

Insurance Business or Insurance Intermediation: Which FINMA Requirements Apply?

Three supervisory regimes in one statute

Art. 2 para. 1 of the Insurance Supervision Act (VAG) subjects the following to supervision **Art. 2 VAG**

- insurers with a Swiss seat;
- foreign insurers, for their activity in or from Switzerland;
- insurance intermediaries;
- insurance groups and conglomerates;
- insurance special purpose vehicles.

Supervision takes three different forms.

- Institutional licence. Every supervised insurer needs a FINMA licence before it starts insurance activity. Mergers, demergers and conversions also require one **Art. 3 VAG**. The Federal Supreme Court calls this a pure police authorisation. It protects insured persons and the proper functioning of the sector, not competitors, so competing insurers generally lack standing to challenge it **2C_94/2012**.
- Registration. Untied intermediaries may act only once they are entered in FINMA's public register **Art. 41 VAG** **Art. 42 VAG**
- Supervision without registration. Tied intermediaries are supervised persons subject to the training and conduct duties of Chapter 4 VAG. Since 1 January 2024 they can in principle no longer be entered in the register. FINMA allocates them to the insurer to which they are tied

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The current framework rests mainly on the VAG amendment of 18 March 2022, in force since 1 January 2024. That amendment:

- introduced new exclusions in Art. 2 para. 2 VAG;
- created the power to exempt small and innovative insurers;
- repealed the former Art. 2 para. 3 VAG **Art. 2 VAG**

A separate act of 16 December 2022 on intermediary activity has applied since 1 September 2024. It amended the penalty provisions for supplementary health insurance **Art. 86 VAG**. The related ordinance carved supplementary health insurance out of the ancillary-intermediary exemption **Art. 1h AVO**. Decisions under the former Art. 4 VAG, the former intermediary rules or the former Abgrenzungsverordnung are therefore used below only where their reasoning still fits the current text.

The analysis follows the order of the decision tree:

1. Is the promise insurance business?
2. If the entity carries the risk itself, which licensing conditions, exclusions, exemptions or reliefs apply?
3. Is the distributor an intermediary, and if so, is it tied, untied or excluded?
4. Which registration, qualification, financial-security and conduct requirements follow for intermediaries?

Foreign providers and the transitional and reform position are addressed afterwards, since they can change the result at any step.

Step 1: Is the activity insurance business?

The five-element test

The VAG contains no definition of insurance: "Der Begriff der Versicherung wird vom Versicherungsaufsichtsgesetz nicht definiert." (The concept of insurance is not defined by the Insurance Supervision Act.) **BGE 114 Ib 244**

Settled case law requires five cumulative elements **BGE 107 Ib 54** **BGE 114 Ib 244**:

- a risk;
- a premium;
- an insurer's benefit;
- the independence of the operation;
- compensation of risks according to the laws of statistics, that is, a planned business operation.

The Federal Supreme Court confirmed this test in 2011 as "jurisprudence constante" (settled case law) **2C_410/2010**. The label the parties use is irrelevant. What decides is the economic content of the promise and how the business is organised.

Guarantees, warranties and service bundles

Rental-deposit guarantees. In 2C_410/2010 a company paid landlords up to the guaranteed amount before turning to the tenant. The Court held that it thereby bore the risk "à la place du bailleur" (in the landlord's place). The tenants' contributions were premiums for insurance. The Federal Administrative Court confirmed this in 2010 **2C_410/2010**. The label the parties use is irrelevant. What decides is the economic content of the promise and how the business is organised.

- Pricing so that total receipts covered expected outlays plus a margin amounted to statistical risk compensation.
- Standardised "products" offered to an indeterminate public pointed to guarantee insurance rather than suretyship.
- The right of recourse against the tenant did not alter the result **2C_410/2010**.

The Federal Administrative Court had decided the same way **b-2808-2009**.

The lawful alternative appears in a Vaud civil decision. There the "guarantor" merely took out a guarantee policy with an insurer, and the insurer undertook to pay the landlord. The court treated the arrangement as an insurance contract under the Insurance Contract Act, not as a suretyship **CREC xz14-037688-371/2015**. That decision addresses private law only. It illustrates the structure in which the risk sits with an insurer and the distributor carries none.

