

Chapter 6A

Product specific rules



6A.3 Cross-selling

Requirements where insurance is the primary product

- 6A.3.1** **R** When offering a non-insurance ancillary product or service as part of a package or the same agreement with an insurance product, a *firm* must:
- (1) inform the *customer* whether it is possible to buy the different components separately and, if so must provide the *customer* with an adequate description of:
 - (1) the different components;
 - (b) where applicable, any way in which the risk or insurance coverage resulting from the agreement or package differs from that associated with the components taken separately; and
 - (2) provide the *customer* with separate evidence of the costs and charges of each component.

[Note: articles 24(1) and (2) of the *IDD*]

Requirements where insurance is the ancillary product

- 6A.3.2** **R** When offering an insurance product ancillary to and as part of a package or in the same agreement with a non-insurance product or service, a *firm* must offer the *customer* the option of buying the non-insurance goods or services separately.
- 6A.3.3** **R** ■ ICOBS 6A.3.2R does not apply where the non-insurance product or service is any of the following:
- (1) *investment services or activities*;
 - (2) a credit agreement as defined in point 3 of article 4 of the *MCD* which is:
 - (i) an *MCD credit agreement*; or
 - (ii) an *exempt MCD credit agreement*; or
 - (iii) a *CBTL credit agreement*; or
 - (iv) a credit agreement referred to in articles 72G(3B) and (4) of the *Regulated Activities Order*;

(3) a payment account as defined in regulation 2(1) of the *Payment Accounts Regulations*.

[Note: article 24(3) of the *IDD*]

General

6A.3.4

R

This section does not prevent the distribution of insurance products which provide coverage for various types of risks (multi-risk insurance policies).

[Note: article 24(5) of the *IDD*]

6A.3.5

G

In addition to the rules in **ICOBS 6A.3** firms should still comply with the other *rules* in *ICOBS* relating to the offer and sale of insurance products that form part of the package or agreement, such as those applying to price disclosure (**ICOBS 6.1.13R**), *optional additional products* (**ICOBS 6A.2**) and specifying the demands and needs of the *customer* (**ICOBS 5.2.1R**).

[Note: article 24(6) of the *IDD*]