

Chapter 6

Product Information



6.3 Pre- and post-contract information:
pure protection contracts

Solvency II Directive derived disclosure requirements

- (1) Before a *pure protection contract* is concluded, a *firm* must communicate, at least, the information in the table below to the customer.
- (2) The information must be provided in a clear and accurate manner, in writing, and in an official language of the *State of the commitment* or in another language if the *policyholder* so requests and the law of the *State of the commitment* so permits or the *policyholder* is free to choose the applicable law.

Information to be communicated before conclusion	
(1)	The name of the <i>insurance undertaking</i> and its legal form.
(2)	The name of the state in which the head office and, where appropriate, the agency or branch concluding the contract is situated.
(3)	The address of the head office and, where appropriate, of the agency or <i>branch</i> concluding the contract.
(3a)	A concrete reference to the <i>firm's SFCR</i> allowing the <i>policyholder</i> easy access to this information.
(4)*	Definition of each benefit and each option.
(5)*	Term of the contract.
(6)*	Means of terminating the contract.
(7)*	Means of payment of <i>premiums</i> and duration of payments.
(8)*	Information on the <i>premiums</i> for each benefit, both main benefits and supplementary benefits, where appropriate.
(9)*	Arrangements for application of the cancellation period.
(10)	General information on the tax arrangements applicable to the type of <i>policy</i> .
(11)	The arrangements for handling complaints concerning contracts by <i>policyholders</i> , lives assured or <i>beneficiaries</i> under contracts including, where appropriate, the existence of a complaints body (usually the <i>Financial Ombudsman Service</i>), without prejudice to the right to take legal proceedings.
(12)	The law applicable to the contract where the parties do not have a free choice or, where the parties are free to choose the law applicable, the law the <i>firm</i> proposes to choose.

		<div>Note: The <i>rule</i> on mid-term changes applies to items marked with an asterisk (see ICOBS 6.3.3 R).</div> <div>[Note: article 185 of the <i>Solvency II Directive</i>]</div>
6.3.2	G	If the contract is concluded with a <i>commercial customer</i> by telephone, the information in this section may be provided immediately after conclusion.
		<div>Mid-term changes</div>
6.3.3	R	<div>A <i>firm</i> must keep a <i>customer</i> informed throughout the term of a <i>pure protection contract</i> of any change concerning the <i>policy</i> conditions, both general and special, and any change in the following information:</div> <div><div>(1) the name of the <i>firm</i>, its legal form or the address of its head office and, where appropriate, of the agency or branch which concluded the contract; and</div><div>(2) all the information marked '*' in the table of information to be communicated before conclusion, in the event of a change in the <i>policy</i> conditions or amendment of the law applicable to the contract.</div></div> <div>[Note: article 185(3) and (5) of the <i>Solvency II Directive</i>]</div>
6.3.4	R	<div>When a <i>firm</i> provides a <i>customer</i> with information in accordance with <div>■ ICOBS 6.3.3 R</div>, it must provide it in a clear and accurate manner, in writing, in an official language of the <i>State of the commitment</i>, or in another language if the <i>policyholder</i> so requests and the law of the <i>State of the commitment</i> so permits or the <i>policyholder</i> is free to choose the law applicable.</div> <div>[Note: article 185(3), (5) and (6) of the <i>Solvency II Directive</i>]</div>