

Decision 2014-01 of 19 December 2014 against Allianz Vie (life insurance policies not paid out)

Through this decision, in which the company was publicly named, the Sanctions Committee handed Allianz Vie a reprimand and a EUR 50 million fine.

The Committee sanctioned the unsuitability, until a recent date, of Allianz Vie's organisation and resources in light of the new requirements, arising from the Act of 17 December 2007, to identify deceased life insurance policyholders and locate the beneficiaries. Having initially excluded virtually its entire portfolio (99.5%) of life insurance policies when consulting the national register of natural persons (RNIPP), for several years Allianz Vie identified only a small number of deceased policyholders. The fact that it identified a large number of deceased policyholders after consulting the register more widely starting in October 2013 demonstrates a massive and prolonged violation, prior to that date, of the company's obligations in this area.

In spite of the small number of searches to be carried out, as a result of this violation, serious shortcomings were also found in the due diligence undertaken by the company to identify the beneficiaries of life insurance policies terminated by the policyholder's death and notify them of the benefit to be paid out to them. Through this decision, the Committee also sanctioned violations of the obligation to execute fixed-term policies, the obligation to revalue death benefits and the obligation to draw up a list of life insurance policies terminated by the policyholder's death involving amounts not paid out. However, it did not uphold certain criticisms relating to practices or events that had occurred a long time ago.

In determining the sanction, the Committee took into account the fact that these violations had initially resulted in the company incurring lower expenses than necessary and unduly holding onto amounts – totalling very large sums – that should have been paid out to the beneficiaries. It found that this had resulted in a loss for the beneficiaries as well as, more generally, an adverse effect on policyholders' confidence in life insurance products.