

## **Insurance Intermediaries Rule 9 of 2007**

### **Qualifications of Individuals Applying for Registration**

#### **Rule pursuant to article 8 of the Act**

1. (1) This Insurance Intermediaries Rule on the qualifications of individuals desirous of applying for registration, or who are registered, in the Agents Register, Managers Register or Brokers Register (“this Rule”) is made by the Authority pursuant to, and for the purposes of, article 8 of the Act.

(2) This Rule shall come into force on the 15<sup>th</sup> January 2007.

#### **Application**

2. This Rule applies to an individual desirous of applying for registration and, on continuing basis, an individual registered, in the Agents Register, Managers Register or Brokers Register (the “applicant”).

#### **Scope**

3. The scope of this Rule is to determine the qualifications of individuals applying for registration. Such qualifications are a combination of both educational attainment and practical experience.

#### **Definitions**

4. In this Rule, unless the context otherwise requires “insurance intermediaries” means an insurance agent, insurance manager or insurance broker enrolled under the Act and “insurance intermediaries activities” shall be construed accordingly.

#### **Qualifications for registration**

5. (1) The qualifications of applicants as determined by this Rule for the purpose of applying for registration in the Agents Register,

Managers Register or Brokers Register are those set out in paragraphs (2) and (3) of this article.

(2) Subject to paragraph (4) of this article, an applicant shall be entitled to be registered in the Agents Register, Managers Register or Brokers Register if the Authority is satisfied that the applicant -

(a) is a fellow or associate of the Chartered Insurance Institute of the United Kingdom or holds an insurance qualification of a similar standing of an institute of repute recognised for such purpose by the Authority; or

(b) has carried on, locally or overseas, insurance intermediaries activities for a period of not less than seven years during the last ten years; or

(c) holds a qualification recognised by the Authority for the purposes of this article and has carried on insurance intermediaries activities for a period of not less than five years during the last seven years; or

(d) has been employed in a managerial capacity by a company carrying on insurance intermediaries activities or by an undertaking carrying on business of insurance for a period of not less than five years during the last ten years; or

(e) holds a qualification recognised by the Authority for the purposes of this article and has been employed in a managerial capacity by a company carrying on insurance intermediaries activities or by an undertaking carrying on business of insurance for a period of not less than three years during the last seven years; or

(f) has knowledge and practical experience of insurance business for a period of not less than seven years during the last ten years.

(3) In a case falling within sub-paragraphs (b) to (f) of paragraph (2) of this article, an applicant who has carried on insurance intermediaries activities for the period specified in the sub-paragraph to which the application relates but the period during which the applicant has so carried on business, or has so acted, is a period longer than the period specified in the said sub-paragraph, if the applicant has carried on insurance intermediaries activities, for a period of not less than one continuous year immediately before the date on which the application for registration in the Agents Register, Managers Register or Brokers Register is submitted, that applicant shall be deemed to satisfy the

qualifications specified in the sub-paragraph to which the application relates.

(4) An applicant shall not be entitled to be registered in the Agents Register, Managers Register or Brokers Register by virtue of paragraph (2) and (3) of this article unless the applicant also satisfies the Authority -

(a) in a case falling within sub-paragraph (a) of paragraph (2) of this article, that the applicant has had adequate practical experience in business of insurance or of insurance intermediaries activities, as the case may be; and

(b) that the applicant is a fit and proper person within the meaning of Insurance Intermediaries Rule 2 of 2007 on the Criteria of Fitness and Propriety of Insurance Intermediaries.

(5) Where, an insurance manager holds an appointment from a company enrolled in the Brokers List, the individual who effectively manages any part of the business of the insurance manager shall be registered in the Brokers Register under article 13 of the Insurance Intermediaries Act, 2006.

### **Criteria for persons who effectively manage the affairs of insurance intermediaries**

6. In addition to the foregoing qualifications for registration contained in article 5 of this Rule, the individual who effectively manages the affairs of insurance intermediaries shall be entitled to be registered in the Agents Register, Managers Register or Brokers Register if the individual is a person who is resident in Malta.

### **Activity in a managerial capacity**

7. (1) An applicant is regarded as having pursued an activity in a managerial capacity within the meaning of article 5 of this Rule where the applicant's duties in an undertaking carrying on business of insurance or a company carrying on insurance intermediaries activities, have involved the management of persons who effectively carried on the business of insurance or insurance intermediaries activities or the supervision of their work.

(2) The activities and duties referred to in paragraph (1) of this article must have entailed responsibility in respect of the acquisition, administration and performance of contracts of insurance.

## **Repeals and Savings**

**8.** (1) Without prejudice to article 4(2) of the Preliminary provisions, and saving the provisions of paragraph (2) of this article, Insurance Intermediaries Directive 9 of 1999 – Qualifications of Individuals Applying for Registration in the Brokers Register, is hereby repealed.

(2) Every action, directive, instruction, guideline or order whatsoever taken or commenced thereunder or under Insurance Directive 8 of 1999 – Qualifications of Individuals Who Effectively Direct the Business or Manage the Affairs of Insurance Companies, Insurance Agents, Insurance Managers or Branches Thereof, in so far as they apply to insurance agents and insurance managers, shall continue to be valid and in force, as if such action, directive, instruction, guideline or order were taken or commenced, under this Rule.