Insurance mediation

2000/0213(COD) - 18/03/2002 - Council position

The common position takes on board some 20 of the amendments of the European Parliament. This has been done in order to take account of the status of certain intermediaries. The concept of "tied insurance intermediaries" is defined, along with a more substantial role for insurance undertakings in the registration process of such persons as well as in the verification of their professional knowledge and competence. Furthermore, the common position stipulates that only the names of some persons in the management structure of intermediaries (legal persons) have to be specified in the registers. The treatment of intermediaries from third countries was clarified. The provision on indemnity insurance and guarantees was modified accordingly, in addition to which an aggregate ceiling of EUR 1 500 000 per year and per all claims was inserted. The Council added a special provision on information exchange between competent authorities with the objective of facilitating the deletion of names of persons from national registers if the latter have been subject to certain penalties. A special clause regarding telephone selling was also inserted. The Council felt that the exclusion of persons in the event of having insolvency proceedings opened against them was too strict. The wording "declaration of bankruptcy" was felt to be clearer and better justified. The common position also follows the Parliament by requiring the police record of intermediaries to be clean in respect of crimes against property, but adds that criminal offenses have to be serious. Finally, following an extended discussion, the Council preferred an exclusion for insurance contracts that are renewable, but whose total duration would not exceed five years. The threshold for the amount of the annual premium has been reduced from EUR 1000 to EUR 500.