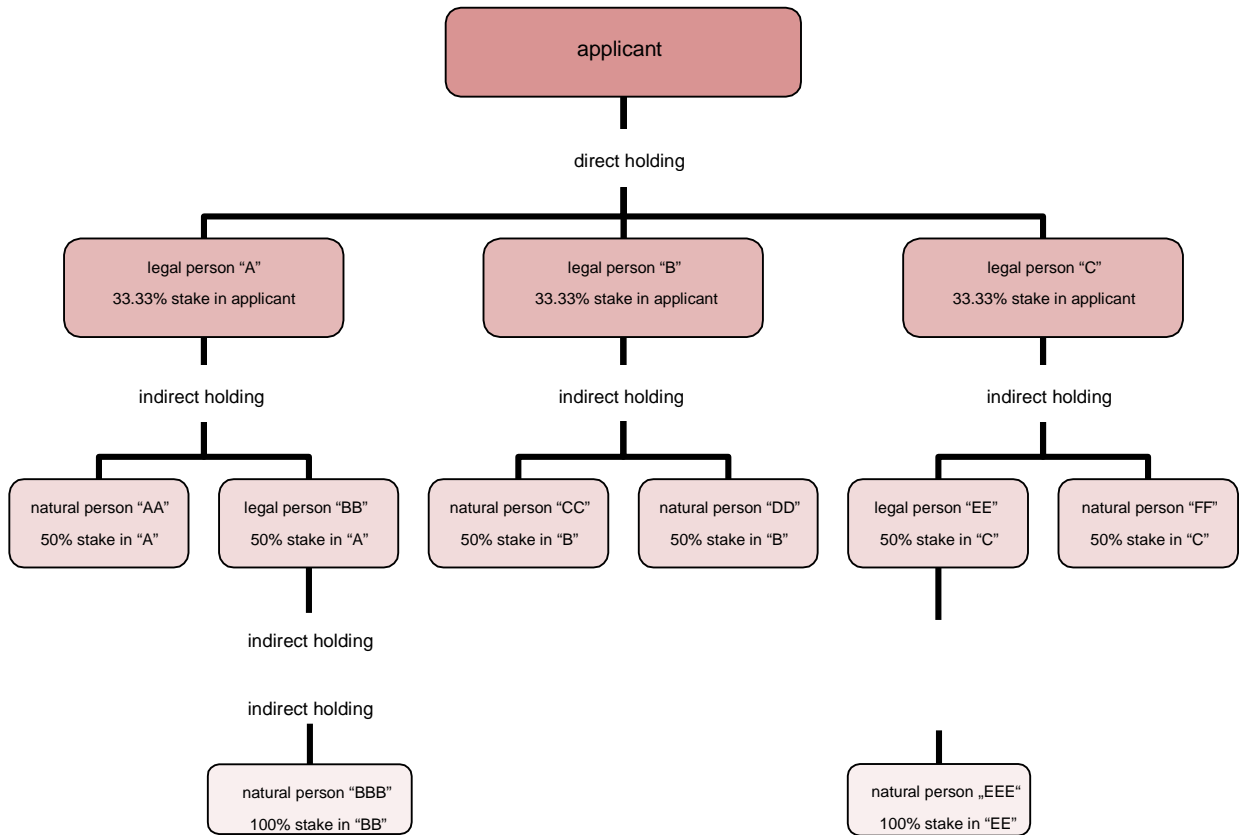
The ownership structure of the applicant shall be disclosed to the FMA. For this purpose, the identity and the amount of holdings of each shareholder, member or partner, or other rights holder or owner of the company holding more than 10% of shares in the applicant must be disclosed. This includes natural persons and legal persons. Only natural persons may be the ultimate shareholders.

Not only direct holdings are covered by these provisions, but also indirect holdings. Indirect holdings are where a person does not have direct holdings in the applicant, but rather participates only indirectly via an intermediary entity. The graphical representation below serves as an example.

Sample graphical representation of a company structure:

¹⁹ Article 8(1)(f) in conjunction with Articles 14 and 15 VersVertG

²⁰ Article 8(1)(k) and (m) VersVertG



In addition, evidence must be provided that the holdings do not impair proper supervision by the FMA. This is done by submitting evidence of the good repute of these persons. The FMA may request further information and documents necessary to make this assessment.²¹

The following documents must be submitted for natural persons as shareholders, members or partners, or other rights holders:

- copy of a valid official photo ID;
- current, dated, and signed curriculum vitae;
- current extract from the criminal register;
- current extract from the garnishment register; if no garnishment register extract is available in the country of residence, an official confirmation of the respective competent administrative or bankruptcy court must be submitted;
- current statement concerning good repute.

