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III-1	Article 2	Article 2
III-2	Amendments to Directive (EU) 2016/97	Amendments to Directive (EU) 2016/97
III-3	Directive (EU) 2016/97 is amended as follows:	Directive (EU) 2016/97 is amended as follows:
III-4	(1) Article 2(1) is amended as follows:	(1) Article 2(1) is amended as follows:
III-5	(a) in point (4), point (c) is replaced by the following:	(a) in point (4), point (c) is replaced by the following:
III-6	'(c) the insurance products concerned do not cover life insurance or liability risks, except for cover of liability risks complementing a good or service which the intermediary provides as its principal professional activity;	'(c) the insurance products concerned do not cover life insurance or liability risks, except for cover of liability risks complementing a good or service which the intermediary provides as its principal professional activity;'
III-7	(b) point (8) is replaced by the following:	(b) point (8) is replaced by the following:
III-8	'(8) 'insurance distributor' means any insurance intermediary, ancillary insurance intermediary or any insurance undertaking engaging in insurance distribution activities;	'(8) 'insurance distributor' means any insurance intermediary, ancillary insurance intermediary or any insurance undertaking engaging in insurance distribution activities;

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III-8a		(c) in point (17), the following point (f) is
		added:
III-8b		'(f) pension products that consist of
		immediate annuities, as referred to in
		Article 2(3), subparagraph a, point (ii) of
		Directive 2009/138/EC, and do not have an
		accumulation phase;'
III-9	(c) the following points (19) to (22)	(\underline{ed}) the following points (19) to (24) are
	are added:	added:
III-10	'(19) 'electronic format' means any	'(19) 'electronic format' means any durable
	durable medium other than paper;	medium other than paper;
III-11	(20) 'marketing communication' means	(20) 'marketing communication' means any
	any disclosure of information other than	disclosure of information other than a
	a disclosure required by Union or	disclosure required by Union or national law or
	national law or other than the financial	other than the financial education material
	education material referred to in Article	referred to in Article 16b, that directly or
	16b, that directly or indirectly promotes	indirectly promotes insurance products or
	insurance products or directly or	directly or indirectly promotes entices
	indirectly entices investments in	

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	insurance-based investment products	investments in insurance-based investment
	and that is made:	products and that is made:
III-12	(a) by an insurance undertaking or	(a) by an insurance undertaking or insurance
	insurance intermediary, or by a third	intermediary, or by a third party that is
	party that is remunerated, or	remunerated, or incentivised through non-
	incentivised through non-monetary	monetary compensation, by such insurance
	compensation, by such insurance	undertaking or insurance intermediary;
	undertaking or insurance intermediary;	
III-13	(b) to natural or legal persons;	(b) to natural or legal persons;
III-14	(c) in any form and by any means;	(c) in any form and by any means;
III-15	(21) 'marketing practice' means any	(21) 'marketing practice' means any strategy,
	strategy, use of a tool or technique	use of a tool or technique, including online
	applied by an insurance undertaking or	targeting of customers, applied by an
	insurance intermediary, or by any third	insurance undertaking or insurance
	party that is remunerated or incentivised	intermediary, or by any third party that is
	through non-monetary compensation by	remunerated or incentivised through non-
	such insurance firm or insurance	monetary compensation by such insurance
	intermediary to:	firm undertaking or insurance intermediary
		to:
III-16	(a) directly or indirectly disseminate	(a) directly or indirectly disseminate marketing
	marketing communications;	communications; or

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III-17	(b) accelerate or improve the reach and	(b) accelerate or improve the reach or and
	effectiveness of marketing	effectiveness of marketing communications;
	communications;	<u>or</u>
III-18	(c) promote in any way the insurance	(c) promote in any way the insurance
	undertakings, insurance intermediaries	undertakings, insurance intermediaries or
	or insurance products;	insurance products, including the online
		<u>choice architecture;</u>
III-19	(22) 'online interface' means any	(22) 'online interface' means any software,
	software, including a website, part of a	including a website, or a part thereof of a
	website, or an application.';	website, or an and an application, including
		mobile applications;
III-19a		(23) 'inducement' means any fee,
		commission, monetary or non-monetary
		benefit, provided or received by an
		insurance intermediary or an insurance
		undertaking in relation to the provision to
		the customer of an insurance-based
		investment product, to or from any party
		except the customer involved in the
		transaction in question or a person acting
		on behalf of that customer;

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III-19b		(24) 'inducement scheme' means a set of
		eontractual arrangements governing the
		payment, provision and receipt of
		inducements, including the conditions
		under which the inducements are paid or
		received;';
III-20	(26) Article 3 is amended as follows:	(26) Article 3 is amended as follows:
III-21	(a) in paragraph 4, in the sixth	(a) in paragraph 4, in the sixth
	subparagraph, the second sentence is	subparagraph, the second sentence is replaced
	replaced by the following:	by the following:
III-22	'Where applicable, the home Member	'Where applicable, the home Member State
	State shall inform the host Member	shall inform the host Member State of such
	State of such removal immediately.';	removal immediately.';
III-23	(b) in paragraph 5, the following	(b) in paragraph 5, the following
	subparagraph is added:	subparagraph is added:
III-24	'Where the registration is refused or	Where the registration is refused or where
	where an insurance, reinsurance or	an insurance, reinsurance or ancillary
	ancillary insurance intermediary is	insurance intermediary is removed from
	removed from the register, the	the register, the competent authority shall
	competent authority shall communicate	communicate its decision to the applicant
	its decision to the applicant or the	or the insurance, reinsurance or ancillary

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	insurance, reinsurance or ancillary	insurance intermediary concerned in a
	insurance intermediary concerned in a	well-reasoned document and inform
	well-reasoned document and inform	EIOPA about the reasons for such refusal
	EIOPA about the reasons for such	of registration or removal from the register.
	refusal of registration or removal from	
	the register.';	
III-25	(c) the following paragraph 5a is	(c) the following paragraph 5a is inserted:
	inserted:	
III-26	'5a. EIOPA shall establish and make	'5a. EIOPA shall establish and make
	available to competent authorities a list	available to competent authorities a list of
	of all insurance, reinsurance or ancillary	all insurance, reinsurance or ancillary
	insurance intermediaries whose	insurance intermediaries whose
	registration has been refused or which	registration has been refused or which have
	have been removed from the register by	been removed from the register by a
	a competent authority.	competent authority.
III-27	The list referred to in the first	The list referred to in the first
	subparagraph shall contain, where	subparagraph shall contain, where
	applicable, information on the services	applicable, information on the services or
	or activities for which each insurance,	activities for which each insurance,
	reinsurance or ancillary insurance	reinsurance or ancillary insurance

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	intermediary has sought registration, as	intermediary has sought registration, as
	well as the reasons for the refusal of	well as the reasons for the refusal of
	registration or the removal from the	registration or the removal from the
	register and shall be updated on regular	register and shall be updated on regular
	basis.';	basis.
III-28	(27) Article 5 is amended as follows:	(<u>3</u> 27) Article 5 is amended as follows:
III-29	(a) paragraph 1 is replaced by the	(a) paragraph 1 is replaced by the
	following:	following:
III-30	'1. A competent authority of the host	'1. A competent authority of the host Member
	Member State that has reasonable	State that has reasonable grounds to consider
	grounds to consider that an insurance,	that an insurance, reinsurance or ancillary
	reinsurance or ancillary insurance	insurance intermediary acting within its
	intermediary acting within its territory	territory under the freedom to provide services
	under the freedom to provide services	infringes the obligations arising from the
	infringes the obligations arising from	provisions adopted pursuant to this Directive,
	the provisions adopted pursuant to this	shall inform the competent authority of the
	Directive, shall inform the competent	home Member State thereof.
	authority of the home Member State	
	thereof.	
III-31	The competent authority of the host	The competent authority of the host Member
	Member State shall inform EIOPA	State shall inform EIOPA about the fact that it

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	about the fact that it has informed the	has informed the home Member State of its
	home Member State of its	considerations. EIOPA shall forward such
	considerations. EIOPA shall forward	information to the competent authorities of all
	such information to the competent	other host Member States where the insurance,
	authorities of all other host Member	reinsurance or ancillary insurance
	States where the insurance, reinsurance	intermediary is acting under the freedom to
	or ancillary insurance intermediary is	provide services.
	acting under the freedom to provide	
	services.	
III-32	After having assessed the information	After having assessed the information received
	received pursuant to the first	pursuant to the first subparagraph, the
	subparagraph, the competent authority	competent authority of the home Member State
	of the home Member State shall, where	shall, where applicable, take appropriate
	applicable, take appropriate measures to	measures to remedy the situation at the earliest
	remedy the situation at the earliest	opportunity, and at the latest 30 60 working
	opportunity, and at the latest 30	days after having received the communication
	working days after having received the	from the competent authority of the host
	communication from the competent	Member State. The competent authority of the
	authority of the host Member State. The	home Member State shall inform the
	competent authority of the home	competent authority of the host Member State
	Member State shall inform the	of any such measures taken. The competent

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	competent authority of the host Member	authority of the home Member State shall
	State of any such measures taken. The	communicate to the competent authority of the
	competent authority of the home	host Member State, and to the competent
	Member State shall communicate to the	authorities of all other Member States on the
	competent authority of the host Member	territory of which the insurance, reinsurance or
	State, and to the competent authorities	ancillary insurance intermediary is acting
	of all other Member States on the	under the freedom to provide services, all
	territory of which the insurance,	relevant information on the measure taken.
	reinsurance or ancillary insurance	
	intermediary is acting under the	
	freedom to provide services, all relevant	
	information on the measure taken.	
III-33	Where, despite the measures taken by	Where, despite the measures taken by the
	the competent authority of the home	competent authority of the home Member State
	Member State or because those	or because those measures prove to be
	measures prove to be inadequate or are	inadequate or are lacking, the insurance,
	lacking, the insurance, reinsurance or	reinsurance or ancillary insurance
	ancillary insurance intermediary persists	intermediary persists in acting in a manner that
	in acting in a manner that is clearly	is clearly detrimental to the interests of host
	detrimental to the interests of host	Member State consumers on a large scale, or
	Member State consumers on a large	to the orderly functioning of insurance and

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	scale, or to the orderly functioning of	reinsurance markets, the competent authority
	insurance and reinsurance markets, the	of the host Member State may, after having
	competent authority of the host Member	informed the competent authority of the home
	State may, after having informed the	Member State, take appropriate measures to
	competent authority of the home	prevent further irregularities, including, in so
	Member State, take appropriate	far as is strictly necessary, preventing that
	measures to prevent further	intermediary from continuing to carry on new
	irregularities, including, in so far as is	business within its territory.';
	strictly necessary, preventing that	
	intermediary from continuing to carry	
	on new business within its territory.';	
III-34	(b) paragraph 3 is replaced by the	(b) paragraph 3 is replaced by the
	following:	following:
III-35	'The competent authorities of the host	'3. The competent authorities of the host
	Member State shall communicate to the	Member State shall communicate to the
	insurance, reinsurance or ancillary	insurance, reinsurance or ancillary insurance
	insurance intermediary concerned any	intermediary concerned any measure adopted
	measure adopted under paragraphs 1	under paragraphs 1 and 2 in a well-reasoned
	and 2in a well-reasoned document and	document and notify those measures to the
	notify those measures to the competent	competent authority of the home Member State
	authority of the home Member State	without undue delay. The competent authority

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	without undue delay. The competent	of the host Member State shall also notify
	authority of the host Member State shall	those measures to the Commission, EIOPA
	also notify those measures to the	and to the competent authorities of the host
	Commission, EIOPA and to the	Member States where the insurance,
	competent authorities of the host	reinsurance or ancillary insurance
	Member States where the insurance,	intermediary is acting under the freedom to
	reinsurance or ancillary insurance	provide services.';
	intermediary is acting under the	
	freedom to provide services.';	
III-36	(c) the following paragraph 4 is	(c) the following paragraph 4 is added:
	added:	
III-37	'4. Where, within 12 months, two or	'4. Where, within 12 months, two or more
	more competent authorities of host	competent authorities of host Member States
	Member States have taken measures	have taken measures pursuant to paragraph 1
	pursuant to paragraph 1 with respect to	with respect to one or more insurance,
	one or more insurance, reinsurance or	reinsurance or ancillary insurance
	ancillary insurance intermediaries	intermediaries having the same home Member
	having the same home Member State, or	State, or if a home Member State disagrees
	if a home Member State disagrees with	with the findings of a host Member State,
	the findings of a host Member State,	EIOPA, at the request of two or more
	EIOPA may set up a cooperation	competent authorities , may set up a

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	platform in accordance with Article	<u>eooperation</u> <u>collaboration</u> platform in
	12b.';	accordance with Article 12b.';
III-38	(28) the following Article 9a is	(4 28) the following Article 9a is inserted:
	inserted:	
III-39	'Article 9a	'Article 9a
III-40	Reporting of cross-border activities	Reporting of cross-border activities
III-41	1. Member States shall require that	1. Member States shall require that insurance
	insurance distributors report the	distributors report the following information
	following information annually to the	annually to the competent authority of their
	competent authority of their home	home Member State where they pursue
	Member State where they pursue	insurance distribution activities with more
	insurance distribution activities with	than 50 500 customers on a cross-border basis:
	more than 50 customers on a cross-	
	border basis:	
III-42	(a) the list of host Member States in	(a) the list of host Member States in which
	which the insurance distributor is acting	the insurance distributor is acting under the
	under the freedom to provide services or	freedom to provide services or the freedom of
	the freedom of establishment;	establishment;
III-43	(b) the scale and scope of the	(b) the scale and scope of the insurance
	insurance distribution activities carried	distribution activities carried out in each host
	out in each host Member State;	Member State;

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III-44	(c) the type of insurance products	(c) the type of insurance products
	distributed in each host Member State;	distributed in each host Member State;
III-45	(d) for each host Member State, the	(d) for each host Member State, the total
	total number of customers, for the	number of customers, for the relevant period
	relevant period ending on the 31	ending on the 31 December;
	December;	
III-46	(e) the number of complaints	(e) the number of complaints received
	received from customers and interested	from customers and interested parties in each
	parties in each host Member State.	host Member State.
III-47	Competent authorities shall	Competent authorities shall communicate to
	communicate to EIOPA all information	EIOPA all information reported by insurance
	reported by insurance distributors	distributors pursuant to the first subparagraph.
	pursuant to the first subparagraph.	
III-48	2. EIOPA shall establish an	2. EIOPA shall establish an electronic
	electronic database containing the	database containing the information reported
	information reported pursuant to	pursuant to paragraph 1, second subparagraph.
	paragraph 1, second subparagraph. That	That database shall be made accessible to all
	database shall be made accessible to all	competent authorities.
	competent authorities.	

