

**Insurance: Conduct of Business**

## 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 *insurance undertaking* 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 *branch* concluding the contract.
- (3a) A concrete reference to the *firm's SFCR* allowing the *policyholder* 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 *premiums* and duration of payments.
- (8)\* Information on the *premiums* 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 *policy*.
- (11) The arrangements for handling complaints concerning contracts by *policyholders*, *lives assured* or *beneficiaries* under contracts including, where appropriate, the existence of a complaints body (usually the *Financial Ombudsman Service*), 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 *firm* proposes to choose.

Note: The *rule* on mid-term changes applies to items marked with an asterisk (see ICOBS 6.3.3 R).

[Note: article 185 of the *Solvency II Directive*]

6.3.2 **G** If the contract is concluded with a *commercial customer* by telephone, the information in this section may be provided immediately after conclusion.

**Mid-term changes**

6.3.3 **R** A *firm* must keep a *customer* informed throughout the term of a *pure protection contract* of any change concerning the *policy* conditions, both general and special, and any change in the following information:

- (1) the name of the *firm*, its legal form or the address of its head office and, where appropriate, of the agency or branch which concluded the contract; and
- (2) all the information marked '\*' in the table of information to be communicated before conclusion, in the event of a change in the *policy* conditions or amendment of the law applicable to the contract.

[Note: article 185(3) and (5) of the *Solvency II Directive*]

6.3.4 **R** When a *firm* provides a *customer* with information in accordance with **ICOBS 6.3.3 R**, it must provide it in a clear and accurate manner, in writing, 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 law applicable.

[Note: article 185(3), (5) and (6) of the *Solvency II Directive*]