

Pursuant to Articles 60 paragraph 4 and 71 of the Law on Insurance (Official Gazette of the Republic of Montenegro 78/06), the Ministry of Finance adopted the

**RULEBOOK ON THE CONTENT AND THE MANNER OF TAKING THE PROFESSIONAL EXAM FOR CONDUCTING INSURANCE BROKERAGE OR AGENCY ACTIVITIES
(Official Gazette of Montenegro 47/09 of 24 July 2009, 40/12 of 27 July 2012)**

Article 1

This Rulebook prescribes the content and the manner of taking the professional exam for conducting insurance brokerage or agency activities (hereinafter referred to as the professional exam).

Article 2

The professional exam shall include the testing of knowledge in the following subjects:

- 1) Insurance basics,
- 2) Commercial law,
- 3) Law on contracts and torts,
- 4) Insurance brokerage
- 5) Insurance agency.

The detailed content of the professional exam shall be determined in the Program for Taking the Professional Exam for Conducting Insurance Brokerage or Agency Activities, which is printed along with this Rulebook and makes its integral part.

Article 3

The professional exam shall be taken for conducting:

- 1) insurance brokerage and agency activities ;
- 2) insurance brokerage activities;
- 3) insurance agency activities.

The professional exam for conducting insurance brokerage and agency activities shall include the test of knowledge in the subjects referred to in Article 2 paragraph 1 of this Rulebook.

The professional exam for conducting insurance brokerage activities shall include the test of knowledge in the subjects referred to in Article 2 paragraph 1 items 1, 2, 3, and 4 of this Rulebook.

The professional exam for conducting insurance agency activities shall include the test of knowledge in the subjects referred to in Article 2 paragraph 1 items 1, 2, 3, and 5 of this Rulebook.

Article 3a

A person who has passed a professional exam, in accordance with this Rulebook, for conducting insurance brokerage activities, for conducting insurance agency activities shall take the professional exam for subject of insurance agency if the Program referred to in Article 2

paragraph 2 of this Rulebook was not changed from the day of acquiring the certificate on passed professional exam for conducting insurance brokerage activities to the day of application for taking a professional exam for conducting insurance agency activities.

A person who has passed a professional exam, in accordance with this Rulebook, for conducting insurance brokerage agency, for conducting insurance brokerage activities shall take the professional exam for subject of insurance brokerage if the Program referred to in Article 2 paragraph 2 of this Rulebook was not changed from the day of acquiring the certificate on passed professional exam for conducting insurance agency activities to the day of application for taking a professional exam for conducting insurance brokerage activities.

Change of the Program referred to in paragraphs 1 and 2 of this Article shall be deemed to be a change of the contents of specific subject matter or change of literature for a given subject matter.

Article 4

The professional exams shall be organized twice a year, specifically in May and November.

The date, time, and place of professional exams shall be published on the notice board and on the webpage of the Insurance Supervision Agency (hereinafter referred to as the Agency).

Notwithstanding paragraph 1 of this Article, the Agency may organise an additional examination period for taking of the professional exam during a year, in a manner as set forth for regular examination periods.

The application for taking the professional exam shall be submitted to the Agency no later than 15 days before the day of the exam.

The form of the application for taking the professional exam shall make an integral part of this Rulebook.

Article 5

The candidate shall specify the following in the application for taking the professional exam: name and surname, address, date, place and country of birth, as well as the type of activities referred to in Article 3 paragraph 1 of this Rulebook for which the professional exam is taken.

The following shall be submitted along with the application referred to in paragraph 1 of this Article:

- Diploma certified copy, as an evidence of acquired professional qualifications being at least two-year post-secondary education for taking the exam for conducting insurance brokerage activities;
- Diploma certified copy, as an evidence of acquired professional qualifications being at least secondary education for taking the exam for conducting insurance agency activities;
- In case of foreign persons, a document providing evidence of education level equivalent to the professional education specified in indent 1 or indent 2 of this paragraph translated by a court certified translator,
- Identity card certified copy or copy of a biometric identity card, or a passport certified copy for foreign persons, and

- An evidence on the fee paid for taking the professional exam.

A person who has duly submitted the application with evidences referred to in paragraph 2 of this Article, but has failed to take the exam, may take the exam in another examination period, without paying the fee.