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III-49	3. EIOPA shall develop draft	3. EIOPA shall develop draft regulatory
	regulatory technical standards regarding	technical standards regarding the details of the
	the details of the information referred to	information referred to in paragraph 1.
	in paragraph 1.	
III-50	EIOPA shall submit those draft	EIOPA shall submit those draft regulatory
	regulatory technical standards to the	technical standards to the Commission by [OJ:
	Commission by [OJ: insert date 18	insert date 18 months after the date of entry
	months after the date of entry into force	into force of this Directive].
	of this Directive].	
III-51	Power is delegated to the Commission	Power is delegated to the Commission to adopt
	to adopt the regulatory technical	the regulatory technical standards referred to in
	standards referred to in the first	the first subparagraph in accordance with
	subparagraph in accordance with Article	Article 10 of Regulation (EU) No 1094/2010.
	10 of Regulation (EU) No 1094/2010.	
III-52	4. EIOPA shall develop draft	4. EIOPA shall develop draft
	implementing technical standards	implementing technical standards specifying
	specifying the data standards and	the data standards and formats, methods and
	formats, methods and transfer	transfer arrangements, frequency and starting
	arrangements, frequency and starting	date for the information to be reported and
	date for the information to be reported	communicated pursuant to paragraph 1.

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	and communicated pursuant to	
	paragraph 1.	
III-53	EIOPA shall submit those draft	EIOPA shall submit those draft implementing
	implementing technical standards to the	technical standards to the Commission by [OJ:
	Commission by [OJ: insert date 18	insert date 18 months after the date of entry
	months after the date of entry into force	into force of this Directive].
	of this Directive].	
III-54	Power is conferred on the Commission	Power is conferred on the Commission to
	to adopt the implementing technical	adopt the implementing technical standards
	standards referred to in the first	referred to in the first subparagraph in
	subparagraph in accordance with Article	accordance with Article 15 of Regulation (EU)
	15 of Regulation (EU) No 1094/2010.	No 1094/2010.
III-55	5. Based on the information	5. Based on the information
	communicated pursuant to paragraph 2,	communicated pursuant to paragraph 2,
	EIOPA shall publish every year a report	EIOPA shall publish every year a report
	containing anonymised and aggregated	containing anonymised and aggregated
	statistics on the insurance distribution	statistics on the insurance distribution
	activities carried out in the Union	activities carried out in the Union through the
	through the freedom to provide services,	freedom to provide services, as well as an
	as well as an analysis of trends.';	analysis of trends.';

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III-56	(29) Article 10 is amended as	(<u>5</u> <u>29</u>) Article 10 is amended as follows:
	follows:	
III-57	(a) paragraph 1 is replaced by the	(a) paragraph 1 is replaced by the
	following:	following:
III-58	'1. Home Member States shall ensure	'1. Home Member States shall ensure that
	that insurance and reinsurance	insurance and reinsurance distributors and
	distributors and employees of insurance	intermediaries, employees of insurance and
	and reinsurance undertakings carrying	reinsurance undertakings carrying out
	out insurance or reinsurance distribution	insurance or reinsurance distribution activities2
	activities possess the necessary	and employees of insurance and
	knowledge and competence in order to	reinsurance intermediaries directly
	complete their tasks and perform their	involved in insurance or reinsurance
	duties adequately.	distribution activities possess the necessary
		knowledge and competence in order to
		complete their tasks and perform their duties
		adequately.
III-58a		For the purpose of the first subparagraph,
		home Member States shall have in place
		mechanisms and publish all relevant
		information about these mechanisms, to
		control effectively and assess the knowledge

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		and competence, as set out in Annex I, of
		insurance and reinsurance intermediaries,
		employees of insurance and reinsurance
		undertakings carrying out insurance or
		reinsurance distribution activities, and
		employees of insurance and reinsurance
		<u>intermediaries</u> <u>directly</u> <u>involved</u> <u>in</u>
		insurance or reinsurance distribution
		activities, by requiring a certificate or
		comparable form of evidence.';
III-59	(b) paragraph 2 is amended as	(b) paragraph 2 is amended as follows:
	follows:	
III-60	(i) the first, second and third	(i) the first, second and third subparagraphs are
	subparagraphs are replaced by the	replaced by the following:
	following:	
III-61	'Home Member States shall ensure that	'Home Member States shall ensure that
	insurance and reinsurance	insurance and reinsurance intermediaries,
	intermediaries, employees of insurance	employees of insurance and reinsurance
	and reinsurance undertakings and	undertakings <u>carrying</u> out insurance or
	employees of insurance and reinsurance	reinsurance distribution activities, and
	intermediaries maintain and update their	employees of insurance and reinsurance

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	knowledge and competence by	intermediaries directly involved in insurance
	undertaking regular professional	or reinsurance distribution activities
	development and training, including	maintain and update their knowledge and
	specific training where new insurance	competence, as set out in Annex I, by
	products or services are being offered	undertaking regular professional development
	by the insurance or reinsurance	and training, including specific training where
	undertakings and intermediaries.	new insurance products or services are being
		offered by the insurance or reinsurance
		undertakings and intermediaries.
III-62	For the purpose of the first	For the purpose of the first subparagraph,
	subparagraph, home Member States	home Member States shall have in place
	shall have in place and publish	mechanisms and publish all relevant
	mechanisms to control effectively and	information about these mechanisms to
	assess the knowledge and competence	control effectively and assess the knowledge
	of insurance and reinsurance	and competence of successful completion
	intermediaries, employees of insurance	by insurance and reinsurance intermediaries,
	and reinsurance undertakings and	employees of insurance and reinsurance
	employees of insurance and reinsurance	undertakings carrying out insurance or
	intermediaries, as set out in Annex I,	reinsurance distribution activities, and
	based on at least 15 hours of	employees of insurance and reinsurance
	professional training or development	intermediaries directly involved in insurance

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	per year, taking into account the nature	or reinsurance distribution activities, of as
	of the products sold, the type of	set out in Annex I, based on at least 15 hours
	distributor, the role they perform, and	of professional training or development per
	the activity carried out within the	year, taking into account the nature of the
	insurance or reinsurance distributor.	products sold, the type of distributor, the role
		they perform, and the activity carried out
		within the insurance or reinsurance
		distributor.
III-63	Home Member States shall require that	To that end, hHome Member States shall
	compliance with the criteria set out in	require that compliance with the criteria set
	Annex I, as well as the yearly successful	out in Annex I, as well as the yearly
	completion of the continuous	successful completion of continuous
	professional training and development	professional training and development is
	is proven by a certificate.	proven by a certificate or equivalent proof of
		completion of such training and
		development.':
III-64	(ii) the following subparagraph is	(ii) the following subparagraph is added:
	added:	
III-65	'The Commission shall be empowered	'The Commission shall be empowered to
	to amend this Directive by adopting	amend this Directive by adopting delegated

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	delegated acts in accordance with	acts in accordance with Article 38 to review,
	Article 38 to review, where necessary,	where necessary, the requirements set out in
	the requirements set out in Annex I.';	Annex I.';
III-66	(c) paragraph 4 is replaced	(c) paragraph 4 is replaced by the
	by the following:	following:
III-67	'4. Insurance and reinsurance	4. Insurance and reinsurance
	intermediaries shall hold professional	intermediaries shall hold professional
	indemnity insurance covering the whole	indemnity insurance covering the whole
	territory of the Union or some other	territory of the Union or some other
	comparable guarantee against liability	comparable guarantee against liability
	arising from professional negligence,	arising from professional negligence, for at
	for at least EUR 1 250 000 applying to	least EUR 1 250 000 applying to each claim
	each claim and in aggregate EUR 1 850	and in aggregate EUR 1 850 000 per year for
	000 per year for all claims, unless such	all claims, unless such insurance or
	insurance or comparable guarantee is	comparable guarantee is already provided
	already provided by an insurance	by an insurance undertaking, reinsurance
	undertaking, reinsurance undertaking or	undertaking or other undertaking on whose
	other undertaking on whose behalf the	behalf the insurance or reinsurance
	insurance or reinsurance intermediary is	intermediary is acting or for which the
	acting or for which the insurance or	insurance or reinsurance intermediary is
	reinsurance intermediary is empowered	empowered to act or such undertaking has

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	to act or such undertaking has taken on	taken on full responsibility for the
	full responsibility for the intermediary's	intermediary's actions.';
	actions.';	
III-68	(d) in paragraph 6, point (b) is	(d) in paragraph 6, point (b) is replaced
	replaced by the following:	by the following:
III-69	'(b) a requirement for the intermediary	'(b) a requirement for the intermediary to
	to have financial capacity amounting,	have financial capacity amounting, on a
	on a permanent basis, to 4 % of the sum	permanent basis, to 4 % of the sum of
	of annual premiums received, subject to	annual premiums received, subject to a
	a minimum of EUR 18 750;';	minimum of EUR
		18 750;';
III-70	(30) in Article 12(3) the following	$(\underline{6} \ 30)$ in Article 12(3) the following
	subparagraphs are added:	subparagraphs are added:
III-71	'The powers referred to in the first	'The powers referred to in the first
	subparagraph, first sentence, shall	subparagraph, first sentence, shall include at
	include the power to:	<u>least</u> the power to:
III-72	(a) have access to any document or	(a) have access to any document or other data
	other data in any form which the	in any form which the competent authority
	competent authority considers could be	considers could be relevant and necessary for
	relevant and necessary for the	the performance of its duties and receive or
	performance of its duties and receive or	take a copy of that document or those data;

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	take a copy of that document or those	
	data;	
III-73	(b) require or demand the provision	(b) require or demand the provision of
	of information from any person and if	information from any person and if necessary
	necessary to summon and question a	to summon and question a person to obtain
	person to obtain information;	information;
III-74	(c) carry out on-site inspections or	(c) carry out on-site inspections or
	investigations;	investigations;
III-75	(d) carry out mystery shopping	(d) carry out mystery shopping activities;
	activities;	
III-76	(e) require the freezing or the	(e) require the freezing or the
	sequestration of assets, or both;	sequestration of assets, or both;
III-77	(f) require the temporary	(f) require the temporary prohibition of
	prohibition of professional activity;	professional activity;
III-78	(g) require the auditors of insurance	(g) require the auditors of insurance or
	undertakings or insurance	reinsurance distributors undertakings or
	intermediaries to provide information;	insurance intermediaries to provide
		information;
III-79	(h) refer matters for criminal	(h) refer matters for criminal prosecution;
	prosecution;	

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III-80	(i) allow auditors or experts to	(i) allow auditors or experts to carry out
	carry out verifications or investigations;	verifications or investigations;
III-81	(j) suspend or prohibit for a	(j) suspend or prohibit, for a maximum
	maximum duration of 1 year marketing	duration of <u>one</u> year, <u>renewable</u> <u>for further</u>
	communications or practices used in	periods not exceeding one year at a time if
	their Member State, where there are	the grounds for the temporary suspension
	reasonable grounds for believing that	continue to be applicable , marketing
	this Directive has been infringed.;	communications or practices used in their
		Member State, where there are reasonable
		grounds for believing that this Directive has
		been infringed;
III-82	(k) require the temporary or	(k) require the temporary or permanent
	permanent cessation of any practice or	cessation of any practice or conduct that the
	conduct that the competent authority	competent authority considers to be contrary to
	considers to be contrary to the	the provisions adopted in the implementation
	provisions adopted in the	of this Directive and prevent repetition of that
	implementation of this Directive and	practice or conduct;
	prevent repetition of that practice or	
	conduct;	
III-83	(l) adopt any other type of measure	(l) adopt any other type of measure to ensure
	to ensure that insurance undertakings	that insurance or reinsurance distributors

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	and insurance intermediaries continue to	undertakings and insurance intermediaries
	comply with legal requirements;	continue to comply with legal requirements;
III-84	(m) suspend or prohibit the	(m) suspend or prohibit the distribution of
	distribution of an insurance-based	an insurance-based investment product;
	investment product;	
III-85	(n) suspend the distribution of an	(n) suspend the distribution of an
	insurance-based investment product	insurance-based investment product where the
	where the insurance undertaking or	insurance undertaking or insurance distributor
	insurance distributor has failed to	has failed to comply with Article 25;
	comply with Article 25;	
III-86	(o) require the removal of a natural	(o) require the removal of a natural person
	person from the management board of	from the management board of an insurance or
	an insurance undertaking or insurance	reinsurance undertaking or insurance
	distributor;	distributor;
III-87	(p) take all the necessary measures,	(p) to the extent permitted by national
	including by requesting a third party or	<u>law</u> , take all the necessary measures, including
	other public authority to implement	by requesting a third party or other public
	such measures, whether on a temporary	authority to implement such measures,
	or permanent basis, to:	whether on a temporary or permanent basis, to:
III-88	(i) remove content or to restrict access	(i) remove content or to restrict access to an
	to an online interface or to order the	online interface or to order the explicit display

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	explicit display of a warning to	of a warning to customers when they access an
	customers when they access an online	online interface;
	interface;	
III-89	(ii) order a hosting service provider to	(ii) order a hosting service provider to remove,
	remove, disable or restrict access to an	disable or restrict access to an online interface;
	online interface;	
III-90	(iii) order domain registries or registrars	(iii) order domain registries or registrars to
	to delete a fully qualified domain name	delete a fully qualified domain name and to
	and to allow the competent authority	allow the competent authority concerned to
	concerned to register it;	register it;
III-91	(q) impose the use of risk warnings	(q) impose the use of risk warnings for
	for insurance-based investment products	insurance-based investment products on
	in information materials, including	insurance undertakings or insurance
	marketing communications, related to	<u>intermediaries</u> in information materials,
	particularly risky insurance-based	including marketing communications,
	investment products and, where	provided to customers related to concerning
	applicable, underlying investment	particularly risky insurance-based investment
	assets, where those products and assets	products and, where applicable, underlying
	could pose a serious threat to investor	investment assets; where those products and
	protection.';	assets, could pose a serious threat to
		investor protection.

