

Non-life insurance distribution models

Abstract

The rigorous thesis addresses the issue of non-life insurance distribution, with a particular focus on certain methods of "delivering" insurance to prospective clients or customers, as permitted by legal regulations. In addition to the activities of providing and intermediating insurance, which are considered the primary methods from the perspective of this thesis, it also thoroughly analyses the activity of offering the possibility of becoming insured, specifically the business activity of the policyholder that allows other individuals to join group insurance.

These methods are complemented by certain alternative methods (such as the activity of a de minimis ancillary insurance intermediary according to Section 3, Paragraph 2 of Act No. 170/2018 Coll., on Insurance and Reinsurance Distribution, as amended) and supportive activities (such as marketing activities, insurance comparison services, and referral services), which by their nature assist or supplement insurance distribution.

The above-mentioned methods are compared with each other, including a legal analysis of their equivalents in the legal systems of selected countries (particularly Slovakia, Poland, and Romania).

The issue addressed in this thesis is dynamic and constantly evolving, as evidenced by recent developments in the insurance market. These developments include, for instance, the temporary introduction of a monopoly on arranging travel health insurance for foreign nationals staying over 90 days in the Czech Republic, as well as the judgment of the European Court of Justice from 29 September 2022 in Case C-633/20. This judgment classified the activity of a policyholder offering the possibility of joining group insurance for remuneration as falling under the concept of insurance distribution, or rather, insurance intermediation.

The objective of the thesis is to systematically analyse and examine various methods of distributing non-life insurance, particularly within the Czech Republic, compare them, and in some cases, provide a comparison with relevant foreign regulations.

The thesis is organized into six sections. The first section addresses the relevant EU and Czech-level legal regulations, alongside a brief historical overview of the topic.

The second and third sections analyse key concepts necessary for the development of this thesis. The second section explores the concept of insurance, including a comparison with the concept of insurance products, and further delves into the concept and regulation of insurance contracts, focusing primarily on the differences between individual and group insurance contracts. The third section examines the concept of insurance distribution, including

the conditions for performing this activity, as well as internal and external distribution. The conclusion of the third section presents selected distribution models.

The fourth section covers the above-mentioned alternative and supportive methods of insurance distribution, while the fifth section analyses the activity of offering the possibility of becoming insured.

The final sixth section focuses on the selected current issues in insurance distribution.

Keywords: non-life insurance, insurance distribution, insurance intermediation