The following documents must be submitted for legal persons as shareholders, members or partners, or other rights holders:

- current extract from the Commercial Register or an extract from the corresponding foreign public register authority (not older than three months);
- formation documents.

²¹ Article 8(2) VersVertG

4.5.3.4 Close links²²

Information on the identity of persons with close links to the applicant must be provided. In addition, evidence must be provided that these close links do not impair proper supervision by the FMA. This is done by submitting evidence of the good repute of these persons. The FMA may request further information and documents necessary to make this assessment.²³

A close link is a situation in which two or more natural or legal persons are linked by control or holdings. A close link between at least two natural or legal persons shall also include a situation in which the persons concerned are permanently linked to the same person by a control relationship.²⁴ This is intended to cover relationships that do not take the form of holdings (which are already covered by point 4.5.3.3). This rule can therefore be seen as an extension of the verification of holdings. On the one hand, there must already be close links with natural or legal persons, and on the other hand, there must be the expectation that, as a consequence of this link, the FMA will in future be prevented from properly fulfilling its duty of supervision. Within a corporate group, influence may be exercised not only through vertical links but also through horizontal links to sister companies. It is also possible for (natural) persons to exert a significant influence on the applicant, where such influence is not apparent to the outside on the basis of shares, functions, or other contractual relationships, but rather is due to close relationships, their economic or political position of power, or their personal position. Such constellations must also be disclosed to the FMA as part of the application.

Close links may include in particular (non-exhaustive list):

- a holding in the form of a direct holding or a holding by way of control of at least 20% of the voting rights or capital of an entity;²⁵
- if the parent undertaking or a shareholder, member or partner, or other rights holder
 - has the majority of voting rights in the applicant;
 - has the right to appoint or remove the majority of the applicant's governing bodies (members of the board of directors or general management);
 - has the right or ability to exercise a controlling influence over the applicant pursuant to a contract or on the basis of provisions in the articles of association;²⁶
- power to decide on the strategy or direct the activities of an entity;²⁷
- power to decide on crucial transactions, such as the transfer of profit or loss;²⁸
- right to coordinate the management of two or more entities in pursuit of a common objective.²⁹

For natural and legal persons who have a close link with the applicant, the documents enumerated under point 4.5.3.3 must be enclosed with the application.

²² Article 8(1)(l) and (m) VersVertG

²³ Article 8(2) VersVertG

²⁴ Article 4(1)(7) VersVertG

²⁵ Article 10(1)(4) VersAG

²⁶ Article 13(18) of Directive 2009/138/EC (Solvency II)

²⁷ EBA Guidelines on connected clients under Article 4(1)(39) of Regulation (EU) No 575/2013

²⁸ EBA Guidelines on connected clients under Article 4(1)(39) of Regulation (EU) No 575/2013

²⁹ EBA Guidelines on connected clients under Article 4(1)(39) of Regulation (EU) No 575/2013

4.5.4 Financial security³⁰

4.5.4.1 Professional liability insurance

The applicant is obliged to take out professional liability insurance for the purpose of covering any liability claims. Professional liability insurance must be taken out with an insurance undertaking that is authorised for business operations in Liechtenstein (class 13 of non-life insurance). Insurance undertakings authorised for that purpose in Liechtenstein can be queried on the FMA website at <http://register.fma-li.li/index.php?id=144>.

Professional liability insurance must meet the following cumulative requirements:

- a. Coverage of liability arising from breach of professional diligence. This means that the intermediary activity as a broker or agent applied for must be covered and that the insurance classes in life and non-life insurance applied for and the distribution of reinsurance contracts must be covered.
- b. Minimum insurance sum of 1,250,000 euros or the equivalent in Swiss francs for each individual claim and of 1,850,000 euros or the equivalent in Swiss francs for all claims in one year. In the case of ancillary insurance intermediaries, the minimum insurance sum must be at least equal to half of the sums referred to above. These minimum insurance sums must be adjusted periodically to the European consumer price index established by Eurostat. The FMA publishes the applicable minimum insurance sums.
- c. The geographical scope of application shall cover at least all Contracting Parties to the EEA Agreement. In the case of planned activities in a third country (e.g. Switzerland), the geographical scope of application must also include the territory of the third country.
- d. Follow-up liability of at least 3 years.
- e. Deductible of a maximum of 10% of the insurance sum.
- f. Obligation of the insurance undertaking to notify the FMA without delay of the suspension or cessation of insurance coverage.