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III-91a		(qa) require insurance undertakings or
		insurance intermediaries to cease from
		using risk warnings in information
		materials, including marketing
		communications, provided to consumers
		concerning insurance-based investment
		products that are not considered as
		particularly risky.
III-92	When making use of the powers	When making use of the powers referred to in
	referred to in point (j), the competent	point (j), the competent authority shall notify
	authority shall notify EIOPA. Where	EIOPA. Where such practices or
	such practices or communications are	communications are used in more than one
	used in more than one Member State,	Member State, EIOPA shall, upon request of at
	EIOPA shall, upon request of at least	least one competent authority, coordinate
	one competent authority, coordinate	actions taken by competent authorities
	actions taken by competent authorities	pursuant to point (j).
	pursuant to point (j).	
III-93	The implementation and the exercise of	The implementation and the exercise of
	powers set out in this paragraph shall be	powers set out in this paragraph shall be
	proportionate and shall comply with	proportionate and shall comply with Union and
	Union and national law, including with	national law, including with applicable

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	applicable procedural safeguards and	procedural safeguards and with the principles
	with the principles of the Charter of	of the Charter of Fundamental Rights of the
	Fundamental Rights of the European	European Union. The investigation and
	Union. The investigation and	enforcement measures adopted pursuant to this
	enforcement measures adopted pursuant	Directive shall be appropriate to the nature and
	to this Directive shall be appropriate to	the overall actual or potential harm of the
	the nature and the overall actual or	infringement.';
	potential harm of the infringement.';	
III-94	(31) the following Articles 12a and	(7 31) the following Articles 12a and 12b are
	12b are inserted:	inserted:
III-95	'Article 12 a	'Article 12a
III-96	Cooperation and exchange of	Cooperation and exchange of information with
	information with EIOPA	EIOPA
III-97	1. The competent authorities shall	1. The competent authorities shall
	cooperate with EIOPA for the purposes	cooperate with EIOPA for the purposes of this
	of this Directive.	Directive.
III-98	2. The competent authorities shall,	2. The competent authorities shall,
	without undue delay, provide EIOPA	without undue delay, provide EIOPA with all
	with all information EIOPA needs to	information EIOPA needs to carry out its
	carry out its duties under this Directive.	duties under this Directive.
III-99	Article 12b	Article 12b

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III-100	Collaboration platforms	Collaboration platforms
III-101	1. EIOPA may, in the case of	1. EIOPA may, in the case of justified concerns
	justified concerns about negative effects	about negative effects on <u>customers</u>
	on policyholders, on its own initiative	policyholders, on its own initiative or at the
	or at the request of one or more of the	request of one two or more of the competent
	competent authorities, set up and	authorities, set up and coordinate a
	coordinate a collaboration platform, to	collaboration platform, to strengthen the
	strengthen the exchange of information	exchange of information and to enhance
	and to enhance collaboration between	collaboration between the relevant supervisory
	the relevant supervisory authorities	authorities where an insurance or reinsurance
	where an insurance or reinsurance	distributor carries out, or intends to carry out,
	distributor carries out, or intends to	insurance distribution activities which are
	carry out, insurance distribution	based on the freedom to provide services or the
	activities which are based on the	freedom of establishment and where such
	freedom to provide services or the	activities are of relevance with respect to the
	freedom of establishment and where	host Member State's market. If a collaboration
	such activities are of relevance with	platform is set up at the request of a competent
	respect to the host Member State's	authorit <u>iesy</u> , th <u>oseat</u> competent authorit <u>iesy</u>
	market. If a collaboration platform is set	shall notify the competent authority of the
	up at the request of a competent	home Member State of its their justified
	authority, that competent authority shall	

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	notify the competent authority of the	concerns about negative effects on
	home Member State of its justified	investors <u>customers</u> .
	concerns about negative effects on	
	investors.	
III-102	2. Paragraph 1 shall be without	2. Paragraph 1 shall be without prejudice
	prejudice to the right of the relevant	to the right of the relevant supervisory
	supervisory authorities to set up a	authorities to set up a collaboration platform
	collaboration platform where they all	where they all agree to do so.
	agree to do so.	
III-103	3. The setting up of a collaboration	3. The setting up of a collaboration
	platform pursuant to paragraphs 1 and 2	platform pursuant to paragraphs 1 and 2 is
	is without prejudice to the supervisory	without prejudice to the supervisory mandate
	mandate of the supervisory authorities	of the supervisory authorities of the home
	of the home Member State and host	Member State and host Member State provided
	Member State provided for in this	for in this Directive.
	Directive.	
III-104	4. Without prejudice to Article 35	4. Without prejudice to Article 35 of
	of Regulation (EU) No 1094/2010, at	Regulation (EU) No 1094/2010, at the request
	the request of EIOPA, the relevant	of EIOPA, the relevant competent authorities
	competent authorities shall provide all	shall provide all necessary information in a
		timely manner.

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	necessary information in a timely	
	manner.	
III-105	5. Where two or more competent	5. Where two or more competent
	authorities of a collaboration platform	authorities of a collaboration platform disagree
	disagree about the procedure or content	about the procedure or content of an action to
	of an action to be taken, or inaction,	be taken, or inaction, EIOPA may, at the
	EIOPA may, at the request of any	request of any relevant competent authority or
	relevant competent authority or on its	on its own initiative, assist the competent
	own initiative, assist the competent	authorities in reaching an agreement in
	authorities in reaching an agreement in	accordance with Article 19(1) of Regulation
	accordance with Article 19(1) of	(EU) No 1094/2010.
	Regulation (EU) No 1094/2010.	
III-106	6. In the event of disagreement	6. In the event of disagreement within the
	within the platform and where there are	platform and where there are serious concerns
	serious concerns about negative effects	about negative effects on policyholders
	on policyholders or about the content of	<u>customers</u> or about the content of an action or
	an action or inaction to be taken in	inaction to be taken in relation to an insurance
	relation to an insurance or reinsurance	or reinsurance distributor, EIOPA may, in
	distributor, EIOPA may, in accordance	accordance with Article 16 of Regulation (EU)
	with Article 16 of Regulation (EU) No	No 1094/2010, issue a recommendation to the
	1094/2010, issue a recommendation to	competent authority of the home Member State

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	the competent authority of the home	to consider the concerns of other competent
	Member State to consider the concerns	authorities concerned and to launch a joint on-
	of other competent authorities	site inspection together with other competent
	concerned and to launch a joint on-site	authorities concerned.';
	inspection together with other	
	competent authorities concerned.';	
III-107	(32) Article 14 is replaced by the	(8 32) Article 14 is replaced by the following:
	following:	
III-108	'Article 14	'Article 14
III-109	Complaints	Complaints
III-110	Member States shall ensure that	Member States shall ensure that insurance and
	insurance and reinsurance distributors	reinsurance distributors establish appropriate
	establish appropriate procedures and	procedures and arrangements, including
	arrangements, including electronic	electronic communication channels, to ensure
	communication channels, to ensure that	that complaints from customers and other
	complaints from customers and other	interested parties, especially consumer
	interested parties, especially consumer	associations, are dealt with properly and that
	associations, are dealt with properly and	there are no restrictions on customers and
	that there are no restrictions on	other interested parties exercising their rights
	customers and other interested parties	under this Directive. Those procedures and
	exercising their rights under this	arrangements shall allow customers and other

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	Directive. Those procedures and	interested parties to register complaints and
	arrangements shall allow customers and	receive replies in the same language in which
	other interested parties to register	the communication material or any contractual
	complaints and receive replies in the	documents were provided. In all cases,
	same language in which the	complainants shall receive replies within 40
	communication material or any	working days In all cases, insurance and
	contractual documents were provided.	reinsurance distributors shall communicate
	In all cases, complainants shall receive	their decision on a complaint to the
	replies within 40 working days.';	complainant in a timely manner, taking into
		account the subject matter of the complaint
		and, in any event, no later than 40 working
		days from the date on which the complaint
		was received by the insurance and
		reinsurance distributor.
		Where, in exceptional situations, the
		decision on a complaint cannot be
		communicated within the period referred to
		in the previous subparagraph, insurance
		and reinsurance distributors shall inform
		the complainant of the reasons for the delay
		and indicate a reasonable timeframe in

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		which the decision will be communicated.
		Any communication made by the insurance
		and reinsurance distributors under this
		paragraph, that is addressed to a
		complainant, shall be made in the language
		in which the complainant filed its
		complaint, provided that the language used
		by the complainant is one of the languages
		referred to in the first subparagraph.';
III-111	(33) the following Articles 16a and	(9 33) the following Articles 16a and 16b are
	16b are inserted:	inserted:
III-112	'Article 16a	'Article 16a
III-113	Financial education of customers	Financial education of customers
III-114	Member States shall promote measures	1. Member States shall promote measures that
	that support the education of customers	support the education of customers in relation
	in relation to the responsible purchase	to the responsible purchase of insurance
	of insurance products when accessing	products when accessing investment services
	insurance services or ancillary services.	or ancillary services insurance distribution
		activities. Where appropriate, the measures
		shall target the needs of specific age groups

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		and of other specific target groups and take
		into account the joint EU/OECD-INFE
		<u>financial competence frameworks</u> .
III-114a		2. Member States shall designate one or
		more competent authorities or one or more
		public bodies to achieve the objective set out
		in paragraph 1.
III-115	Article 16b	Article 16b
III-116	Financial education of customers and	Financial education of customers and
	marketing communication	marketing communication
III-117	Financial education material that aims	Financial education material that aims to
	to support individuals' financial literacy	support individuals' financial literacy by
	by enabling them to acquire financial	enabling them to acquire financial
	competences, and that does not directly	competences, and that does not directly
	promote or entice investment in one or	promote or entice investment in one or several
	several insurance products, or	insurance products, or categories thereof, or
	categories thereof, or specific insurance	specific insurance services, shall not be
	services, shall not be deemed to	deemed to constitute a marketing
	constitute a marketing communication	communication for the purposes of this
	for the purposes of this Directive.';	Directive.';

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III-118	(34) in Article 17, paragraph 2 is	(<u>10</u> 34) in Article 17, paragraph 2 is replaced
	replaced by the following:	by the following:
III-119	'2. Member States shall ensure	'2. Member States shall ensure that all
	that all information related to the	information related to the subject of this
	subject of this Directive, including	Directive, including marketing
	marketing communications, shall be	communications, shall be fair, clear and not
	fair, clear and not misleading.	misleading.
III-120	Marketing communications shall	Marketing communications shall be
	be clearly identifiable as such and shall	clearly identifiable as such and shall clearly
	clearly identify the insurance	identify the insurance undertaking or insurance
	undertaking or insurance distributor	distributor intermediary responsible for their
	responsible for their content and	content and distribution, regardless of whether
	distribution, regardless of whether the	the communication is made directly or
	communication is made directly or	indirectly by that insurance undertaking or
	indirectly by that insurance undertaking	insurance distributor.';
	or insurance distributor.';	
III-121	(35) Article 18 is replaced by the	(<u>11</u> <u>35</u>)Article 18 is replaced by the following:
	following:	
III-122	'Article 18	'Article 18
III-123	General information to be provided to	General information to be provided to the
	the customer	customer

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III-124	1. Member States shall ensure that	1. Member States shall ensure that in good time
	in good time before the customer is	before the customer is bound by an insurance
	bound by an insurance contract or offer,	contract or offer, the following information
	the following information about the	about the insurance undertaking which is party
	insurance undertaking which is party to	to the proposed contract shall be
	the proposed contract shall be	eommunicated provided to the customer:
	communicated to the customer:	
III-125	(a) the name of the undertaking and	(a) the name of the insurance undertaking,
	its legal form;	and its legal form and the address of its head
		office;
III-126	(b) where the insurance contract is	(b) where the insurance contract is proposed
	proposed under the right of	under the right of establishment or the
	establishment or the freedom to provide	freedom to provide services, the Member
	services, the Member State in which the	State in which the head office of the
	head office of the insurance undertaking	insurance undertaking and, where
	and, where appropriate, the branch	appropriate, the address of the branch
	proposing the contract is located;	proposing the <u>insurance</u> contract is located ;

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III-127	(c) the address of the head office	(c) the address of the head office and, where
	and, where appropriate, of the branch	appropriate, of the branch proposing the
	proposing the contract;	contract
		(c) where the insurance contract is
		proposed under the freedom to provide
		services, the Member State in which the
		head office of the insurance undertaking is
		located and, where appropriate, the adress
		of the branch proposing the insurance
		contract;
III-128	(d) information that the insurance	(d) information that the insurance undertaking
	undertaking is authorised pursuant to	is authorised pursuant to Article 14 of
	Article 14 of Directive 2009/138/EC, the	Directive 2009/138/EC, the national
	national competent authority which	competent authority which granted the
	granted the authorisation and the means	authorisation and the means for verifying the
	for verifying the authorisation;	authorisation;
III-129	(e) a reference to the report on	(e) a <u>concrete</u> reference to the report on
	solvency and financial condition as laid	solvency and financial condition as laid down
	down in Article 51 of Directive	in Article 51 of Directive 2009/138/EC.

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	2009/138/EC. allowing the customer	allowing the customer easy access to this
	easy access to this information.	information.
III-130	2. Where the insurance contract is	2. Where the insurance contract is proposed by
	proposed by an insurance intermediary,	an insurance intermediary, that insurance
	that insurance intermediary shall, in	intermediary shall, in good time before the
	good time before the customer is bound	customer is bound by the contract or offer,
	by the contract or offer, communicate the	communicate provide, in addition to the
	following additional information to the	information indicated in paragraph 1, the
	customer:	following <u>additional</u> information to the
		customer:
III-131	(a) the name of the insurance	(a) the name of the insurance intermediary, its
	intermediary, its legal form and address	legal form and address and the fact that it is an
	and the fact that it is an insurance	insurance intermediary;
	intermediary;	
III-132	(b) where the insurance	(b) where the insurance intermediary is acting
	intermediary is acting under the right of	under the right of establishment or the
	establishment or the freedom to provide	freedom to provide services, the Member
	services, the Member State in which the	State in which the head office of the
	head office of the insurance	insurance intermediary and, where
	intermediary and, where appropriate,	

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	the branch proposing the contract is	appropriate, the address of the branch
	located;	proposing the insurance contract is located ;
III-133a		(ba) where the insurance intermediary is
		acting under the freedom to provide
		services, the Member State in which the
		head office of the insurance intermediary is
		located and, where appropriate, the address
		of the branch proposing the insurance
		contract;
III-133b	(c) whether the insurance	(c) whether the insurance intermediary
	intermediary provides advice about the	provides advice about the proposed insurance
	proposed insurance contract;	contract;
III-134	(d) the procedures referred to in	(d) the procedures referred to in Article 14
	Article 14 enabling customers and other	enabling customers and other interested parties
	interested parties to register complaints	to register complaints about insurance
	about insurance intermediaries and	intermediaries and about the out-of-court
	about the out-of-court complaint and	complaint and redress procedures referred to in
	redress procedures referred to in Article	Article 15;
	15;	

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III-135	(e) the register in which the	(e) the register in which the insurance
	insurance intermediary has been	intermediary has been included and the means
	included and the means for verifying	for verifying that it has been registered;
	that it has been registered;	
III-136	(f) whether the insurance	(f) whether the insurance intermediary is
	intermediary is representing the	representing the customer or is acting for and
	customer or is acting for and on behalf	on behalf of the insurance undertaking.
	of the insurance undertaking.	
III-137	3. Where the insurance contract is	3. Where the insurance contract is proposed by
	proposed by an insurance undertaking,	an insurance undertaking, that insurance
	that insurance undertaking shall, in	undertaking shall, in good time before the
	good time before the customer is bound	customer is bound by the contract or offer,
	by the contract or offer, communicate	communicate provide, in addition to the
	the following additional information to	information indicated in paragraph 1, the
	the customer:	following additional information to the
		customer:
III-138	(a) the name of the insurance	(a) the name of the insurance undertaking, its
	undertaking, its legal form and address,	legal form and address, and the fact that it is an
	and the fact that it is an insurance	insurance undertaking, insofar as this has not
	undertaking, insofar as this has not	already been communicated in accordance
		with paragraph 1, point (a);

