



To Insurance Intermediaries registered in other state in European Economic Area than Finland

Section of the law:

Section 32 of the Act on Insurance Mediation (570/2005)

Department:

Market Affairs

AMENDMENT IN CONDITIONS REQUIRED BY GENERAL GOOD

The Insurance Supervisory Authority has decided to amend paragraph 1.1.5 in instruction on the conditions required by general good for insurance intermediaries registered in other state in European Economic Area than Finland Diary no 8/002/2005.

Instruction on conditions required by general good can also be found on the website of the Insurance Supervisory Authority (www.vakuutusvalvonta.fi).

Director General

Hely Salomaa

Senior Officer

Janne Sinisalo

ENCLOSURE

Amended paragraph 1.1.5 in Conditions required by general good

1.1.5 Insurance Broker's Fee

According to Section 26 and Section 49, Sub-section 6 of the Act on Insurance Mediation, an insurance broker operating in Finland may, after a three-year transition period commencing on 1 September 2005, accept a broker's fee only from the principal, i.e., the customer.

During the said transition period, the insurance broker may also accept a broker's fee from a party other than the customer. When providing the customer with a fair analysis, the insurance broker must inform the customer of the basis for determining the broker's fee paid by the insurer and any other party regarding the insurance solutions covered by the said analysis and, if possible, the amount of the fee.

During the transition period, the insurance broker must inform the customer of the amount of, and the basis for determining, the broker's fee with respect to an insurance contract concluded by the customer, as well as the amount of, and the basis for determining, the broker's fee if these have fundamentally changed from what has been reported earlier. Such information must be provided in writing unless otherwise agreed by the insurance broker and customer.