Product warranties. In BGE 107 Ib 54 (Lessol), a guarantee covered repair costs even where the seller's own products were not defective. The Court held it to be a genuine insurance benefit, distinguishable from the seller's warranty and not a mere modality of the sale **BGE 107 Ib 54**. Separately priced protection plans that go beyond the seller's own liability for defects therefore enter insurance territory.

Service bundles. A legal-protection company paid court and lawyers' fees and also offered advice and representation. Those services did not remove the insurance character because they were not predominant. A case-by-case additional contribution did not change the result either **BGE 58 I 256**. The reasoning applies directly to

modern assistance bundles: a monetary risk benefit is not neutralised by being packaged with services.

Independence as the principal defence

Insurance-like terms that are an integral part of another contract fall outside the VAG.

In BGE 76 I 362, a mortgage bank waived outstanding annuities if the borrower died. The Court accepted that risk, premium and a planned operation were present. It nevertheless found that the waiver was merely a modality of the loan and lacked independence. The Act governs insurance business, not insurance-like transactions, and the inner connection with the main contract was decisive **BGE 76 I 362**.

The limit appears in BGE 114 Ib 244. A captive that covered only its own group's losses was still independent, because its contracts were separate insurance contracts and not ancillary terms of another business **BGE 114 Ib 244**.

The two decisions can be reconciled. The accessory exception protects a promise that cannot exist without a main contract between the same parties. It does not protect a stand-alone risk transfer merely because the circle of insureds is narrow. In 2C_410/2010 the guarantee was not accessory to the lease, to which the guarantor was not even a party **2C_410/2010**.

Consequences of unlicensed insurance activity

Administrative measures. In the rent-guarantee case, FINMA found unlawful insurance activity and ordered dissolution and liquidation. As immediately enforceable provisional measures, it prohibited the activity and related advertising. After the company placed the risk with a licensed insurer, FINMA annulled the dissolution and liquidation. The court nonetheless confirmed that the earlier activity had been unlawful **b-2808-2009**. Shifting the risk to a licensed insurer is thus the recognised way to regularise for the future. It does not cure past violations.

Criminal liability. Unlicensed insurance activity is punishable under Art. 44 FINMASA. The Federal Supreme Court held that the provision "ne souffre d'aucune imprécision" (suffers from no imprecision) and rejected a mistake-of-law defence **6B_917/2014**. It annulled the sentence, however. The authority had repeatedly granted deadlines and confined itself to threats, which could in good faith be read as signalling regularisation without criminal consequences. That had to be weighed in sentencing **6B_917/2014**. Official tolerance mitigates culpability but does not legalise the activity.

Liability of distributors. Anyone who intentionally concludes or intermediates contracts for an unlicensed insurer commits a misdemeanour **Art. 87 VAG**. Intermediaries are also barred from acting for such insurers **Art. 44 VAG**.

Step 2: The insurer route

Business plan and licensing conditions

The licence application must be accompanied by a business plan **Art. 4 VAG**. The plan must cover, among other items:

- the articles, organisation and territorial scope;
- financial resources and provisions;
- holders of at least 10 percent of capital or votes;
- the persons responsible for management and supervision;
- the responsible actuary;
- outsourcing of material functions;
- the planned branches and risks;
- reinsurance plans;
- start-up costs;
- three-year projected balance sheets and income statements;
- risk management;
- for occupational pensions and supplementary health insurance,

the tariffs and general conditions **Art. 4 VAG**

Since 2024, an insurer that wishes to claim reliefs must state for each branch whether the business is with professional policyholders, intra-group, or with non-professionals **Art. 4 VAG**

The substantive conditions are:

- Legal form: company limited by shares or cooperative; Lloyd's is reserved **Art. 7 VAG**
- Minimum capital: CHF 3 to 20 million depending on the branches; FINMA fixes the amount in each case **Art. 8 VAG**
- Solvency: risk-bearing capital at least equal to target capital **Art. 9 VAG**
- Organisation fund: as a rule up to 50 percent of minimum capital at the start of business **Art. 10 VAG**
- Fit and proper: assurance of irreproachable business conduct by the undertaking and its management, good reputation of qualified shareholders, and the same standard for outsourced material functions **Art. 14 VAG**

Ongoing duties then follow. The insurer must hold technical provisions for its entire business **Art. 16 VAG** and secure claims through tied assets **Art. 17 VAG**.