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	already been communicated in	
	accordance with paragraph 1, point (a);	
III-139	(b) whether it provides advice about	(b) whether it provides advice about the
	the proposed insurance contract;	proposed insurance contract;
III-140	(c) the procedures referred to in	(c) the procedures referred to in Article 14
	Article 14 enabling customers and other	enabling customers and other interested parties
	interested parties to register complaints	to register complaints about insurance
	about insurance undertakings and about	undertakings and about the out-of-court
	the out-of-court complaint and redress	complaint and redress procedures referred to in
	procedures referred to in Article 15;	Article 15;
III-141	(d) information that the insurance	(d) information that the insurance undertaking
	undertaking is authorised pursuant to	is authorised pursuant to Article 14 of
	Article 14 of Directive 2009/138/EC,	Directive 2009/138/EC, the national
	the national competent authority which	competent authority which granted the
	granted the authorisation and the means	authorisation and the means for verifying the
	for verifying the authorisation, unless	authorisation, unless this has already been
	this has already been communicated in	communicated in accordance with paragraph
	accordance with paragraph 1, point (d);	1, point (d);
III-142	(e) whether the insurance	(e) whether the insurance undertaking is the
	undertaking is the manufacturer of the	manufacturer of the proposed contract or
	proposed contract or whether it is	where applicable, whether it is distributing

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	distributing the proposed contract on	the proposed contract on behalf of another
	behalf of another insurance	insurance undertaking.';
	undertaking.';	
III-143	(36) Article 19 is amended as	(<u>12</u> 36) Article 19 is amended as follows:
	follows:	
III-144	(a) the title is replaced by the	(a) the title is replaced by the following:
	following:	
III-145	'Disclosures';	'Disclosures';
III-146	(b) paragraph 1 is amended as	(b) paragraph 1 is amended as follows:
	follows:	
III-147	(i) the introductory wording is	(i) the introductory wording is replaced by
	replaced by the following:	the following:
III-148	'Member States shall ensure that in	'Member States shall ensure that in good time
	good time before the customer is bound	before the customer is bound by an insurance
	by an insurance contract or offer, an	contract or offer, an insurance intermediary
	insurance intermediary provides the	provides the customer with at least the
	customer with at least the following	following information:';
	information:';	
III-149	(ii) in point (c), the introductory	(ii) in point (c), the introductory wording is
	wording is replaced by the following:	replaced by the following:

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III-150	'in relation to insurance products other	'in relation to insurance products other than
	than insurance-based investment	insurance-based investment products,
	products, whether:';	whether:';
III-151	(iii) point (d) is replaced by the	(iii) point (d) is replaced by the following:
	following:	
III-152	'(d) the nature of the remuneration	'(d) the nature of the remuneration received in
	received in relation to the insurance	relation to the insurance contract, in particular
	contract, in particular whether it works:	whether it works:
III-153	(i) on the basis of a fee, that is the	(i) on the basis of a fee, that is the remuneration
	remuneration paid directly by the	paid directly by the customer;
	customer;	
III-154	(ii) on the basis of a commission of any	(ii) on the basis of a commission of any kind,
	kind, that is the remuneration included	that is the remuneration included in the
	in the insurance premium;	insurance premium;
III-155	(iii) on the basis of any other type of	(iii) on the basis of any other type of
	remuneration, including an economic	remuneration, including an economic benefit
	benefit of any kind offered or given in	of any kind offered or given in connection with
	connection with the insurance contract;	the insurance contract; or
	or	

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III-156	(iv) on the basis of a combination of any	(iv) on the basis of a combination of any type
	type of remuneration set out at points	of remuneration set out at points (i), (ii) and
	(i), (ii) and (iii).';	(iii).';
III-157	(iv) point (e) is deleted;	(iv) point (e) is deleted;
III-158	(c) paragraph 4 is replaced by the	(c) paragraph 4 is replaced by the
	following:	following:
III-159	'4. Member States shall ensure that	'4. Member States shall ensure that in
	in good time before the customer is	good time before the customer is bound by an
	bound by an insurance contract or offer,	insurance contract or offer, an insurance
	an insurance undertaking communicates	undertaking communicates to its customer the
	to its customer the nature of the	nature of the remuneration received by its
	remuneration received by its employees	employees in relation to the insurance
	in relation to the insurance contract.';	contract.';
III-160	(37) Article 20 is amended as	(<u>13</u> 37) Article 20 is amended as follows:
	follows:	
III-161	(a) in paragraph 1, the first	(a) in paragraph 1, the first subparagraph is
	subparagraph is replaced by the	replaced by the following:
	following:	
III-162	'1. In good time before the customer is	'1. In good time before the customer is bound
	bound by an insurance contract or offer,	by an insurance contract or offer, the insurance
	the insurance distributor shall specify,	distributor shall specify, on the basis of

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	on the basis of information obtained	information obtained from the customer, the
	from the customer, the demands and the	demands and the needs of that customer and
	needs of that customer and shall provide	shall provide the customer with objective
	the customer with objective information	information about the insurance product in a
	about the insurance product in a	comprehensible form to allow that customer to
	comprehensible form to allow that	make an informed decision.';
	customer to make an informed	
	decision.'	
III-163	(b) paragraphs 3, 4 and 5 are	(b) paragraphs 3, 4, and 5 are replaced by the
	replaced by the following:	following:
III-164	'3. Where an insurance intermediary	'3. Where an insurance intermediary
	distributing insurance products other	distributing insurance products other than
	than insurance-based investment	insurance-based investment products informs
	products informs the customer that it	the customer that it gives its advice on the basis
	gives its advice on the basis of a fair	of a fair and personal analysis, it shall give that
	and personal analysis, it shall give that	advice on the basis of an analysis of a
	advice on the basis of an analysis of a	sufficiently large number of insurance
	sufficiently large number of insurance	contracts available on the market to enable it to
	contracts available on the market to	make a personal recommendation, in
	enable it to make a personal	accordance with professional criteria,
	recommendation, in accordance with	

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	professional criteria, regarding which	regarding which insurance contract would be
	insurance contract would be adequate to	adequate to meet the customer's needs.
	meet the customer's needs.	
III-165	4. In good time before the customer is	4. In good time before the customer is bound
	bound by an insurance contract or	by an insurance contract or offer, whether or
	offer, whether or not advice is given and	not advice is given and irrespective of whether
	irrespective of whether the insurance	the insurance product is part of a package
	product is part of a package pursuant to	pursuant to Article 24 of this Directive, the
	Article 24 of this Directive, the	insurance distributor shall provide the
	insurance distributor shall provide the	customer with the relevant information about
	customer with the relevant information	the insurance product in a comprehensible
	about the insurance product in a	form to allow the customer to make an
	comprehensible form to allow the	informed decision, while taking into account
	customer to make an informed decision,	the complexity of the insurance product and
	while taking into account the	the type of customer.
	complexity of the insurance product and	
	the type of customer.	
III-166	5. In relation to the distribution of non-	5. In relation to the distribution of non-life
	life insurance products as listed in	insurance products as listed in Annex I to
	Annex I to Directive 2009/138/EC and	Directive 2009/138/EC and to life insurance
	to life insurance products as listed in	products as listed in Annex II to Directive

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	Annex II to Directive 2009/138/EC	2009/138/EC other than insurance-based
	other than insurance-based investment	investment products, the information referred
	products, the information referred to in	to in paragraph 4 of this Article shall be
	paragraph 4 of this Article shall be	provided to retail customers by way of a
	provided to retail customers by way of a	standardised insurance product information
	standardised insurance product	document on paper or on another durable
	information document on paper or on	medium.';
	another durable medium.';	
III-167	(c) paragraph 8 is amended as	(c) paragraph 8 is amended as follows:
	follows:	
III-168	(i) the introductory wording is replaced	(i) the introductory wording is replaced by the
	by the following:	following:
III-169	'For non-life insurance products, the	'For non-life insurance products, the insurance
	insurance product information	product information document shall contain
	document shall contain the following	the following information:';
	information:';	
III-170	(ii) the following point (j) is added:	(ii) the following point (j) is added:
III-171	'(j) the law applicable to the contract	(j) the law applicable to the <u>insurance</u>
	where the parties do not have a choice	contract; where the parties do not have a
	of law or, where the parties can choose	choice of law or, where the parties can
	the law applicable to the contract, the	choose the law applicable to the contract,

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	law that the insurance undertaking	where the insurance undertaking proposes a
	proposes to choose, and the competent	choice of law, the law that the insurance
	jurisdiction.';	undertaking proposes to choose.'; and the
		competent jurisdiction.
III-171a		(ca) paragraph 6 is replaced by the
		following:
III-171b		"(6) The manufacturer of the insurance
		product shall draw up the insurance
		product information document referred to
		in paragraph 5 in accordance with the
		requirements set out in paragraphs 7, 8, 8a
		and 9 and shall publish the document on its
		website.";
III-172	(d) the following paragraph 8a is	(d) the following paragraph 8a is inserted:
	inserted:	
III-173	'8a. For life insurance products other	'8a. For life insurance products other than
	than insurance-based investment	insurance-based investment products, the
	products, the insurance product	insurance product information document shall
	information document shall contain the	contain the following:
	following:	

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III-174	(a) information about the type of	(a) information about the type of
	insurance;	insurance;
III-175	(b) a summary of the insurance	(b) a summary of the insurance cover,
	cover, including details of the insurance	including details of the insurance benefits and
	benefits and options and the	options and the circumstances that would
	circumstances that would trigger them,	trigger them, and, where applicable, a
	and, where applicable, a summary of the	summary of the excluded risks;
	excluded risks;	
III-176	(c) the means of payment of	(c) the means of payment of premiums and
	premiums and the duration of payments;	the duration of payments;
III-177	(d) information on the premiums for	(d) information on the premiums for each
	each benefit, both main benefits and	benefit, both main benefits and supplementary
	supplementary benefits, where	benefits, where applicable;
	applicable;	
III-178	(e) where applicable, the means of	(e) where applicable, the means of
	calculation and distribution of bonuses;	calculation and distribution of bonuses;
III-179	(f) main exclusions where claims	(f) main exclusions where claims cannot
	cannot be made;	be made;
III-180	(g) obligations at the start of the	(g) obligations at the start of the contract;
	contract;	

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III-181	(h) obligations during the term of	(h) obligations during the term of the
	the contract;	contract;
III-182	(i) obligations in the event that a	(i) obligations in the event that a claim is
	claim is made;	made;
III-183	(j) an indication of surrender and	(j) an indication of surrender and paid-up
	paid-up values and the extent to which	values and the extent to which they are
	they are guaranteed;	guaranteed;
III-184	(k) information on the right of	(k) information on the right of cancellation
	cancellation pursuant to Article 186 of	pursuant to Article 186 of Directive
	Directive 2009/138/EC, in particular	2009/138/EC, in particular details on the time-
	details on the time-limitations and	limitations and conditions for the exercise of
	conditions for the exercise of that right;	that right;
III-185	(l) general information on the tax	(l) general information on the tax rules
	rules applicable to the type of insurance	applicable to the type of insurance policy;
	policy;	
III-186	(m) the term of the insurance	(m) the term of the insurance contract,
	contract, including the start and end	including the start and end dates of the
	dates of the contract;	contract;
III-187	(n) the means of terminating the	(n) the means of terminating the contract;
	contract;	

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III-188	(o) the law applicable to the	(o) the law applicable to the contract;
	contract where the parties do not have a	where the parties do not have a choice of law
	choice of law or, where the parties can	or, where the parties can choose the law
	choose the law applicable to the	applicable to the contract, where the
	contract, the law that the insurance	insurance undertaking proposes a choice of
	undertaking proposes to choose, and the	<u>law</u> , the law that the insurance undertaking
	competent jurisdiction.';	proposes to choose.'; and the competent
		jurisdiction.
III-189	(e) paragraph 9 is amended as	(e) paragraph 9 is amended as follows:
	follows:	
III-190	(i) in the first subparagraph, 'paragraph	(i) in the first subparagraph, 'paragraph 8' is
	8' is replaced by 'paragraph 8a';	replaced by 'paragraphs 8 and 8a';
III-191	(ii) in the second subparagraph, '23	(ii) in the second subparagraph, '23 February
	February 2017' is replaced by [DATE	2017' is replaced by [DATE TBD IN
	TBD IN ACCORDANCE TO DATE	ACCORDANCE TO DATE OF
	OF ADOPTION].;	ADOPTION].;
III-192	(38) in Article 22(1), the first	(<u>14</u> 38)in Article 22(1), the first subparagraph
	subparagraph is replaced by the	is replaced by the following:
	following:	
III-193	The information referred to in Articles	The information referred to in Articles 18, 19
	18, 19 and 20 need not be provided	and 20 need not be provided when the

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	when the insurance distributor carries	insurance distributor carries out distribution
	out distribution activities in relation to	activities in relation to the insurance of large
	the insurance of large risks or with	risks or with customers meeting the criteria for
	customers meeting the criteria for	professional clients as defined in Article 4(1),
	professional clients as defined in Article	point (10), of Directive 2014/65/EU of the
	4(1), point (10), of Directive	European Parliament and of the Council*.
	2014/65/EU of the European Parliament	
	and of the Council*.'	
	*Directive 2014/65/EU of the European	
	Parliament and of the Council of 15	*Directive 2014/65/EU of the European
	May 2014 on markets in financial	Parliament and of the Council of 15 May 2014
	instruments and amending Directive	on markets in financial instruments and
	2002/92/EC and Directive 2011/61/EU	amending Directive 2002/92/EC and Directive
	(OJ L 173, 12.6.2014, p. 349).';	2011/61/EU (OJ L 173, 12.6.2014, p. 349).';
III-194	(39) Article 23 is replaced by the	(<u>15</u> 39) Article 23 is replaced by the
	following:	following:
III-195	'Article 23	'Article 23
III-196	Electronic distribution and other durable	Electronic distribution, telephone selling and
	means	other durable means

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III-197	1. Insurance distributors shall	1. Insurance distributors shall provide all
	provide all information required by this	information required by this Directive to
	Directive to customers in electronic	customers in electronic format.
	format.	
III-198	By way of derogation from the first	By way of derogation from the first
	subparagraph, insurance distributors	subparagraph, insurance distributors shall
	shall provide, upon request from the	provide, upon request from the retail
	retail customer, the information referred	customer, the information referred to in the
	to in the first subparagraph, free of	first subparagraph, free of charge on paper.
	charge on paper.	
III-199	2. Insurance distributors shall	2. Insurance distributors shall inform retail
	inform retail customers that they have	their customers, in good time before they are
	the option of receiving the information	bound by the contract or offer, that they have
	free of charge on paper.	the option of receiving the information free of
		charge on paper.
III-200	3. Insurance distributors shall	3. Insurance distributors shall inform the their
	inform the existing retail customers that	existing retail customers who receive the
	they have the choice either to continue	information in paper format that they have
	receiving the information free of charge	the choice either to continue receiving the
	on paper or to receive the information	information free of charge on paper or to

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	only in electronic format. Insurance	receive the information only in electronic
	distributors shall inform existing retail	format. Insurance distributors shall inform
	customers that an automatic switch to	existing retail customers who receive the
	the electronic format will occur after a	information on paper format, that-if they do
	period of at least eight weeks, if they do	not indicate a choice, the paper format will
	not request the continuation of the	remain until the customer consents to an
	provision of the information on paper	electronic format. that an automatic switch
	within that eight weak period. Existing	to the electronic format will occur after a
	retail customers who already receive the	period of at least eight weeks, if they do not
	information referred to in paragraph 1 in	request the continuation of the provision of
	electronic format do not need to be	the information on paper within that eight
	informed.	week period. Existing retail customers who
		already receive the information referred to
		in paragraph 1 in electronic format do not
		need to be informed.
III-201	4. EIOPA shall, after consulting	4. EIOPA shall, after consulting ESMA
	ESMA and after conducting consumer	and after conducting consumer testing and
	testing and industry testing, by [2 years	industry testing, by [2 years after the entry into
	after the entry into force of the	force of the amending Directive] develop, and
	amending Directive] develop, and	update periodically, guidelines specifying the
	update periodically, guidelines	presentation of information provided in an

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	specifying the presentation of	electronic format in a suitable way for the
	information provided in an electronic	average customer to whom the information is
	format in a suitable way for the average	directed.
	customer to whom the information is	
	directed.	
III-202	The guidelines referred to in the first	The guidelines referred to in the first
	subparagraph shall specify:	subparagraph shall specify:
III-203	(a) the presentation and format of	(a) the presentation and format of the
	the digital disclosures, considering the	digital disclosures, considering the various
	various designs and channels that	designs and channels that insurance
	insurance distributors may use to inform	distributors may use to inform their customers;
	their customers;	
III-204	(b) the necessary safeguards to	(b) the necessary safeguards to ensure ease
	ensure ease of navigability and	of navigability and accessibility of the
	accessibility of the information,	information, regardless of the device used by
	regardless of the device used by the	the customer;
	customer;	
III-205	(c) the necessary safeguards to	(c) the necessary safeguards to ensure easy
	ensure easy retrievability of the	retrievability of the information and facilitate
	information and facilitate the storing of	the storing of information by customers in a
		durable medium.