The following documents must be submitted as evidence of professional liability insurance:

- a copy of the professional liability insurance policy or – if the applicant is still in the process of formation – a binding offer of such insurance; and
- confirmation of coverage signed by the insurer in accordance with the FMA template.

4.5.4.2 Other financial security

The following intermediaries are exempt from the obligation to take out professional liability insurance under point 4.5.4.1:

- a. an intermediary which as an insured person or entity is already covered by another professional liability insurance that is sufficient to meet the legal requirements and was taken out by an insurance undertaking or other undertaking on whose behalf the intermediary acts or for which the intermediary is authorised to act;
- b. an intermediary providing evidence that an insurance undertaking or other undertaking has accepted unlimited liability for the intermediary's actions; or
- c. an intermediary providing other financial security. This may, for example, be a bank guarantee or real collateral.

On a case-by-case basis, the FMA examines whether the conditions for exemption from the insurance requirement have been met and also takes into account the interests of the claimants. To ensure client protection, the requirements on the quality of alternative securities referred to in points b and c are very demanding. This means that the FMA reserves the right to verify the creditworthiness of the undertaking that assumed unlimited liability for the intermediary's actions.

The following documents must be submitted as evidence of other financial security:

³⁰ Article 8(1)(e) in conjunction with Article 17 VersVertG

- a copy of the professional liability insurance policy with which the applicant is co-insured and a confirmation of the (insurance) undertaking that the applicant is acting on its behalf or is authorised to act on its behalf; and
- confirmation of coverage signed by the insurer in accordance with the FMA template; or
- statement of unlimited liability of the (insurance) undertaking in accordance with the FMA template; or
- evidence of other security in accordance with point c.

4.5.5 Registered office, head office, and domestic place of business³¹

4.5.5.1 Registered office

Intermediaries that are legal persons must have their registered office in Liechtenstein. This also applies analogously to sole proprietorships and natural persons; in the case of natural persons, the place of residence shall apply in lieu of the registered office. In the case of natural persons whose place of residence is outside Liechtenstein, the domestic place from which they carry out their distribution activities shall apply.

Sole proprietorships which operate a business on a commercial basis are required to have the company name entered in the Commercial Register at the place of the primary place of business.³² Activity as an intermediary in the form of a broker or agent counts as a commercial business.³³

4.5.5.2 Head office and domestic place of business

The head office of an intermediary must be situated in Liechtenstein and is defined not only by the registered office of the intermediary but also by the centre of business, i.e. by the place where the business is actually carried out.

Intermediaries must establish and maintain a domestic place of business that is adequate in terms of personnel and premises in order to ensure that work processes function smoothly at all times. This means that the organisation must be suitable for the performance of tasks.

The head office and the domestic place of business are subject to the following basic requirements:

a. Local infrastructure

Local, adequate office premises including technical equipment (IT hardware, IT software, printers, telephone system, etc.) must be available to ensure administrative operations. Office premises and equipment must be clearly demarcated and ensure that all client data is securely stored and inaccessible to third parties. This is particularly important in the case of rentals in an office centre, shared offices, and when doing business in the private residential premises of the intermediary (home office).

A description of the office premises and IT equipment (hardware, software, backup solutions, etc.) must be submitted, addressing the aforementioned points. The application must also be accompanied by a concluded lease agreement including a room layout plan.

b. Local activities

- The management and control functions must be performed in Liechtenstein.

This means that the management body/ies responsible for the mediation, or the owner of the sole proprietorship or the natural person, must be present in the Liechtenstein office for a reasonable period of time and be reachable during normal business hours. These persons must be in a position to be able to perform their functions and responsibilities effectively and properly on site, given their place of residence. This may be assumed in principle if the place of residence is within a radius of 100 km. It must be ensured that in the case of absence of the person(s) responsible for insurance distribution (sickness or leave-related absence, business travel, or other absences), at least one qualified and informed contact person is available on site during normal business hours.

