M E M O

General good conditions for life insurance

As of 1 July 2023, it is mandatory for all life insurance undertakings that offer industrial injury and occupational diseases insurance (reinsurance undertakings excluded) who has their head office in the EU/EEA that carry out insurance business either by establishment of a branch or by freedom to provide services in Denmark to join the "Danish Guarantee Fund for Non-life Insurers" by paying an entrance fee to the Fund. Information about the Fund and membership can be found on the Fund's website.

With regard to the provisions in article 33 of the Directive concerning Life Assurance (2002/83/EEC) and article 180 of the Directive 2009/138/EC (Solvency II) your attention is drawn to the fact that in Denmark in the interest of the general good the conclusion of some life assurance contracts is prohibited.

Section 75 (1) of the Danish Insurance Business Act stipulates that:

"The following insurance contracts shall not be valid when entered into by or regarding persons domiciled in Denmark:

1) Life assurance under which on the death of the insured party the undertaking is committed to paying an amount greater than the premium paid with interest, provided the policyholder is a different person from the insured party and does not have the consent of the insured party.
2) Life assurance under which the undertaking is committed to paying an amount greater than the premium paid with interest or to paying an amount greater than a basic amount of DKK 70,000 (2010 level), which shall be adjusted pursuant to Section 20 of the Danish Personal Income Act, in the event of death occurring before the insured reaches the age of eight."

The companies doing business by way of freedom to provide services or cross-border activities in Denmark must observe the rules of Annex III to the Directive concerning Life Assurance (2002/83/EEC) concerning the information for policyholders before the contract is concluded and during the term of the contract.