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	information by customers in a durable	
	medium.';	
III-205a		5. Where the insurance contract is
		concluded using a means of distance
		communication which prevents the prior
		delivery of the information in good time
		before the conclusion of the contract on a
		durable medium in accordance with
		paragraph 1 to 4, the insurance distributor
		may provide the information without
		undue delay after the conclusion of the
		contract, provided all of the following
		conditions are met:
III-205b		(a) the customer has consented to receiving
		the information without undue delay after
		the conclusion of the contract;
III-205c		(b) the insurance distributor has given the
		customer the option of delaying the
		conclusion of the contract until the
		customer has received the information.

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III-205d		In such case, the insurance distributor shall
		provide at least the following information
		through the means of distance
		communication used, prior to the
		conclusion of the contract:
III-205e		(a) the name of the insurance distributor,
		and where the insurance contract is
		proposed by an insurance intermediary, the
		name of the insurance undertaking;
III-205f		(b) a description of the main characteristics
		of the insurance product, including
		information about the type of insurance, a
		summary of the insurance cover and main
		exclusions and the main risks of the
		product;
III-205g		(c) information on the total price, including
		information on the premium, costs and
		charges;
III-205h		(d) whether the insurance distributor
		provides advice about the proposed

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		insurance contract;
III-205i		(e) the existence or absence of a right of withdrawal and, where a right of withdrawal exists, information on the withdrawal period and the conditions for exercising that right, including information on the amount which the customer may be required to pay, as well as the consequences of non-exercise of that right.
III-205j		As regards compliance with the requirements laid down in this paragraph, the burden of proof shall be on the insurance distributor.';
III-206	(40) Article 25 is replaced by the following:	(<u>16</u> 40) Article 25 is replaced by the following:
III-207	'Article 25	'Article 25
III-208	Product oversight and governance requirements	Product oversight and governance requirements
III-209	The home Member State of the manufacturer shall require that	1. The home Member State of the manufacturer shall require that insurance

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	insurance undertakings and	undertakings and <u>insurance</u> intermediaries
	intermediaries which manufacture any	which manufacture any insurance product for
	insurance product for sale to customers,	sale to customers, establish, maintain, operate
	establish, maintain, operate and review	and review a process for the approval of each
	a process for the approval of each	insurance product and for significant
	insurance product and for significant	adaptations of existing insurance products,
	adaptations of existing insurance	before they are marketed or distributed to
	products, before they are marketed or	customers ('the product approval process').
	distributed to customers ('the product	
	approval process').	
III-210	The product approval process shall be	The product approval process shall be
	proportionate and appropriate to the	proportionate and appropriate to the nature of
	nature of the insurance product. The	the insurance product. The product approval
	product approval process shall contain	process shall contain all of the following:
	all of the following:	
III-211	(a) a specification of an identified	(a) a specification of an identified target
	target market for each insurance	market for each insurance product and of the
	product;	intended distribution strategy;
III-212	(b) a clear identification of target	(b) a clear identification of target market's
	market's objectives and needs;	objectives and needs;

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III-213	(c) an assessment of whether the	(c) an assessment of whether the insurance
	insurance product is designed	product is designed appropriately to meet the
	appropriately to meet the target	target market's objectives and needs;
	market's objectives and needs;	
III-214	(d) an assessment of all relevant	(d) an assessment of all relevant risks relevant
	risks to the identified target market and	to the identified target market and arising
	that the intended distribution strategy is	from the distribution strategy and whether
	consistent with the identified target	that the intended distribution strategy is
	market;	consistent with the identified target market;
III-215	(e) reasonable steps to ensure that	(e) reasonable steps to ensure that the
	the insurance product is distributed to	insurance product is distributed to the
	the identified target market;	identified target market;
III-216	(f) in relation to insurance-based	(f) in relation to insurance-based investment
	investment products, a clear	products, a clear identification and
	identification and quantification of all	quantification of all costs and charges and the
	costs and charges related to the product	performance related to the product, a clear
	and an assessment of whether these	identification and, where possible,
	costs and charges are justified and	quantification of its other benefits and an
	proportionate, having regard to the	assessment of whether the product offers
	characteristics, objectives, strategy and	value for money, by evaluating whether
	performance of the product, as well as	these costs and charges are justified and

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	the guarantees and insurance coverage	proportionate, having regard to the
	of biometric and other risks (pricing	performance, the other benefits and the
	process);	characteristics, objectives, and strategy and
		performance of the product, as well as the
		guarantees and insurance coverage of
		biometric and other risks (value-for-money
		assessment pricing process);
III-217	(g) in relation to insurance-based	(g) in relation to insurance-based
	investment products, an assessment of	investment products, an assessment of the risk
	the risk of misunderstanding of the main	of misunderstanding of the main features, costs
	features, costs and risks of the	and risks of the insurance-based investment
	insurance-based investment product by	product by the customers belonging to the
	the customers belonging to the target	target market.
	market.	
III-218	The pricing process referred to in point	The assessment that the insurance-based
	(f) shall contain a comparison with the	investment product can be expected to offer
	relevant benchmark, where available, on	value-for-money pricing process referred to
	costs and performance published by	in point (f) shall, when it relates to
	EIOPA in accordance with paragraph 8.	insurance-based investment products
		intended for distribution to retail clients as
		defined in Article 4(1), point (11) of

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		Directive 2014/65/EU, be established
		through appropriate testing and
		assessments, taking into account the
		specificities of the insurance-based
		investment product including, a market
		comparison with similar insurance-based
		investment products in the Union, subject
		to data availability, by comparing-costs and
		charges as well as performance of the
		product to the costs and charges and the
		performance of a peer-group consisting of
		other insurance-based investment products
		with similar characteristics including,
		where relevant, the product type, similar
		levels of risk, guarantees, strategy,
		objectives, range of recommended holding
		periods, sustainability features, premium
		frequency and biometric risk coverage. The
		compliance report to the management body
		shall systematically include information on
		product testing and assessments.

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III-218a		The peer-group comparison shall be performed using data made available according to paragraph 8a and included in information to be published according to Union law.
III-218b		When the insurance-based investment product is at a significant distance from the average of the peer group to the detriment of the client, the value for money shall be substantiated through additional testing and further assessments. Where necessary, the manufacturer shall take appropriate actions to ensure value for money. The content of appropriate actions shall be determined by the manufacturer while taking into account the relevant features of the insurance-based investment product and the interest of the client. The compliance report to the management body shall systematically include information on

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		these additional testings and further
		assessments and their conclusions,
		including on any actions to ensure value for
		money.
III-218c		The peer-group comparison, including the
		selection of insurance-based investment
		products with similar charateristics, shall
		be based on relevant and objective criteria.
III-219	2. When an insurance-based	2. When an insurance-based investment
	investment product which deviates from	product which deviates from the relevant
	the relevant benchmark referred to in	benchmark referred to in paragraph 8, the
	paragraph 8, the manufacturer shall	manufacturer shall perform additional
	perform additional testing and further	testing and further assessments and
	assessments and establish whether costs	establish whether costs and charges are
	and charges are nevertheless justified	nevertheless justified and proportionate. If
	and proportionate. If justification and	justification and proportionality of costs
	proportionality of costs and charges	and charges cannot be demonstrated, the
	cannot be demonstrated, the insurance-	insurance-based investment product shall
	based investment product shall not be	not be approved by the manufacturer.
	approved by the manufacturer. Where	Where no relevant benchmark exists for an

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	no relevant benchmark exists for an	insurance-based investment product, a
	insurance-based investment product, a	manufacturer shall approve the product
	manufacturer shall approve the product	only if it has established through product
	only if it has established through	testing and assessments that the costs and
	product testing and assessments that the	charges are justified and proportionate and
	costs and charges are justified and	that the product meets the target market's
	proportionate and that the product meets	objectives and needs. The value-for-money
	the target market's objectives and	assessment process of insurance-based
	needs.	investment products offering a range of
		underlying investment assets shall include
		an assessment of the value for money of the
		combination of the insurance-based
		investment contract and the underlying
		investment assets.
III-219a		Member States may provide for a possibility
		for insurance undertakings or insurance
		intermediaries manufacturing insurance-
		based investment products to opt, for the
		purpose of the market comparison in their
		value-for-money process, to compare an

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		insurance-based investment product with
		the relevant Union supervisory benchmark
		as referred to in paragraph 8 instead of a
		peer group.
III-219b		If the insurance undertaking or insurance
		intermediary opted to compare an
		insurance-based investment product with
		the relevant Union benchmark, the
		insurance undertaking or the insurance
		intermediary shall, when the insurance-
		based investment product falls outside the
		Union supervisory benchmark, substantiate
		the value for money through additional
		testing and further assessments. Where
		necessary, the manufacturer shall take
		appropriate actions to ensure value for
		money. The content of appropriate actions
		shall be determined by the manufacturer
		while taking into account the relevant
		features of the insurance-based investment
		product and the interest of the client. The

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		compliance report to the management body
		shall systematically include information on
		these additional testings and further
		assessments and their conclusions,
		including on any actions to ensure value for
		money.
III-220	3. Insurance undertakings and	3. Insurance undertakings and <u>insurance</u>
	intermediaries which manufacture	intermediaries which manufacture insurance
	insurance products, shall understand	products, shall understand and regularly
	and regularly review the insurance	review the insurance products they offer,
	products they offer, taking into account	taking into account any event or risk that could
	any event or risk that could materially	materially affect the identified target market,
	affect the identified target market, and	and assess whether the product remains
	assess whether the product remains	consistent with the objectives and needs of the
	consistent with the objectives and needs	identified target market and whether the
	of the identified target market and	intended distribution strategy remains
	whether the intended distribution	appropriate.
	strategy remains appropriate.	
III-221	Insurance undertakings and	Insurance undertakings and <u>insurance</u>
	intermediaries which manufacture	intermediaries which manufacture insurance
	insurance products, shall make available	products, shall make available to distributors

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	to distributors all information on the	all information on the insurance product and
	insurance product and the product	the product approval process that is needed to
	approval process that is needed to fully	fully understand that product and the elements
	understand that product and the	taken into consideration during the product
	elements taken into consideration	approval process, including complete and
	during the product approval process,	accurate details on the value-for-money
	including complete and accurate details	assessment of the insurance product.
	on any costs and charges of the	
	insurance product.	
III-222	In the case of insurance-based	In the case of insurance-based investment
	investment products, the information	products, the information made available to
	made available to distributors shall	distributors shall contain all the elements
	contain all the elements referred to in	referred to in paragraph 1, third subparagraph,
	paragraph 1, third subparagraph, points	points (f) and (g), any further relevant data and
	(f) and (g), any further relevant data and	an explanation showing that costs and
	an explanation showing that costs and	charges are justified and proportionate and
	charges are justified and proportionate	that the product offers value for money and
	and that the product meets the	meets the objectives and needs of the
	objectives and needs of the customers	customers belonging to the target market.
	belonging to the target market.	