Statutory exclusions: a closed list

Art. 2 para. 2 VAG excludes, among others **Art. 2 VAG**

- foreign insurers conducting only reinsurance in Switzerland;
- undertakings under special federal supervision, to that extent, notably registered pension institutions;
- foreign state or state-guaranteed export-risk insurers;
- insurance cooperatives that existed on 1 January 1993 and meet six cumulative conditions, including a gross premium volume that has never exceeded CHF 3 million;
- associations, cooperatives and foundations concluding guarantee-type contracts with their members, provided they operate only in Switzerland and allocate the profit to their contracting partners.

The last exclusion accommodates member guarantee schemes that the reasoning in 2C_410/2010 would otherwise capture. A commercial guarantor serving the public cannot rely on it.

This list is closed.

- BGE 114 Ib 244 rejected a general clause exempting insurers whose policyholders allegedly needed no protection. It held that policyholders' expertise was not enough **BGE 114 Ib 244**.
- Under the former exemption for undertakings of minor economic significance, the Court did exempt a horse-insurance cooperative with about 560 insureds. Its insolvency would not have caused widespread serious loss **BGE 108 Ib 281**.
- By contrast, the Court refused that exemption for the Lessol scheme, whose clientele was not small and whose benefits were not insignificant **BGE 107 Ib 54**.
- BGE 108 Ib 286 likewise relied on the former Abgrenzungsverordnung to exempt a single liability contract with expert audit firms for lack of a need for protection **BGE 108 Ib 286**.

These decisions interpret repealed provisions. Today Art. 2 para. 3 VAG is repealed, and the remaining exemption powers are expressly delegated to the Federal Council **Art. 2 VAG**. An exemption must therefore rest on a specific provision. A case-by-case finding of no need for protection is no longer a basis.

Innovation exemption for small direct insurers

Under Art. 2 para. 5 lit. b VAG, the Federal Council may exempt insurers wholly or partly, in particular to preserve the future viability of the financial centre. It must weigh the business model, the low economic importance and risk of the product, business volume and the circle of insureds. It may impose conditions on seat, securities and information **Art. 2 VAG**. The message describes the power as directed

Excluded intermediation, including embedded insurance

Two exclusions in Art. 2 para. 2 VAG concern intermediaries

Art. 2 VAG

- In-house intermediaries. Lit. c covers intermediaries in a relationship of dependence with one policyholder, insofar as they pursue only the interests of that policyholder and the companies it controls. This is typically a group's own insurance department.
- Ancillary intermediaries. Lit. f covers intermediaries whose activity concerns insurance of minor importance that complements a product or service.

Art. 1h AVO makes the ancillary exclusion concrete. It requires three cumulative conditions **Art. 1h AVO**

1. the annual premium does not exceed CHF 600, excluding taxes;
2. the insurance is a subordinate service to the supply of a product or service by any provider;
3. the intermediation is a side activity.

Since 1 September 2024 the exclusion does not apply to supplementary health insurance **Art. 1h AVO**. FINMA confirms that ancillary intermediation falls outside its supervisory remit

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. The open terms of Art. 1h AVO ("subordinate", "side activity") take their content from the ordinance text and FINMA practice, so borderline models should be assessed against both.

The ancillary exclusion relieves only the distributor. The product sold must still come from a licensed insurer or an exempt one. If the retailer itself carries the risk under a separately priced promise, the Lessol line treats the retailer as an insurer **BGE 107 Ib 54**. In that case the ancillary-intermediary exclusion offers no protection at all.