³¹ Article 18 VersVertG

³² Article 945(1) PGR in conjunction with Article 42 et seq. HRV

³³ Article 43(1)(c) HRV.

- In the case of legal persons, the meetings of the general management and the board of directors must be held in Liechtenstein.
- The core responsibilities of the intermediary must be carried out in Liechtenstein. These responsibilities include, for example, the administration of insurance contracts, claims management, client management, and the back office. Of course, the aforementioned requirements do not preclude intermediaries from attending client appointments and consultations abroad.

Activities that do not fall under insurance distribution³⁴ may be outsourced to third parties (e.g. accounting, human resources, marketing, etc.). Compliance with business secrecy within the meaning of Article 20 VersVertG must be agreed in writing.

However, the performance of advisory activities abroad or the outsourcing of certain activities must not result in key parts of the head office being outsourced abroad, thereby resulting in a lack of an adequate domestic place of business situated in Liechtenstein.

- There must be a sufficient number of personnel whose usual place of work is at the registered office of the intermediary.

A description of the activities carried out in Liechtenstein, of the adequate management and control activities in Liechtenstein, and of the back office in Liechtenstein must be submitted, addressing the aforementioned points. The persons, including a description of their functions, must also be named who will have their usual place of work at the registered office of the intermediary.

c. Local data management and archiving

Data management and archiving can be carried out in both physical and electronic form. The overriding requirement is that the FMA or the auditors in Liechtenstein have unrestricted access to the data records and documents relating to business operations at all times. Upon request, all requested documents must be made available to the FMA or the auditor in physical form.

In the case of electronic data that is secured in a data centre or on a server outside Liechtenstein, it is necessary to mirror this data onto a medium which is stored in the country. This mirror must be updated on a regular basis. This is in general the case with an update interval of 2 days.

Due to the evidentiary requirements in civil proceedings, the FMA recommends additional safekeeping of the original document in the case of electronic data management and archiving.

Insurance brokers with a licence under the VersVertG, insofar as they broker life insurance contracts and other services for investment purposes, must keep the due diligence files in a place accessible at all times in Liechtenstein.³⁵

A description of the local data management, archiving, as well as a description of the measures to be taken for safekeeping of all client data in a way that is secure and inaccessible to third parties must be submitted, in which the aforementioned points are discussed.

4.5.6 Business model³⁶

More detailed information on the planned activities (business model) must be submitted. This includes, in particular, information on the products to be distributed, the target markets, the planned client segment, and the various distribution channels.

Target markets are those Contracting Parties to the EEA Agreement and Switzerland in which the intermediary plans to engage in cross-border distribution activities under the freedom to provide services and/or the freedom of establishment. It should also be indicated whether distribution activities are planned in other third countries.

Distribution channels are the distribution channels through which an intermediary offers insurance products to its clients. A distinction must be made between internal and external distribution channels. In some cases, an intermediary focuses solely on one distribution channel, but sometimes

³⁴ Article 4(1)(22) VersVertG

³⁵ Article 20 SPG in conjunction with Article 28(5) SPV

³⁶ Article 8(1)(i) VersVertG

the insurance products are also offered in parallel through different distribution channels. The standard distribution channel of an intermediary is through employed field representatives. In addition, however, an intermediary may also make use of external distribution partners, for example through cooperation with sub-intermediaries, annex intermediaries (car dealerships, travel agencies), and also cooperation with tip providers. Structured distribution, online distribution, or telephone distribution are also possible distribution channels.

4.5.7 Payment guarantee for the benefit of the policyholder³⁷

The intermediary must at all times be in a position to pass on payments to the entitled party, whether to the insurance undertaking or to the policyholder. The law gives a choice of three measures, from which the intermediary may choose one or more. One measure is sufficient by law, but if more than one measure is taken, evidence must be submitted for all selected measures.

Such payments are predominantly, but not exclusively, premium or claims payments.

5. Grant of licence

5.1 As soon as all the information and documents necessary for assessing the licence application are available, the FMA confirms to the applicant in writing that the application is complete. The FMA decides whether to grant a licence within three months of receipt of the complete application and informs the applicant without delay of the decision.³⁸

5.2 The licence is granted if the applicant meets the legal requirements. The licence may be issued subject to conditions.³⁹ The licence is granted in the form of the agent or broker and for one or more classes of insurance and/or reinsurance.⁴⁰

If a company has not yet been founded at the time the licence is granted, which in practice is the norm, the licence is granted subject to conditions precedent. This approach helps avoid unnecessary costs, for example for the formation of a legal person, as long as there is no legal certainty about the grant of the licence.