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III-223	4. Insurance undertakings and	4. Insurance undertakings and insurance
	insurance intermediaries which	intermediaries which manufacture insurance-
	manufacture insurance-based	based investment products shall report to their
	investment products shall report to their	home authorities all of the following:
	home authorities all of the following:	
III-224	(a) complete and accurate details of	(a) complete and accurate details of costs
	costs and charges of the insurance-	and charges of the insurance-based investment
	based investment product, including	product, including distribution costs
	distribution costs incorporated into the	incorporated into the costs of the product,
	costs of the product, inclusive of third-	inclusive of third-party payments
	party payments;	inducements;
III-225	(b) data on the characteristics of the	(b) data on the characteristics of the
	insurance-based investment product, in	insurance-based investment product, in
	particular its performance and level of	particular its performance, and level of risk
	risk.	and any additional benefits.
III-225a		(c) the Member State(s) where they
		distribute the insurance-based investment
		product.
III-225b		The data referred to in points (a), (b) and (c)
		shall only be reported when it is not yet
		included in a sufficiently detailed and

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		standardized form in the key information
		document in accordance with Regulation
		(EU) No 1286/2014 or in reporting
		obligations towards competent authorities
		on the basis of Union law, and when it is
		demonstrated that the specific data is
		necessary for the development of
		meaningful Union supervisory benchmarks
		or peer-group comparisons, and that the
		additional burden on manufacturers and
		distributors is not disproportionate to the
		added value for clients. The reporting of
		these data shall be further specified
		according to paragraph 10.
III-226	The competent authorities shall transmit	The competent authorities shall transmit the
	the data referred to in the first	data referred to in point (a), (b) and (c) the
	subparagraph data to EIOPA without	<u>first subparagraph data</u> to EIOPA. without
	undue delay.	undue delay
III-227	5. An insurance distributor that	5. An insurance distributor that advises
	advises on or proposes insurance	on or proposes insurance products which it
	products which it does not manufacture,	does not manufacture, shall have in place

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	shall have in place adequate	adequate arrangements to obtain the
	arrangements to obtain the information	information referred to in paragraph 3, second
	referred to in paragraph 3, second	subparagraph, and to understand the
	subparagraph, and to understand the	characteristics and identified target market of
	characteristics and identified target	each insurance product.
	market of each insurance product.	
III-228	Insurance intermediaries or insurance	Insurance intermediaries or insurance
	undertakings distributing insurance-	undertakings distributing insurance-based
	based investment products shall:	investment products shall:
III-229	(a) make sure that they obtain and	(a) make sure that they obtain and fully
	fully understand the information	understand the information referred to in
	referred to in paragraph 3, third	paragraph 3, third subparagraph;
	subparagraph;	
III-230	(b) identify and quantify any further	(b) identify and quantify any further costs
	costs and charges, in particular	and charges, in particular distribution costs,
	distribution costs, that are not already	that are not already taken into account in the
	taken into account in the calculation of	calculation of total costs and charges by the
	total costs and charges by the	manufacturer;
	manufacturer;	
III-231	(c) assess whether the total costs	(c) assess whether the product meets total
	and charges are justified and	costs and charges are justified and

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	proportionate, having regard to the	proportionate, having regard to the costs
	target market's objectives and needs	and charges, the performance, the other
	(pricing process).	benefits and the characteristics, objectives
		and strategy of the product and the target
		market's objectives and needs (pricing
		process) .
III-232	The pricing process referred to in point	The pricing process referred to in point (c)
	(c) shall include, where available, a	shall include, where available, a
	comparison with the relevant	comparison with the relevant benchmark
	benchmark on costs and performance	on costs and performance published by
	published by EIOPA in accordance with	EIOPA in accordance with paragraph 8.
	paragraph 8.	
III-233	The distributor shall provide the	The distributor shall provide the insurance
	insurance undertaking or insurance	undertaking or insurance intermediary
	intermediary manufacturing the	manufacturing the insurance-based
	insurance-based investment product	investment product regularly with all
	regularly with all relevant information	relevant information about the results of its
	about the results of its pricing process.	pricing process. Where the distributor finds
	Where the distributor finds that there	that there are costs and charges, in particular
	are costs and charges, in particular	distribution costs, that have not been fully
	distribution costs, that have not been	taken into account in the manufacturer's

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	fully taken into account in the	value-for-money assessment pricing process,
	manufacturer's pricing process, it shall	it shall immediately inform the manufacturer.
	immediately inform the manufacturer.	The manufacturer shall take these costs and
		charges into account in its value-for-money
		assessment process.
III-234	6. When an insurance-based	6. When an insurance-based
	investment product deviates from the	investment product deviates from the
	relevant benchmark referred to in	relevant benchmark referred to in
	paragraph 8, the insurance intermediary	paragraph 8, the insurance intermediary or
	or insurance undertaking distributing	insurance undertaking distributing
	insurance-based investment products	insurance-based investment products shall
	shall perform additional testing and	perform additional testing and further
	further assessments and establish	assessments and establish whether costs and
	whether costs and charges are	charges are nevertheless justified and
	nevertheless justified and proportionate.	proportionate. If justification and
	If justification and proportionality of	proportionality of costs and charges cannot
	costs and charges cannot be	be demonstrated, the insurance
	demonstrated, the insurance	intermediary or insurance undertaking
	intermediary or insurance undertaking	shall not advise on or propose the
	shall not advise on or propose the	insurance-based investment product to
	insurance-based investment product to	retail customers. Where no relevant

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	retail customers. Where no relevant	benchmark exists for an insurance-based
	benchmark exists for an insurance-	investment product, distributors shall only
	based investment product, distributors	advise on or propose the product, if they
	shall only advise on or propose the	have established through product testing
	product, if they have established	and assessments that the costs and charges
	through product testing and assessments	are justified and proportionate and that the
	that the costs and charges are justified	product meets the target market's
	and proportionate and that the product	objectives and needs.
	meets the target market's objectives and	
	needs.	
III-235	7. An insurance intermediary or	7. An insurance intermediary or insurance
	insurance undertaking which	undertaking which manufactures <u>or</u>
	manufactures or distributes insurance-	<u>distributes</u> insurance-based investment
	based investment products shall	products shall document the product testing
	document all assessments made,	and all assessments made, including the
	including the following:	following:
III-236	(a) where relevant, the results of the	(a)where relevant, the dataset and the
	comparison of the insurance-based	criteria used to select the peer group and the
	investment product to the relevant	results of the comparison of the insurance-
	benchmarks,	based investment product to the peer group
		relevant benchmarks, or, where the

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		insurance intermediary or insurance
		undertaking has opted to compare the
		insurance-based investment product with
		the Union supervisory benchmark, the
		results of that comparison;
III-237	(b) where applicable, the reasons	(b) where applicable, the reasons justifying
	justifying a deviation from the	that the insurance-based investment
	benchmark	product offers value for money when it is at
		a significant distance from the average of
		the peer group to the detriment of the client
		or, where the insurance intermediary or
		insurance undertaking has opted to
		compare the insurance-based investment
		product with the Union supervisory
		benchmark, when it falls outside the Union
		<u>supervisory.₁a deviation from the</u>
		benchmark
III-238	(c) justification and demonstration	e) justification and demonstration of
	of the proportionality of costs and	the proportionality of costs and charges of
	charges of the insurance-based	the insurance-based investment product.
	investment product.	

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		(c) where applicable, the reasons why the
		data for the peer-group comparison is not
		available for the financial instrument and how the value for money has been assessed.
III-239	8. EIOPA, after having consulted	8. After having consulted In consultation
	ESMA and the competent authorities,	with ESMA and relevant stakeholders and
	shall, where appropriate, develop and	in close and thorough cooperation with-and
	make publicly available common	the competent authorities throughout the
	benchmarks for insurance-based	entire development and testing process,
	investment products that present similar	EIOPA shall, where appropriate and
	levels of performance, risk, strategy,	<u>feasible</u> , <u>develop</u> <u>and make publicly</u>
	objectives, or other characteristics to	available Union supervisory benchmarks.
	help insurance undertakings and	Those benchmarks shall be developed per
	insurance intermediaries manufacturing	product cluster that contains a significant
	or distributing insurance-based	number of—insurance-based investment
	investment products to perform the	products including, where applicable,
	comparative assessment of the cost and	underlying investment assets, that present
	performance of insurance-based	similar characteristics including, where
	investment products.	relevant, similar levels of risk, guarantee,
		strategy, objectives, range of recommended
		holding periods, early terminations in

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		particular with regard to long
		recommended holding periods,
		sustainability features, premium frequency
		and biometric risk coverage. Union
		supervisory benchmarks shall only be made
		public and be applicable after a test
		demonstrating their relevance. The
		publication shall include the methodology
		and shall state the indicative nature of the
		benchmarks and their purpose as a
		supervisory tool. The purpose of those
		benchmarks shall be to provide competent
		authorities with a reference point for the
		supervision of the value-for-money of
		insurance-based investment products, by
		identifying outliers in the market.
		. EIOPA, after having consulted ESMA and
		the competent authorities, shall, where
		appropriate, develop and make publicly
		available common benchmarks for

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		insurance-based investment products that
		present similar levels of performance, risk,
		strategy, objectives, or other characteristics
		to help insurance undertakings and
		insurance intermediaries manufacturing or
		distributing insurance-based investment
		products to perform the comparative
		assessment of the cost and performance of
		insurance-based investment products.
III-239a		Competent authorities shall verify that the
		value-for-money assessment process of
		insurance companies or insurance
		intermediaries complies with the product
		governance requirements under
		paragraphs 1 to 4, 7 and 9.
III-240	The benchmarks shall display a range of	Union supervisory benchmarks shall allow
	costs and performance, in order to	to identify insurance-based investment
	facilitate the identification of insurance-	products including, where applicable,
	based investment products whose costs	underlying investment assets, that are at a
		significant distance from the average of the

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	and performance depart significantly	cluster to the detriment of the client
	from the average.	(outliers) with respect to costs and
		performance and thereby have an increased
		risk of poor value for money.; The
		benchmarks shall display a range of costs
		and performance, in order to facilitate the
		identification of insurance-based
		investment products whose costs and
		performance depart significantly from the
		average.
III-241	The costs used for the development of	The costs used for the development of
	benchmarks shall, in addition to the	benchmarks shall, in addition to the total
	total product cost, also include all costs	product cost, also include all costs of
	of distribution, inclusive inducements.	distribution, inclusive inducements. They
	They shall allow comparison with	shall allow comparison with individual cost
	individual cost components.	components. The costs used for the
		development of Union supervisory
		benchmarks shall, in addition to the total
		product cost, also include all costs of
		distribution, including inducements. They

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		shall allow comparison with individual cost
		components.
III-242	EIOPA shall regularly update those	EIOPA shall regularly update the Union
	benchmarks.	supervisory benchmarks. EIOPA shall
		regularly update those benchmarks.
III-242a		8a. Taking into account the methodology to
		perform the value-for-money assessment
		process peer-group comparison as referred
		to in paragraph 9, EIOPA shall make
		available data for the purpose of the peer-
		group comparison. Where appropriate,
		data that is not publicily available shall be
		anonymised or aggregated. EIOPA shall
		regularly review the data.
III-242b		The data shall be sourced from disclosure
		and reporting under Union law, including
		the reporting referred to in paragraph 10.
III-242c		EIOPA shall provide access to the data on a
		non-discriminatory basis to manufacturers
		and distributors. EIOPA may charge fees to

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		manufacturers and distributors for this
		service that shall not exceed direct costs
		incurred by EIOPA for the provision of this
		service. The fee structure shall, to the
		greatest extent possible, be proportionate to
		the volumes of data provided by each user.
		EIOPA shall provide access to this data to
		the following entities, to the extent
		necessary to fulfill their respective
		responsibilities, mandates and obligations:
III-242d		(a) any Union institution, body, office or
		agency;
III-242e		(b) any competent authority designated
		by a Member State pursuant to a Union
		legislative act;
III-242f		(c) any member of the European
		Statistical System as defined in Article 4 of
		Regulation (EC) No 223/2009 of the
		European Parliament and of the Council;

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III-242g		(d) any governmental institution, body
		or agency of a Member State;
III-242h		(e) any educational and training
		establishment for the sole purpose of
		research, academia, news organisations and
		non-governmental organisations insofar as
		access to the information is necessary in the
		performance of their tasks.
III-242i		The entities referred to in point (b) shall
		have unrestricted access to the data on a
		non-anonymous and non-aggregated basis,
		to the extent necessary to fulfull their
		mandates. EIOPA shall provide access to
		the data to the entities referred to in points
		(a) to (d) free of charge.
III-242j		After having consulted ESMA, the
		competent authorities and relevant
		stakeholders, EIOPA shall develop draft
		regulatory technical standards to specify
		the data that is to be made available, how it

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		is to be made available, the modalities of
		access and the fee structure.
III-242k		EIOPA shall submit those draft regulatory
		technical standards to the Commission by [
		OJ: insert date of entry into force of the
		amending Directive + 24 months].
III-2421		Power is conferred on the Commission to
		adopt those regulatory technical standards
		in accordance with Article 10 of Regulation
		(EU) No 1094/2010.
III-242m		EIOPA shall publish and make easily
		accessible on its website the fee structure
		and the rates. EIOPA shall review the fee
		structure and the rates on an annual basis.
III-242n		8b. In Member States where competent
		authorities have developed national
		benchmarks on costs and performance to
		detect outliers before 1 July 2024 competent
		authorities may decide to continue to use
		these national benchmarks in relation to

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		insurance-based investment products,
		including, where applicable, underlying
		options, that refer to specificities of
		products only distributed in their Member
		State provided that:
III-242o		(a) the methodology for the national
		benchmark is comparable with the
		methodology for the Union supervisory
		benchmark and any differences between the
		methodology for the national benchmark
		and the methodology for the Union
		supervisory benchmark are limited to
		differences that are needed to appropriately
		take into account national specificities
		specifically related to the insurance-based
		investment products with a view to
		protecting clients;
III-242p		(b) the competent authorities
		substantiate to EIOPA which are those
		national specificities, why the national

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		benchmarks are needed for the protection
		of clients and why the Union supervisory benchmarks are not appropriate;
III-242q		(c) the differences in methodologies do not
		increase over time, except when needed to take into account national specificities with
		a view to protecting clients; and
III-242r		(d) the competent authorities shall assess
		periodically whether the methodological
		differences are still needed to protect clients
		due to national specificities and shall report
		to EIOPA;; and
III-242ra		(e) the national benchmark is made public.
III-242s		8ba. Member States whose competent
		<u>authorities continue to use national</u>
		benchmarks shall notify the Commission
		and EIOPA of it within six months of the
		publication of the relevant Union

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		supervisory benchmark and its
		methodology.
III-242t		By [date of application of this amending
		Directive referred to in Article 6(2)],
		EIOPA, after having consulted ESMA,
		competent authorities and other
		stakeholders, may issue guidelines on the
		methodology to be used for such
		benchmarks.
III-242u		8c. By [OJ: insert date of application of this
		amending Directive referred to in Article
		6(2) + 5 years], the competent authorities
		shall report to EIOPA on:
III-242v		(a) the impact and the added value of the
		peer-group comparison on the value for
		money of insurance-based investment
		products;
III-242w		(b) the impact and the added value of Union
		supervisory benchmarks and benchmarks
		as referred to in paragraph 8b on the

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		supervision of the value-for-money assessment process;
III-242x		(c) the application of Union supervisory benchmarks in the value-for-money assessment process of insurance undertakings and insurance intermediaries; and
III-242y		(d) whether and how any national specific issues have been or should be taken into account in order for all clients within the Union to be fairly and sufficiently protected, including concrete proposals how this should be done.
III-242z		By [OJ: insert date of application of this amending Directive referred to in Article 6(2) + 6 years], EIOPA shall submit to the Commission a report analysing:
III-242za		(a) the impact and the added value of the peer-group comparison and of the Union supervisory benchmarks on the value for

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		money of insurance-based investment
		products and on the supervision of the
		<u>value-for-money</u> assessment process,
		including the need to revise the framework;
III-242zb		(b) the application of Union supervisory
		benchmarks in the value-for-money
		assessment process of insurance-based
		insurance products;
III-242zc		(c) whether and how any national specific
		issues have been or should be taken into
		account in order for all clients within the
		Union to be fairly and sufficiently
		protected; and
III-242zd		(d) whether and how to modify the
		approach to the data that is made available
		in accordance with paragraph 8a.
III-242ze		When drafting the report, EIOPA shall
		coordinate with ESMA.