Step 4: Requirements for intermediaries

Registration of untied intermediaries

Registration requires proof of four conditions **Art. 41 VAG**

- a seat, domicile or branch in Switzerland;
- good reputation and assurance of compliance with the VAG;
- the skills and knowledge required by Art. 43 VAG, or for employers, enough qualified employees;
- professional indemnity insurance or equivalent financial security.

Registration is excluded where any of the following applies

Art. 41 VAG

- an intentional conviction under Art. 86 or 87 VAG;
- a criminal-register entry for property offences under Art. 137 to 172ter StGB;
- an activity ban or professional ban under the FINMASA.

The registration duty covers sole proprietorships and partnerships, legal persons, and employed natural persons **Art. 183 AVO**. A Ticino procurement decision applied this strictly. A company bidding for a municipal broker mandate was ineligible because only its sole director, and not the company itself, was registered **52.2024.459**. The same court held that brokerage paid through insurer commissions remains subject to procurement law, since commissions form part of the premium **52.2024.459**.

Good reputation: fixed exclusions and individual assessment

The current law has two layers.

Statutory exclusions. Art. 41 para. 3 VAG operates as a fixed exclusion. In B-199/2025 the court held that the positive and negative registration conditions are cumulative. It upheld a deletion based on criminal-register entries for property offences. Repeated failure to report convictions to FINMA breached Art. 29 para. 2 FINMASA, and such a breach can by itself justify a professional ban **b-199-2025**.

General reputation test. Art. 187 AVO provides that reputation is

lacking in particular where an unerased conviction or loss certificates relate to conduct incompatible with intermediation. The test extends to managers and holders of more than 10 percent **Art. 187 AVO**. It requires a forward-looking assessment of the individual:

- In B-274/2025 the intermediary concealed a serious sexual-offence conviction and other proceedings when re-documenting his registration in 2024. Deletion was upheld even though the conviction no longer appeared in his private register extract: "Selbst wenn das entsprechende Urteil betreffend die schweren Delikte nicht mehr im Privatauszug aus dem Strafregister-Informationssystem erscheint, kann nicht von einem guten Ruf des Beschwerdeführers ausgegangen werden." (Even if the judgment on the serious offences no longer appears in the private extract from the criminal register, the complainant cannot be considered to enjoy a good reputation.) **b-274-2025**
- In B-618/2024, decided under the former law, the court set aside a refusal based on drug convictions. Such offences were not incompatible with intermediation, and FINMA had relied on speculation rather than a comprehensive assessment of the case. For offences other than property, bankruptcy or debt-enforcement offences, the court said a careful assessment of the concrete circumstances is especially necessary **b-618-2024**.
- In B-6244/2015, by contrast, repeated embezzlement linked to an attempted murder justified refusal, and the right to be forgotten was respected through the statutory deletion periods **b-6244-2015**.
- Under the earlier ordinance, BVGE 2008/45 held that loss certificates alone do not justify refusal. A rigid CHF 30,000 practice was too undifferentiated, and a concrete risk of abuse had to be shown **2008-45**. Art. 187 AVO now likewise requires a link between the loss certificates and conduct incompatible with intermediation **Art. 187 AVO**.

Proportionality. Deletion was proportionate in both B-199/2025 and B-274/2025. The person could continue as a tied intermediary without registration and could reapply later **b-199-2025 b-274-2025**. Deletion rests on FINMA's power to strike entries from the register **b-274-2025**.

Standard of review. The Federal Administrative Court reviews FINMA's registration decisions with full cognition, including appropriateness **b-618-2024**. The Federal Supreme Court examines only the complaints raised. It is bound by federal statutes and has treated the market-access rules of Art. 40 ff. VAG as in the public interest and proportionate **2C_138/2017**.

