

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

(c) whether it is providing a *personal recommendation* or information.

(2) [deleted]

4.2.6

G *Insurers* 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 *PRA Rulebook: Solvency II firms: Conditions Governing Business*).