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III-242zf		By [OJ insert date of application of this
		amending Directive referred to in Article
		6(2) + 7 years], the Commission shall submit
		a report to the Council and the European
		Parliament presenting the conclusions of
		the review. If appropriate, the report shall
		be accompanied by legislative proposals.
III-243	9. The Commission shall be	9. The Commission shall be empowered
	empowered to supplement this Directive	to supplement this Directive by adopting
	by adopting delegated acts in	delegated acts in accordance with Article 38 to
	accordance with Article 38 to further	further specify the principles set out in this
	specify the principles set out in this	Article, including, with regard to insurance-
	Article, including, with regard to	based investment products, the methodology
	insurance-based investment products,	to be used by insurance undertakings and
		insurance intermediaries to perform the
		peer-group comparison.
III-244	(a) the methodology to be used by	(a) the methodology to be used by insurance
	EIOPA to develop the benchmarks	undertakings and insurance intermediaries
	referred to in paragraph 8;	to perform the value-for-money assessment
		process, including the peer-group

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		comparison. EIOPA to develop the
		benchmarks referred to in paragraph8;
III-245	(b) the criteria to determine whether	(b) the criteria to determine whether
	costs and charges are justified and	costs and charges are justified and
	proportionate;	proportionate;
III-246	Those delegated acts shall take into	Those delegated acts shall take into account in
	account in a proportionate way the	a proportionate way the activities performed,
	activities performed, the nature of the	the nature of the insurance products sold and
	insurance products sold and the nature	the nature of the distributor.
	of the distributor.	
III-247	10. EIOPA, after having consulted	10. EIOPA, after having consulted ESMA and
	ESMA and the competent authorities	the competent authorities and after industry
	and after industry testing, and taking	testing, and taking into consideration the
	into consideration the methodology	methodologies referred to in paragraph 8
	referred to in paragraph 9, point (a),	and 9and taking into consideration the
	shall develop draft regulatory technical	methodology referred to in paragraph 9,
	standards to determine the following:	point (a), shall develop draft regulatory
		technical standards to determine the following
III-248	(a) content and type of data to be	(a) content and type of data to be reported
	reported to the home authorities in	to the home authorities in accordance with
	accordance with paragraph 4, based on	paragraph 4 , based on disclosure and

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	disclosure and reporting obligations,	reporting obligations, unless additional data
	unless additional data is exceptionally	is exceptionally necessary;
	necessary;	
III-249	(b) the data standards and formats,	(b) the data standards and formats,
	methods and arrangements, frequency	methods and arrangements, frequency and
	and starting date for the information to	starting date for the information to be reported
	be reported in accordance with	in accordance with paragraph 4.
	paragraph 4.	
III-250	EIOPA shall submit those draft	EIOPA shall submit those draft regulatory
	regulatory technical standards to the	technical standards to the Commission by [
	Commission by [9 months after the	OJ: insert date of entry into force of the
	adoption of the delegated act referred to	amending Directive + 24 months 9 months
	in paragraph 2].	after the adoption of the delegated act
		referred to in paragraph 2].
III-250a		When developing the draft regulatory
		technical standards, EIOPA shall only
		include specific data when it is not yet
		included in a sufficiently detailed and
		standardized form in the key information
		document in accordance with Regulation
		(EU) No 1286/2014 or in reporting

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		obligations towards competent authorities
		on the basis of Union law, and when it is
		demonstrated that the specific data is
		necessary for the development of
		meaningful benchmarks or peer-group
		comparisons, and that the additional
		burden on insurance undertakings or
		<u>insurance</u> <u>intermediaries</u> <u>is</u> <u>not</u>
		disproportionate to the added value for
		<u>customers.</u>
III-250b		EIOPA shall ensure that the reporting
		standards and formats, methods and
		arrangements and frequency remain
		proportionate and are aggregated to the
		extent feasible.
III-251	Power is delegated to the Commission	Power is delegated to the Commission to adopt
	to adopt the regulatory technical	the regulatory technical standards referred to in
	standards referred to in the first	the first subparagraph in accordance with
	subparagraph in accordance with	Articles 10 to 14 of Regulation (EU) No
	Articles 10 to 14 of Regulation (EU) No	1094/2010.
	1094/2010.	

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III-252	11. The policies, processes and	11. The policies, processes and
	arrangements referred to in this Article	arrangements referred to in this Article shall be
	shall be without prejudice to all other	without prejudice to all other requirements
	requirements under this Directive	under this Directive including those relating to
	including those relating to disclosure,	disclosure, suitability or appropriateness,
	suitability or appropriateness,	identification and management of conflicts of
	identification and management of	interest, and third-party payments
	conflicts of interest, and third-party	inducements.
	payments.	
III-253	12. This Article shall not apply to	12. This Article shall not apply to
	insurance products which consist of the	insurance products which consist of the
	insurance of large risks.';	insurance of large risks.';
III-254	(41) Article 26 is replaced by the	(<u>17</u> 41) Article 26 is replaced by the
	following:	following:
III-255	'Article 26	'Article 26
III-256	Scope of additional requirements	Scope of additional requirements
III-257	'This Chapter establishes requirements	'This Chapter establishes requirements
	additional to those applicable to	additional to those applicable to insurance
	insurance distribution, where the	distribution, where the insurance distribution is
	insurance distribution is carried out in	carried out in relation to the sale of insurance-
		based investment products.

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	relation to the sale of insurance-based	
	investment products.	
III-258	Insurance-based investment products	Insurance-based investment products may only
	may only be distributed by:	be distributed by:
III-259	(a) an insurance intermediary;	(a) an insurance intermediary;
III-260	(b) an insurance undertaking.';	(b) an insurance undertaking.';
III-261	(42) the following Article 26a is	(<u>18</u> 42) the following Article 26a is inserted:
	inserted:	
III-262	'Article 26a	'Article 26a
III-263	Marketing communications and	Marketing communications and practices
	practices	
III-264	1. By derogation from Article	1. By derogation from Article 17(2),
	17(2), Member States shall ensure that	Member States shall ensure that marketing
	marketing communications of	communications of insurance-based
	insurance-based investment products	investment products are clearly identifiable as
	are clearly identifiable as such and	such and clearly identify the insurance
	clearly identify the insurance	intermediary or insurance undertaking
	intermediary or insurance undertaking	responsible for their content and distribution,
	responsible for their content and	regardless of whether the communication is
	distribution, regardless of whether the	made directly or indirectly by the insurance
	communication is made directly or	intermediary or insurance undertaking.

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	indirectly by the insurance intermediary	
	or insurance undertaking.	
III-265	2. Member States shall ensure that	2. Member States shall ensure that
	marketing communications of	marketing communications of insurance-based
	insurance-based investment products	investment products are developed, designed
	are developed, designed and provided in	and provided in a manner that is fair, clear, not
	a manner that is fair, clear, not	misleading, balanced in terms of presentation
	misleading, balanced in terms of	of benefits and risks, and appropriate in terms
	presentation of benefits and risks, and	of content and distribution channels for the
	appropriate in terms of content and	target audience and where related to a specific
	distribution channels for the target	insurance-based investment product to the
	audience and where related to a specific	target market identified pursuant to Article
	insurance-based investment product to	25(1).
	the target market identified pursuant to	
	Article 25(1).	
III-266	All marketing communications of	All marketing communications of insurance-
	insurance-based investment products	based investment products shall present, in a
	shall present, in a prominent and	prominent and concise way, the essential
	concise way, the essential	characteristics of the insurance-based
	characteristics of the insurance-based	investment products to which they refer.
	investment products to which they refer.	

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III-267	The presentation of the essential	The presentation of the essential
	characteristics of marketing	characteristics of marketing communications
	communications of insurance-based	of insurance-based investment products shall
	investment products shall ensure that	ensure that retail investors customers can
	retail investors can easily understand	easily understand the key features of the
	the key features of the insurance-based	insurance-based investment product as well as
	investment product as well as the main	the main risks associated with them.
	risks associated with them.	
III-268	3. Member States shall ensure that	3. Member States shall ensure that marketing
	marketing practices are developed and	practices are developed and used in a manner
	used in a manner that is fair and not	that is fair, clear and not misleading, and shall
	misleading, and shall be appropriate for	be appropriate for the target audience based on
	the target audience.	the target market assessment and the
		distribution strategy of the product in the
		context of the product oversight and
		governance requirements
III-269	4. Where a manufacturer of an	4. Where a manufacturer of an insurance-
	insurance-based investment product	based investment product prepares and
	prepares and provides a marketing	provides a marketing communication to be
	communication to be used by a	used by a distributor, the manufacturer shall be
	distributor, the manufacturer shall be	responsible for the content of such marketing

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	responsible for the content of such	communication and its update. The distributor
	marketing communication and its	shall be responsible for the use of this
	update. The distributor shall be	marketing communication and shall ensure
	responsible for the use of this marketing	that it is used for the identified target market
	communication and shall ensure that it	only and in line with the distribution strategy
	is used for the identified target market	identified for that target market.
	only and in line with the distribution	
	strategy identified for that target market.	
III-270	Where an insurance undertaking or an	Where an insurance undertaking or an
	insurance intermediary that offers or	insurance intermediary that offers or
	recommends insurance-based	recommends insurance-based investment
	investment products which it does not	products which it does not manufacture,
	manufacture, organises its own	organises its own marketing communication, it
	marketing communication, it shall be	shall be fully responsible for its appropriate
	fully responsible for its appropriate	content, update and use, in line with the
	content, update and use, in line with the	identified target market.
	identified target market.	
III-271	5. Member States shall ensure that	5. Member States shall ensure that
	insurance undertakings and insurance	insurance undertakings and insurance
	intermediaries make annual reports to	intermediaries make annual reports to their
	their management body on the use of	management body on the use of marketing

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	marketing communications and	communications and strategies aimed at
	strategies aimed at marketing practices,	marketing practices, the compliance with
	the compliance with relevant	relevant obligations on marketing
	obligations on marketing	communications and practices under this
	communications and practices under	Directive and on any signalled irregularities
	this Directive and on any signalled	and proposed solutions.
	irregularities and proposed solutions.	
III-272	6. Member States shall ensure that	6. Member States shall ensure that
	national competent authorities can take	national competent authorities can take timely
	timely and effective action in relation to	and effective action in relation to any
	any marketing communication or	marketing communication or marketing
	marketing practice that do not comply	practice that do not comply with the
	with the requirements laid down in	requirements laid down in paragraphs 1 to 3.
	paragraphs 1 to 3.	
III-273	7. Member States shall ensure that	7. Member States shall ensure that insurance
	insurance undertakings and insurance	undertakings and insurance intermediaries
	intermediaries keep records of all their	keep records of all their marketing
	marketing communications of	communications of insurance-based
	insurance-based investment products, or	investment products, or their marketing
	their marketing communications made	communications made by any third party
	by any third party remunerated or	

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	incentivised through non-monetary	remunerated or incentivised through non-
	compensation.	monetary compensation.
III-274	Such records shall be kept for a period	Such records shall be kept for a period of five
	of five years and, where requested by	years and, where requested by the competent
	the competent authority, for a period of	authority, for a period of up to seven years.
	up to seven years. Those records shall	Those records shall be retrievable by the
	be retrievable by the insurance	insurance undertaking or insurance
	undertaking or insurance distributor	distributor intermediary upon request by the
	upon request by the competent	competent authority.
	authority.	
III-275	The records referred to in the first	The records referred to in the first
	subparagraph shall contain all of the	subparagraph shall contain all of the following:
	following:	
III-276	(a) the content of the marketing	(a) the content of the marketing
	communication;	communication;
III-277	(b) details about the medium used	(b) details about the medium used for the
	for the marketing communication;	marketing communication;
III-278	(c) the date and duration of the	(c) the date and duration of the marketing
	marketing communication, including	communication. including relevant starting
	relevant starting and end times;	and end times;

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III-279	(d) the targeted customer segments	(d) the targeted customer segments or
	or profiling determinants;	profiling determinants;
III-280	(e) the Member States where the	(e) the Member States where the
	marketing communication was made	marketing communication was made
	available;	available;
III-281	(f) the identity of any third party	(f) the identity of any third party involved
	involved in the dissemination of the	in the dissemination of the marketing
	marketing communication.	communication.
III-282	Records of such identity referred to in	Records of such identity referred to in point (f)
	point (f) shall contain the legal names,	shall contain the legal names, registered
	registered addresses, contact details and,	addresses, contact details and, where relevant,
	where relevant, social media handle of	social media handle of the natural or legal
	the natural or legal persons involved.	persons involved.
III-283	8. The Commission shall be	8. The Commission shall be empowered
	empowered to adopt a delegated act in	to adopt a delegated act in accordance with
	accordance with Article 38 to	Article 38 to supplement this Directive by
	supplement this Directive by specifying:	specifying:
III-284	(a) the essential characteristics of	(a) the essential characteristics of insurance-
	insurance-based investment products to	based investment products to be disclosed in
	be disclosed in all marketing	all marketing communications targeting retail
	communications targeting retail	customers or potential retail customers and

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	customers or potential retail customers	any other relevant criteria to ensure that those
	and any other relevant criteria to ensure	essential characteristics appear in a prominent
	that those essential characteristics	way and are easily accessible by an average
	appear in a prominent way and are	retail customer, regardless of the means of
	easily accessible by an average retail	communication
	customer, regardless of the means of	
	communication;	
III-285	(b) the conditions with which	(b) the conditions with which marketing
	marketing communications and	communications and marketing practices of
	marketing practices of insurance-based	insurance-based investment products should
	investment products should comply in	comply in order to be fair, clear, not
	order to be fair, clear, not misleading,	misleading, balanced in terms of the
	balanced in terms of the presentation of	presentation of the advantages and risks, and
	the advantages and risks, and	appropriate in terms of content and
	appropriate in terms of content and	distribution channels media, including
	distribution channels for the target	character- limited media and short form
	audience or, where applicable, the target	content for the target audience or, where
	market.';	applicable, the target market <u>based on the</u>
		target market assessment and the
		distribution strategy of the product in the

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		context of the product oversight and
		governance requirements.';
III-286	(43) in Article 28, paragraph 2 is	(<u>19</u> 43) in Article 28, paragraph 2 is replaced
	replaced by the following:	by the following:
III-287	'Where organisational or administrative	'2. Where organisational or administrative
	arrangements made by the insurance	arrangements made by the insurance
	intermediary or insurance undertaking	intermediary or insurance undertaking in
	in accordance with Article 27 to manage	accordance with Article 27 to manage conflicts
	conflicts of interest are not sufficient to	of interest are not sufficient to ensure, with
	ensure, with reasonable confidence, that	reasonable confidence, that risks of damage to
	risks of damage to customer interests	customer interests will be prevented, the
	will be prevented, the insurance	insurance intermediary or insurance
	intermediary or insurance undertaking	undertaking shall clearly disclose to the
	shall clearly disclose to the customer the	customer the general nature or sources of the
	general nature or sources of the	conflicts of interest, in good time before the
	conflicts of interest, in good time before	customer is bound by an insurance contract or
		offer.';

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	the customer is bound by an insurance	
	contract or offer.';	
III-288	(44) Article 29 is replaced by the	(20 44) Article 29 is replaced by the
	following:	following:
III-289	'Article 29	'Article 29
III-290	Information to customers and	Information to customers and policyholders
	policyholders	
III-291	1. Without prejudice to Article 18	1. Without prejudice to Article 18 and Article
	and Article 19(1) and (2), Member	19(1) and (2), Member States shall ensure that
	States shall ensure that insurance	insurance intermediaries and insurance
	intermediaries and insurance	undertakings distributing insurance-based
	undertakings distributing insurance-	investment products provide customers in
	based investment products provide	good time before the customers they are
	customers in good time before the	bound by an insurance contract or offer, with
	customers are bound by an insurance	appropriate information in personalised form
	contract or offer, with appropriate	about the insurance-based investment products
	information in personalised form about	proposed to those customers. That information
	the insurance-based investment	shall contain at least all of the following:
	products proposed to those customers.	
	That information shall contain all of the	
	following:	