Professional indemnity cover

Art. 189 AVO requires professional indemnity insurance for financial loss **Art. 189 AVO**. The minimum annual aggregate cover depends on the number of employees who place contracts:

Employees who intermediate	Minimum annual aggregate cover
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None	CHF 2 million
2 to 4	CHF 3 million
5 to 8	CHF 4 million
More than 8	CHF 5 million

Further rules apply **Art. 189 AVO**:

- If IT systems or other media increase volume as additional staff would, cover must be raised accordingly. This is a rule of direct relevance to digital distributors.
- The policy must be with an insurer subject to the VAG and carry a notice period of at least three months.
- Claims made within five years after expiry must be covered.
- Inclusion in a third party's policy suffices.
- An equivalent financial security may replace the policy. FINMA decides equivalence case by case.

An older Federal Administrative Court decision refused registration where cover came from a foreign captive not authorised in Switzerland. The court reasoned that security must be immediately

and permanently available to Swiss policyholders **b-1296-2006**. The current requirement of a VAG-supervised insurer codifies that result for the policy **Art. 189 AVO**.

Training for all intermediaries

All intermediaries, tied and untied, must have the necessary skills and knowledge **Art. 43 VAG**. The message confirms this expressly **BBI 2020 8967**. Insurers and intermediaries set industry minimum standards, and the Federal Council steps in where adequate standards are lacking **Art. 43 VAG**.

The standards must cover client acquisition, advice and servicing, basic insurance knowledge and, depending on the activity, branch, legal and product knowledge. Proof is by examination or an equivalent credential. Continuing training may also be shown by documented learning activities **Art. 190 AVO**.

Conduct and disclosure duties

All intermediaries must inform policyholders of the following **Art. 45 VAG**

- their name and address;
- whether they act tied or untied, and if tied, for which insurers;
- how to find out about their training;
- who is liable for negligence, errors or incorrect advice;
- how personal data is processed.

The information must be understandable. It may be given in standardised form on paper or electronically, and the policyholder must be able to know it when applying for or accepting the contract **Art. 45 VAG**

Intermediaries must take organisational measures against conflicts of interest. Where disadvantage cannot be excluded, they must disclose it before the contract is concluded **Art. 45a VAG**

Untied intermediaries may accept third-party compensation only after expressly informing the client of its nature and amount. If the client also pays them a fee, they must either obtain an express waiver of the compensation or pass it on in full **Art. 45b VAG**

For qualified life insurance, the intermediary must enquire into the client's knowledge and experience and check appropriateness before recommending a product. There is no such check for execution-only business on the client's own initiative **Art. 39j VAG**

Policyholders may at any time request a copy of their file, which must be delivered free of charge within 30 days **Art. 80 VAG** **Art. 81 VAG**. Intentional breach of the information and compensation-disclosure duties is punishable by a fine of up to CHF 100,000 **Art. 86 VAG**

The Federal Council's message proposed requiring insurers and intermediaries to join an ombudsman office, and to tell clients that mediation is available **BBI 2020 8967**. As currently worded, however, Art. 45 VAG does not include ombudsman information among the items that must be disclosed **Art. 45 VAG**. Whether an intermediary must join an ombudsman office therefore turns on the provisions in the current consolidated text of the Act. The message alone does not settle it.

Duties of insurers towards their distribution

Insurers may not cooperate with intermediaries that lack the required registration **Art. 44 VAG**. Doing so intentionally is a misdemeanour **Art. 87 VAG**

FINMA expects insurers to take the following steps

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- verify registration before and regularly during any cooperation with untied intermediaries, including through chains of sub-intermediaries;
- before working with each tied intermediary, collect documented information, including:

- the private-law basis of the activity;
- a CV and evidence of training;
- a reputation check against the criminal and debt-enforcement registers;
- evidence that no register entry exists;
- adequate financial security;
- then monitor these points on an ongoing basis.

This guidance is non-binding administrative practice. FINMA states, however, that it reviews compliance across the industry and takes measures where necessary

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Foreign providers

Foreign insurers

Supervision follows the activity, not the seat. Insurance activity in Switzerland exists, regardless of where or how the contract is concluded, if either of the following applies **Art. 1 AVO**:

- a Swiss-domiciled person is a policyholder or insured; or
- property located in Switzerland is insured.

The former case law already held that even a single contract can suffice if it has a Swiss connection **BGE 108 Ib 286**.