Article 6

The professional exam shall be taken before the Commission for taking the professional exam (hereinafter referred to as the Commission).

The Agency shall appoint the Commission.

The Commission shall have a chairperson and two members, which shall have deputies, and a secretary that will conduct administrative activities for the Commission.

The Commission shall be entitled to remuneration, established by a decision of the Agency.

Article 7

The professional exam shall be taken in writing, in the language officially used in Montenegro.

The Commission shall determine the test or list of questions for the professional exam according to the Program referred to in Article 2 paragraph 2 of this Rulebook.

The Commission shall determine the duration of the professional exam.

Article 8

The Commission shall grade the success of candidates for each examination subject separately, and shall determine the overall grades as “passed” or “failed”.

The candidate should answer correctly to at least 75% of questions from each individual subject in order to be awarded the grade “passed”.

For candidates who were not awarded the grade “passed” in maximum of two examination subjects, a general success shall be established after a next examination period takes place.

Article 9

The notification on results of taking the professional exam shall be published at the notice board and on the website of the Agency, within eight days as of the day the professional exam is held.

Candidates who have not been graded “passed” in maximum of two subjects shall have the right to take exams for these subjects only in the next examination period.

Candidates referred to in paragraph 2 of this Article who fail to pass the remaining examination subjects shall be directed to retake the entire professional exam.

Candidates referred to in paragraph 2 of this Article shall submit the application for taking the exam within deadlines referred to in Article 4 paragraph 3 of this Rulebook.

A candidate shall resubmit the application for retaking of the entire professional exam and shall pay the fee for taking the exam.

Article 10

The Minutes shall be taken on the course of the professional exam which shall include: date, place and time of the professional exam, the composition of the Commission, the names and surnames of candidates, the names of the examination subjects taken by the candidates, the score of each candidate for each individual subject and overall grades, as well as directing to retaking the examination. The members of the Commission and the secretary shall sign the minutes, and the tests of the candidates shall be attached to the Minutes.

The Commission shall be obliged to submit to the Agency the Minutes referred to in paragraph 1 of this Article within 8 days from the day of the professional exam takes place.

Article 11

A candidate who is not satisfied with the results achieved at the professional exam may review his/her test in the presence of at least two members of the Commission.

The candidate referred to in paragraph 1 of this Article may lodge an objection to the Chairperson of the Commission no later than within five days as of the day of the publication of notification on the results of the professional exam.

The Commission shall be obliged to decide on the grounds of the objection referred to in paragraph 2 of this Article within seven days from the day of the receipt of such objection and notify in writing the party submitting the objection on its decision.

Special minutes shall be taken on the decision-making procedure in respect of the candidates' objections, which shall be enclosed to the documents relevant to such examination period.

Article 12

Based on the minutes referred to in Article 10 of this Rulebook, the candidate shall be issued a certificate of passed professional exam, which shall contain:

- Name, surname, date and place of birth of the candidate;
- Type of activity for the conducting of which the candidate passed the exam;
- Issue date and number of the certificate;
- Signatures of the Chairperson of the Commission and President of the Council of the Agency, as well as the seal of the Agency.

Article 13

The Agency shall keep the register of certificates issued in respect of the passed professional exam.

The register referred to in paragraph 1 of this Article shall contain: the date and place of issue of the certificate, name, surname and number of identity document of the person the certificate is issued to.

Article 14

This Rulebook shall enter into force on the eighth day after its publication in the Official Gazette of Montenegro.

Number: 01-5947/2
Podgorica, 15 July 2009

Minister
Igor Lukšić, PhD, m.p.

