

Chapter 4

Information about the firm, its
services and remuneration

4.1 A Means of communication to customers

Application

4.1A.1 **R** This section applies to all information required to be provided to a *customer* in this chapter and in other chapters or sections where stated.

Means of communication to customers; non-telephone sales

4.1A.2 **R** (1) A *firm* must communicate information to a *customer* using any of the following:

- (a) paper; or
- (b) a *durable medium* other than paper; or
- (c) a website (where it does not constitute a *durable medium*) where the *website conditions* are satisfied.

(2) The *firm* must communicate the information in (1):

- (a) in a clear and accurate manner, comprehensible to the *customer*;
- (b) in an official language of the *United Kingdom* where the *State of the risk* is the *United Kingdom*, or in any other language agreed by the parties; and
- (c) free of charge.

[Note: article 23(1), (2), (4) and (5) of the *IDD*]

4.1A.3 **R** Where the information is communicated using a *durable medium* other than paper or by means of a website, the *firm* must, upon request and free of charge, also send the *customer* a paper copy.

[Note: article 23(3) of the *IDD*]

4.1A.4 **R** A *firm* must ensure that a *customer's* choice or consent to receive the information by means of a website (whether a *durable medium* or where the *website conditions* are satisfied) is an active and informed choice or consent.

4.1A.5 **G** (1) For the purposes of **ICOBS 4.1A.4R** for example an option to allow a change to the e-mail address to be used or an option to allow information to be provided by means of a website should be presented in a way that is clear, fair and not misleading.

- (2) The following are examples of circumstances not evidencing active or informed choice or consent:
 - (a) a pre-ticked box (suggesting that option has been selected) which appears in a more prominent place than an un-ticked box allowing another option to be selected; and
 - (b) the *customer* electing to be informed by a website without being first given other options.

4.1A.6

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On *renewal of a policy* a *firm* may rely on a *customer's* previous choice or consent as appropriate where:

- (1) there is evidence that the *customer* has regular access to the internet;
- (2) the provision of information in that medium is appropriate in the context in which the business between the *firm* and the *customer* is carried on; and
- (3) the *customer* is made aware, for example in the renewal documentation, of the option to receive the information on paper in a way that is clear, fair and not misleading.

Means of communications to customers: telephone sales

4.1A.7

R

In the case of telephone selling:

- (1) the information must be given in accordance with the distance marketing disclosure *rules* (see ■ ICOBS 3.1.14R); and
- (2) if prior to the conclusion of the contract the information is provided:
 - (a) orally; or
 - (b) on a *durable medium* other than paper;the *firm* must also provide the information to the *customer* in accordance with ■ ICOBS 4.1A.2R immediately after the conclusion of the *contract of insurance*.

[Note: article 23(7) of the *IDD*]