A foreign insurer seeking a licence must meet the general conditions and, in addition, the following **Art. 15 VAG**

- be authorised in its home state;
- establish a Swiss branch entered in the commercial register, led by a general representative;
- hold capital and solvency at head office that also cover the Swiss business;
- maintain an organisation fund in Switzerland;
- deposit a security.

Deviating treaty provisions are reserved **Art. 15 VAG**

Foreign insurers without a Swiss branch are not supervised if they write in Switzerland exclusively one or more of the following **Art. 1 AVO**:

- marine, aviation and cross-border transport risks;
- risks located abroad;
- war risks.

The Federal Administrative Court read the marine exemption as extending to crew sickness and accident insurance, rejecting FINMA's narrower reading. It confirmed that the absence of a Swiss branch is a separate condition **b-255-2011**. That decision applied the earlier ordinance, but the exemption criteria are worded in the same terms today **Art. 1 AVO**.

Foreign reinsurers are excluded from supervision **Art. 2 VAG**. Foreign insurers that operate from Switzerland only for foreign business must show home-state authorisation and supervisory consent. They are then supervised like branches with Swiss business **Art. 20 AVO**.

Foreign intermediaries

The territorial rules and the exemptions for foreign insurers apply by analogy to intermediation **Art. 1 AVO**. Conversely, intermediation abroad by Swiss-based intermediaries is not supervised in Switzerland **Art. 182 AVO**.

Untied intermediaries acting in their own name need a Swiss seat, **Art. 181 AVO**. However, FINMA may grant exceptions in the following cases **Art. 186 AVO**:

- reciprocity;
- a treaty;
- intermediation exclusively of reinsurance.

According to FINMA, every foreign intermediary must provide a Swiss

address for service

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. FINMA may also register intermediaries not subject to registration where a foreign state requires a Swiss entry **Art. 42 VAG**

Transitional deadlines and pending reform

Transitional periods of the 2024 revision

Art. 90a VAG set the following transitional periods from 1 January 2024 **Art. 90a VAG**

- Six months:
 - insurers had to declare which reliefs under Art. 4 para. 2 lit. k VAG they claim;
 - Swiss insurers had to adapt the tied assets for the portfolios of their foreign branches.
- One year: the qualified life insurance duties had to be met.
- Two years: the training requirements of Art. 43 VAG had to be met.

FINMA accordingly applies training requirements from 1 January 2026

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The ordinance adds two rules for intermediaries already registered under the former law **Art. 216c AVO**:

- They had to file the documents required under the new registration rules within six months.
- They must meet the continuing-training requirements within two years, and at the latest two years after FINMA recognises the relevant minimum standard.

In Parliament, the Federal Council pointed to this second, recognition-linked period. It also stated that the revision did not widen the concept of intermediary **AB 2023 N 2406**.

FINMA treated 30 June 2024 as the deadline for re-documentation, and also for foreign intermediaries to comply. It described that deadline as in principle not extendable by FINMA

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These deadlines have passed. Their main relevance today lies in two areas:

- In disputes over historic conduct, B-274/2025 shows that false statements in the 2024 re-documentation can themselves destroy the required reputation **b-274-2025**.
- On attempts to extend transitional privileges, the Federal Supreme Court has held that "eine Übergangsregelung kann nicht beliebig lange dauern" (a transitional rule cannot last indefinitely). It therefore rejected a 2012 attempt to rely on experience-based qualification that had expired at the end of 2007 **2C_138/2017**.

Reinsurance intermediation: adopted but not in force

On 5 December 2025 the Federal Council proposed excluding intermediaries from VAG supervision insofar as their activity concerns reinsurance **BBI 2025 3700**. Under the proposal:

- the exclusion would apply to tied and untied reinsurance intermediaries alike;
- the information and conflict-of-interest duties of Chapter 4 would not apply to them;
- untied reinsurance intermediaries would be released from compensation disclosure;
- supervision of intermediation with retail policyholders would remain unchanged **BBI 2025 3700**.