5.3 By decree the FMA refuses to provide the licence if the applicant does not meet the legal requirements or fails to comply with the conditions it imposes.⁴¹

5.4 All licensed intermediaries are entered in the intermediary register to be maintained *ex officio* by the FMA.⁴² The entry is deleted if the licence of the intermediary has expired or has been withdrawn by the FMA. It can still be accessed, however, under the deleted entries.⁴³

The intermediary register is available on the FMA website free of charge under the following link:
<http://register.fma-li.li/index.php?id=246>

The following information about the intermediary can be accessed in the register:⁴⁴

- name and address;
- category of person (legal person, sole proprietorship, or natural person);
- registration number and date of first registration;
- intermediary category (broker or agent);
- distribution as a principal or ancillary activity;
- classes of insurance, including reinsurance distribution;
- countries in which the intermediary operates on a cross-border basis under the freedom to provide services and/or freedom of establishment;

³⁷ Article 19 VersVertG

³⁸ Article 9(3) VersVertG

³⁹ Article 9(1) VersVertG

⁴⁰ Article 10 VersVertG

⁴¹ Article 9(2) VersVertG

⁴² Article 11(1) and (2) VersVertG

⁴³ Article 11(3) VersVertG

⁴⁴ Article 3 VersVertV

- information on the governing bodies responsible for insurance distribution and the employees directly involved in insurance distribution.

6. Costs

6.1 Licensing fees⁴⁵

The fee for the grant of the licence and for entry in the register is as follows:

- legal persons: 4,000 Swiss francs plus 200 Swiss francs per employee who works in insurance distribution;
- natural persons: 2,000 Swiss francs plus 200 Swiss francs per employee who works in insurance distribution. Sole proprietorships are treated as natural persons with regard to fees.

The FMA may adjust the fees for the grant of the licence to the actual effort incurred.

6.2 Supervisory taxes⁴⁶

In addition, the FMA collects an annual supervisory tax from the intermediaries. This consists of a fixed basic tax and a variable supplemental tax and is limited to an annual maximum of 6,500 Swiss francs.

The basic tax per year for intermediaries is:

- for legal persons: 2,500 Swiss francs
- for natural persons/sole proprietorship: 1,250 Swiss francs

The supplemental tax for intermediaries amounts to 0.25% of gross income. The gross income of the year preceding the year of taxation shall be decisive.

7. Legal bases

- Insurance Distribution Act (VersVertG) of 5 December 2017 (LGBl. 2018 No. 9, as amended);
- Insurance Distribution Ordinance (VersVertV) of 10 April 2018 (LGBl. 2018 No. 69, as amended);
- Law of 18 June 2004 on the Financial Market Authority (FMAG; LGBl. 2004 No. 175, as amended);
- Law of 11 December 2008 on Professional Due Diligence for the Prevention of Money Laundering, Organised Crime and Financing of Terrorism (SPG; LGBl. 2009 No. 47 as amended);
- Ordinance of 17 February 2009 on Professional Due Diligence for the Prevention of Money Laundering, Organised Crime and Financing of Terrorism (SPV; LGBl. 2009 No. 98 as amended);
- Law of 12 June 2015 on the Supervision of Insurance Undertakings (VersAG; LGBl. 2015 No. 231 as amended);
- Law on Persons and Companies (PGR) of 20 January 1926 (LGBl. 1926 No. 4 as amended);
- Ordinance of 11 February 2003 on the Commercial Register (HRV; LGBl. 2003 No. 66 as amended).

8. Data protection notice

The FMA processes personal data exclusively in accordance with the general data processing principles of the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC) as well as in line with

⁴⁵ Annex I Section F to Article 30 FMAG

⁴⁶ Annex 2 Chapter III Section C to Article 30a FMAG



Liechtenstein data protection law.

Information regarding the processing of personal data, as well as details about the processing purpose, the data controller and the rights of data subjects can be found in the FMA Privacy Policy: <https://www.fma-li.li/en/fma/data-protection/fma-privacy-policy.html>

Financial Market Authority (FMA) Liechtenstein

Insurance and Pension Funds Division
Legal Section

Phone: +423 236 73 73
E-mail: info@fma-li.li