

Chapter 4

Information about the firm, its
services and remuneration

4.2 Additional requirements for
protection policies for insurance
intermediaries and insurers

Application: what?

4.2.1 R This section applies in relation to a *pure protection contract* or a *payment protection contract* for a *consumer*.

Ensuring customers can make an informed decision

4.2.2 G [deleted]

4.2.3 G [deleted]

Disclosing the limits of the service provided

- 4.2.4 R
- (1) In a sale that does not involve a *personal recommendation*, a *firm* must take reasonable steps to ensure a *customer* (C) understands that C is responsible for deciding whether a *policy* meets C's demands and needs.
 - (2) [deleted]
 - (3) If a *firm* anticipates providing, or provides, information on any main characteristic of a *policy* orally during a non-advised sale, taking reasonable steps includes explaining the *customer's* responsibility orally.
 - (4) A *policy's* main characteristics include its significant benefits, its significant exclusions and limitations, its duration and price information.

Status disclosure for insurers

- 4.2.5 R
- (1) Prior to the conclusion of an initial contract and, if necessary, on its amendment or *renewal*, an *insurer* must disclose to the *customer* at least:
 - (a) the statutory status disclosure statement (see ■ GEN 4);
 - (b) whose *policies* it offers; and

		<p>(c) whether it is providing a <i>personal recommendation</i> or information.</p> <p>(2) [deleted]</p>
4.2.6	<div>G</div>	<p><i>Insurers</i> are reminded that they are not permitted to carry out business which does not directly arise from their insurance business (see the restriction of business in ■ INSPRU 1.5.13R and rule 9 of the <i>PRA Rulebook: Solvency II firms: Conditions Governing Business</i>).</p>