Parliament adopted the amendment on 2 October 2026 as a new Art. 2 para. 2 lit. g VAG. It also reworded lit. c on in-house intermediaries **BBI 2026 2724**. The act is subject to an optional referendum, with a

referendum period ending on 21 January 2027. The Federal Council will set the date of entry into force, and the act contains no transitional rules **BBI 2026 2724**.

Until it enters into force, current Art. 2 VAG applies without a reinsurance carve-out **Art. 2 VAG** Reinsurance intermediaries therefore remain within the intermediary rules for now. Foreign reinsurance intermediaries may, however, obtain an exception from the Swiss-presence requirement **Art. 186 AVO**.

Business examples

The table applies the preceding analysis to recurring models. Each entry rests on the authorities cited in the relevant section above.

Business model	Likely classification	Key requirement
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Retailer sells a separately priced repair or replacement plan going beyond its own defect liability and pays claims itself	Insurance business (Lessol)	FINMA licence, the Art. 1f AVO exemption, or restructuring so that a licensed insurer carries the risk
Same retailer offers a licensed insurer's device cover at checkout, premium up to CHF 600 a year, as a side activity	Ancillary intermediation, outside supervision	The insurer must be licensed or exempt. The exclusion lapses if the premium threshold or any other condition is not met
Rent-deposit guarantee company paying landlords from its own funds	Insurance business (2C_410/2010)	Licence, or placing the risk with a licensed insurer
Comparison portal with individualised rankings and offer links, no disclosed ties	Untied intermediary (Comparis)	Registration, professional indemnity cover, training, disclosure of compensation
Embedded flow in which the platform only displays the insurer's neutral product data	Not intermediation if only data or information is provided	Check that there is no individualised selection, ranking or advice
Agency selling exclusively for one insurer	Tied intermediary	No registration. Training, disclosure, and vetting by the insurer
Corporate group's in-house insurance department	Excluded if it pursues only the group's interests	No supervision for that activity
Start-up direct insurer in eligible non-life branches, up to 5,000 policies and CHF 5 million in premiums	Exempt under Art. 1f AVO	Warning to policyholders, and the one-year licence path once thresholds are exceeded
Foreign insurer covering Swiss-domiciled persons	Supervised Swiss activity	Swiss branch and licence, unless the marine, aviation, transport, foreign-risk or war-risk exemption applies

Application checklist

1. Risk carrier. Identify who pays if the insured event occurs. Test the five elements, and check whether the promise is merely an integral modality of another contract with the same counterparty (BGE 76 I 362) or a stand-alone, separately priced cover (BGE 107 Ib 54).
2. Insurer status. If the entity carries the risk, determine whether it needs a licence, falls under an Art. 2 para. 2 VAG exclusion, or meets every Art. 1f AVO condition. Document the policy count and premium volume, and plan the one-year licence path in advance.
3. Intermediary status. Map the customer journey. Advice, proposals, individualised selection, rankings and offer links are intermediation. Pure data provision and passing on addresses in principle are not.
4. Ancillary exclusion. Check all three Art. 1h AVO conditions for each product. Supplementary health insurance never qualifies.
5. Tied or untied. Review contracts, holdings and management links against Art. 182c AVO. Check that customer-facing communication does not create an appearance of independence.
6. Untied requirements. Confirm that the legal entity itself is

registered, has a Swiss presence or an exception, and holds professional indemnity cover. The cover must be with a VAG-supervised insurer, be sized to headcount and digital volume, and include five-year run-off. Confirm that employees meet the training standards.

7. Reputation and reporting. Disclose convictions and proceedings to FINMA fully and promptly. Concealment is itself a ground for deletion.
8. Disclosure. Prepare standardised Art. 45 VAG information, conflict-of-interest disclosures, compensation disclosure where untied, and appropriateness documentation for qualified life insurance.
9. Insurer oversight. Insurers must vet and monitor tied distributors and sub-intermediaries, and must stop any cooperation with unregistered untied intermediaries.
10. Cross-border. Apply the domicile and situs test, check the foreign-insurer exemptions, and verify the Swiss-presence requirement for foreign intermediaries. Monitor the entry into force of the reinsurance-intermediation amendment.