**PROGRAM
FOR TAKING THE PROFESSIONAL EXAM FOR CONDUCTING INSURANCE
BROKERAGE OR AGENCY ACTIVITIES**

I. INSURANCE BASICS

- 1) insurance concept;
- 2) insurance classes and types;
- 3) life insurance basics;
- 4) non-life insurance basics;
- 5) compulsory liability insurance;
- 6) reinsurance;
- 7) general and special conditions of insurance;
- 8) premium tariffs;
- 9) risk;
- 10) sum insured;
- 11) insurance premium;
- 12) insured event;
- 13) persons in insurance law;
- 14) insurance occurrence;
- 15) insurance documents;
- 16) insurance duration;
- 17) insurer's obligations (at the moment of contract signing, in the course of the contract validity and at the occurrence of the insured event);
- 18) obligations of the insured person or policy holder (at the moment of contract signing, in the course of the contract validity and at the occurrence of the insured event);
- 19) insurance for account of third parties;
- 20) termination of insurance;
- 21) effects of insurance company dissolution on signed insurance contracts;
- 22) effects of insurance company dissolution on signed compulsory insurance contracts;
- 23) insurance vs. civil liability;
- 24) Statute of limitation of rights to benefits in insurance;
- 25) loss of rights to benefits in insurance;
- 26) insurance indemnity;
- 27) over-insurance and insurance with several insurers;
- 28) underinsurance;
- 29) transfer of the insurance contract to the acquisition agent of the insured object;
- 30) subrogation;
- 31) legal relations between insurers and insured persons;
- 32) legal position of third parties, claimants;
- 33) direct lawsuit.

Literature:

- Law on Insurance;
- Law on Compulsory Transport Insurance;
- Law on Contracts and Torts (Obligations);

II. COMMERCIAL LAW

- 1) concept and legal forms of business organizations;
- 2) business activity;
- 3) founding;
- 4) business organization bodies;
- 5) associating of business organizations;
- 6) status changes in business organizations;
- 7) legal form changes of business organizations;
- 8) limited liability company;
- 9) joint stock company;
- 10) entrepreneur;
- 11) dissolution of business organizations;
- 12) bankruptcy;
- 13) effects of bankruptcy proceedings initiation;
- 14) basic features of securities;
- 15) types of securities;
- 16) public offer of securities;
- 17) bill of exchange concept.

Literature:

- Law on Business Organizations;
- Law on Bankruptcy;
- Law on Bankruptcy and Liquidation of Insurance Companies;
- Law on Bill of Exchange (Official Gazette of the Republic of Montenegro 45/05);
- Law on Securities .

III. LAW ON CONTRACTS AND TORTS (OBLIGATIONS)

- 1) basic principles of the law on obligations;
- 2) contract division,
- 3) contract scope,
- 4) contract form,
- 5) general rules for contract signing,
- 6) offer for contract signing,
- 7) effects of contracts,
- 8) contracts for account of third parties,
- 9) invalidity of contracts,
- 10) termination of obligations,
- 11) default,
- 12) insurance contract,
- 13) agency concept,
- 14) contract on agency activities,
- 15) contract on brokerage activities.

Literature:

- Law on Contracts and Torts (Obligations).

IV. INSURANCE BROKERAGE

- 1) insurance broker,
- 2) conduct of insurance brokerage activities,
- 3) authorization to conduct brokerage activities,
- 4) brokerage subjects,

- 5) broker's obligations,
- 6) contractual relation with insurer,
- 7) obligations to insurer,
- 8) obligations to policy holder,
- 9) supervision of brokerage activities conduct.

Literature:

- Law on Contracts and Torts (Obligations);
- Insurance Law.

V. INSURANCE AGENCY

- 1) insurance agent,
- 2) conduct of insurance agency activities,
- 3) authorization to conduct agency activities,
- 4) agency subjects,
- 5) agent's obligations,
- 6) restrictions in agency,
- 7) obligations to the insurer,
- 8) obligations to the policy holder,
- 9) supervision of agency activities conduct.

Literature:

- Law on Contracts and Torts (Obligations);
- Insurance Law.

INSURANCE SUPERVISION AGENCY
Kralja Nikole 27/III, 20000 Podgorica

APPLICATION
FOR TAKING PROFESSIONAL EXAM FOR CONDUCT OF ACTIVITIES IN:

- 1. INSURANCE AGENCY**
- 2. INSURANCE BROKERAGE**
- 3. INSURANCE INTERMEDIATION**

(circle the type of activities you are taking the exam for)

Name and surname:

Unique Citizen's ID number:

Date, place and country of birth:

Address:

Contact telephone:

Date

Application Signature

The following is to be enclosed to the application:

- 1. Certified diploma copy, as the proof of relevant professional qualifications (two-year post secondary education for brokers, or secondary education for agents);**
- 2. In case of foreign persons, a document proving the degree of education equivalent to the required professional qualifications;**
- 3. Certified identity card copy, or copy of biometric identity card, and certified passport copy in case of foreign persons; and**
- 4. Proof of paid fee for taking the professional exam.**