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III-292	(a) where advice is provided;	(a) where advice is provided;
III-293	(i) whether or not the advice is provided	(i) whether or not the advice is provided on an
	on an independent basis;	independent basis;
III-294	(ii) whether the advice is based on a	(ii) whether the advice is based on a broad or
	broad or on a more restricted analysis of	on a more restricted analysis of different types
	different types of insurance-based	of insurance-based investment products and,
	investment products and, where	where applicable, underlying investment
	applicable, underlying investment	assets, and in particular, whether or not the
	assets, and in particular, whether or not	range is limited to products and assets,
	the range is limited to products and	manufactured or provided by entities having
	assets manufactured or provided by	close links with the insurance intermediary or
	entities having close links with the	insurance undertaking, or any other legal or
	insurance intermediary or insurance	economic relationships, such as contractual
	undertaking, or any other legal or	relationships, so close as to pose a risk of
	economic relationships, such as	impairing the independent basis of the advice
	contractual relationships, so close as to	provided;
	pose a risk of impairing the independent	
	basis of the advice provided;	
III-295	(iii) whether the insurance intermediary	(iii) whether the insurance intermediary or
	or insurance undertaking will provide	insurance undertaking will provide the
	the customer with a periodic assessment	customer with a periodic assessment of the

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	of the suitability of the insurance-based	suitability of the insurance-based investment
	investment product recommended to	product recommended to that customer;
	that customer;	
III-296	(iv) where the insurance intermediary or	iv) where the insurance intermediary or
	insurance undertaking provides	<u>insurance</u> <u>undertaking</u> provides
	independent advice to a retail customer,	independent advice on an independent basis
	whether the range of insurance-based	to a retail customer, whether the range of
	investment products that are	insurance-based investment products that are
	recommended is restricted or not to	recommended is restricted or not to well-
	well-diversified, non-complex (as	diversified, non-complex fas referred to in
	referred to in Article 30(3)) and cost-	Article 30(5c) and cost-efficient insurance-
	efficient insurance-based investment	based investment products only
	products only;	
III-297	(v) how the recommended insurance-	(v) how the recommended insurance-based
	based investment products take into	investment products take into account the
	account the diversification of the	diversification of the customer's portfolio;
	customer's portfolio;	
III-298	(b) a description of the main	(b) a description of the main features of the
	features of the proposed insurance-	proposed insurance-based investment product
	based investment product and, where	and, where applicable, any recommended
	applicable, any recommended	underlying investment assets and investment

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	underlying investment assets and	strategies; including appropriate guidance
	investment strategies, including	on, and warnings of, the risks associated
	appropriate guidance on, and warnings	with the insurance-based investment
	of, the risks associated with the	products and, where applicable, the
	insurance-based investment products	recommended underlying investment assets
	and, where applicable, the	or in respect of particular investment
	recommended underlying investment	strategies followed by that product;
	assets or in respect of particular	
	investment strategies followed by that	
	product;	
III-298a		(ba) appropriate guidance on the risks
		associated with the insurance-based
		investment product and, where applicable,
		the recommended underlying investment
		assets or the particular investment
		strategies followed by that product,
		including, for particularly risky insurance-
		based investment products, the risk
		warnings mentioned in paragraph 5;
III-299	(c) information on the proposed	(c) information on the proposed insurance
	insurance cover, including details of the	cover, including details of the insurance

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	insurance benefits and options and the	benefits and options and the circumstances that
	circumstances that would trigger them,	would trigger them, and, where applicable, a
	and, where applicable, a summary of the	summary of the excluded risks and exclusions,
	excluded risks and exclusions, where	where claims cannot be made;
	claims cannot be made;	
III-300	(d) information on all explicit and	(d) information on all explicit and implicit
	implicit costs, associated charges and	costs, associated charges and third-party
	third-party payments, including all costs	payments inducements, including all costs
	and charges relating to the distribution	and charges relating to the distribution of the
	of the insurance-based investment	insurance-based investment product, and the
	product, and the cost of advice, where	cost of advice, where relevant, how the
	relevant, how the customer may pay for	customer may pay for it and the duration of
	it and the duration of payments;	payments;
III-301	(e) the law applicable to the	(e) the law applicable to the <u>insurance</u>
	contract and the competent jurisdiction;	contract; where the insurance undertaking
		proposes a choice of law, the law that the
		<u>insurance undertaking proposes to choose</u> .
		and the competent jurisdiction.
III-302	(f) general information on the tax	(f) general information on the tax rules
	rules applicable to the type of insurance-	applicable to the type of insurance-based
	based investment product.	investment product.

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III-302a		(g)information on the right of cancellation
		pursuant to Article 186 of Directive
		2009/138/EC, in particular details on the
		time-limitations and conditions for the
		exercise of that right.
III-303	The information referred to in the first	The information referred to in the first
	subparagraph, point (d), shall be	subparagraph, point (d), shall be accompanied
	accompanied by an appropriate	by an appropriate explanation, in a
	explanation, in a standardised and	standardised and comprehensible language for
	comprehensible language for an average	an average retail customer, on the impact of
	retail customer, on the impact of the	the costs, charges and any third-party
	costs, charges and any third-party	payments inducements on the expected
	payments on the expected return.	return <u>s</u> .
III-304	Member States shall ensure that	Member States shall ensure that insurance
	insurance intermediaries and insurance	intermediaries and insurance undertakings
	undertakings present the information on	present the information on all costs, charges
	all costs, charges and third-party	and third-party payments inducements
	payments referred to in the first	referred to in the first subparagraph, point (d)
	subparagraph, point (d) in aggregated	in aggregated form to enable the customer to
	form to enable the customer to	understand the overall cost and the cumulative
	understand the overall cost and the	effect on the return of the investment. The

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	cumulative effect on the return of the	overall cost shall be expressed in monetary
	investment. The overall cost shall be	terms and percentages calculated over the term
	expressed in monetary terms and	of the insurance based investment product.
	percentages calculated over the term of	Where the customer so requests, insurance
	the insurance-based investment product.	intermediaries and insurance undertakings
	Where the customer so requests,	shall provide an itemised breakdown of that
	insurance intermediaries and insurance	information.
	undertakings shall provide an itemised	
	breakdown of that information.	
III-304a		Insurance undertakings and insurance
		intermediaries shall inform their customers
		that they have the option of receiving an
		itemised breakdown of the cost data.
III-305	The third-party payments paid or	By way of derogation from the third
	received by the insurance intermediary	subparagraph, the third-party payments
	or insurance undertaking in connection	inducements paid or received accepted and
	with the provision or distribution of the	retained by the insurance intermediary or
	insurance-based investment product	insurance undertaking in <u>relation</u> to
	shall be itemised separately. The	connection with the provision or distribution
	insurance intermediary or insurance	of the insurance-based investment product
	undertaking shall disclose the	shall be itemised separately. The insurance

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	cumulative impact of such third-party	intermediary or insurance undertaking shall
	payments, including any recurring third-	disclose the cumulative impact of such third-
	party payments, on the net return over	party payments inducements, including any
	the term of the insurance-based	recurring third-party payments inducements
	investment product. The purpose of the	on the net return over the term of the insurance-
	third-party payments and their impact	based investment product. The purpose of the
	on the net return shall be explained in a	third-party payments inducements and their
	standardised way and in a	impact on the net return shall be explained in a
	comprehensible language for an average	standardised way and in a comprehensible
	retail customer.	language for an average retail customer.
III-305a		Where the amount of any costs, charges or
		inducements cannot be ascertained at the
		pre-contractual stage, the method of
		calculating the amount shall be clearly
		disclosed to the customer in a manner that
		is transparent, comprehensible, accurate
		and understandable for an average
		<u>customer.</u>
III-305b		When paying or accepting and retaining
		inducements in relation to the provision or
		distribution of insurance-based investment

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		products, the insurance intermediary or
		insurance undertaking shall explicitly
		inform the customer on the existence of such
		inducements.
III-306	2. Member States shall ensure that	2. Member States shall ensure that
	manufacturers of insurance-based	manufacturers insurance undertakings or,
	investment products draw up a concise	where applicable, insurance intermediaries
	personalised document containing key	manufacturing insurance-based investment
	information to be provided annually to	products, of insurance-based investment
	each retail customer holding the product	products draw up a concise personalised
	('annual statement').	document containing key information to be
		provided annually to each retail customer
		policyholder holding the product an
		insurance-based investment product
		('annual statement').
III-307	The exact date to which the information	The exact date to which the information in the
	in the annual statement refers shall be	annual statement refers shall be stated
	stated prominently.	prominently.
III-308	The information in the annual statement	The information in the annual statement shall
	shall be accurate and up to date.	be accurate and up to date. The annual

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		statement shall be provided to the
		policyholder as soon as possible and no later
		than [4] months after the end of the
		reporting period.
III-309	Manufacturers shall make the annual	Manufacturers shall provide make the
	statement available to each retail	annual statement available to each retail
	policyholder free of charge through	policyholder free of charge through
	electronic format. A paper copy shall be	electronic format. A paper copy shall be
	provided upon request in addition to any	provided upon request free of charge in
	information available through electronic	addition to any information available
	means.	through electronic means.
III-310	The annual statement does not need to	By way of derogation from Article 23 (1), (2)
	be provided where the manufacturer	and (3), the annual statement does not need to
	provides its retail policyholders with	be provided where the manufacturer the
	access to an online system, which	insurance undertaking or, where
	qualifies as a durable medium, where	applicable, insurance intermediary
	up-to-date statements with the relevant	manufacturing insurance-based investment
	information set out in paragraph 3 can	products , provides its retail policyholders
	be easily accessed and the manufacturer	with access to an online system, which
	has evidence that the retail policyholder	qualifies as a <u>n</u> durable medium electronic

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	has accessed those statements at least	<u>format</u> , where up-to-date statements with the
	once during the previous 12 months.	relevant information set out in paragraph 3 can
		be easily accessed and the manufacturer
		insurance undertaking or, where
		applicable, insurance intermediary
		manufacturing insurance-based investment
		products. has evidence that the retail
		policyholder has accessed those statements at
		least once during the previous 12 months.
III-311	3. The annual statement shall	3. The annual statement shall include, at
	include, at least, the following key	least, the following key information:
	information:	
III-312	(a) the total costs associated charges	(a) the total costs, associated charges and
	and third-party payments, expressed in	third-party payments inducements,
	an itemised way in monetary terms and	expressed in an itemised way in monetary
	percentages, paid or borne, directly or	terms and percentages, paid or borne, directly
	indirectly, by the retail policyholder	or indirectly, by the retail policyholder over
	over the previous 12 months and on a	the previous 12 months and on a <u>cumulative</u>
	compounded basis since the start of the	<u>eompounded</u> basis since the start of the
	contract term in connection with the	contract term in relation to connection with
	insurance-based investment product;	the insurance-based investment product: The

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		information on inducements paid or
		accepted and retained by the insurance
		intermediary or insurance undertaking in
		relation to the provision or distribution of
		the insurance-based investment product
		shall also disclose the cumulative impact of
		such inducements, including any recurring
		inducements, on the net return since the
		start of the contract term in relation to the
		insurance-based investment product;
III-313	(b) the annual performance of each	(b) the annual performance of, where
	of the underlying investment assets of	applicable, each of the underlying investment
	the insurance-based investment product	assets of the insurance-based investment
	and the annual global performance of	product held by the policyholder and the
	the portfolio, each compared with past	annual global performance of the
	performance over previous years:	policyholder's portfolio, each compared with
		past performance, where applicable, over of
		previous years' investment assets;
III-314	(c) the total taxes including stamp	(c) the total taxes including stamp duty,
	duty, transactions tax, withholding tax	transactions tax, withholding tax and any other
	and any other taxes where levied by the	taxes where levied by the insurance

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	insurance undertaking, with a split per	undertaking, with a split per tax, borne by the
	tax, borne by the retail customer in	retail customer policyholder in connection
	connection with the insurance-based	with relation to the insurance-based
	investment product;	investment product;
III-315	(d) where applicable, the market or	(d) where applicable, the market or estimated
	estimated value when the market value	value when the market value is not available of
	is not available of the underlying	each of the underlying investment assets of the
	investment assets of the insurance-based	insurance-based investment product held
	investment product;	by the policyholder;
III-316	(e) payments made by the retail	(e) payments made by the retail policyholder
	policyholder with regard to the	with regard to the insurance-based investment
	insurance-based investment product	product including investments, deposits,
	including investments, deposits,	contributions, premiums and fees, over the
	contributions, premiums and fees, over	previous 12 months, after deducting any
	the previous 12 months, deducting any	withdrawals made. <u>The insurance</u>
	withdrawals made;	undertaking shall inform the policyholder
		that fees charged directly by insurance
		intermediaries to the policyholder are not
		included in this annual statement;

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III-317	(f) adjusted individual projections	(f) adjusted individual projections of the
	of the expected outcome at the end of the	expected outcome at the end of the contractual
	contractual or recommended holding	or recommended holding period, based on the
	period, based on the current value of the	current value of the investment and its
	investment and its performance	performance development so far and linked to
	development so far and linked to the pre-	the pre-contractual performance scenarios in
	contractual performance scenarios in the	the key information document provided for in
	key information document provided for	Regulation No 1286/2014, and a disclaimer
	in Regulation No 1286/2014, and a	that those projections may differ from the
	disclaimer that those projections may	actual final value of the investment;
	differ from the actual final value of the	
	investment;	
III-318	(g) information on the conditions	(g) information on the conditions and
	and financial consequences of an early	financial consequences of an early termination
	termination of the investment or	of the investment or switching of providers,
	switching of providers, including the	including the surrender value and conditions
	surrender value and conditions for	for surrendering the insurance policy;
	surrendering the insurance policy;	
III-319	(h) a short summary on the insurance	(h) a short summary on the insurance
	cover, in particular the insurance	cover, in particular the insurance benefits and
	benefits and any options and information	any options and information on what happens

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	on what happens when the insured	when the insured person dies or another
	person dies or another insured event	insured event occurs;
777 220	occurs;	
III-320	(i) in the case of insurance-based	(i) in the case of insurance-based
	investment products for which the policy	investment products for which the policy terms
	terms and conditions provide for	and conditions provide for periodic premium
	periodic premium reviews, the projected	reviews, the projected premiums required to
	premiums required to maintain existing	maintain existing protection benefits until the
	protection benefits until the ages of 55,	ages of 55, 65, 75 and 85.
	65, 75 and 85.	
III-320a		(j) the nature of the insurance distribution
		activities undertaken by the insurance
		undertaking for the policyholder during the
		reporting period;
III-320b		(k) if costs for insurance distribution
		activities of an insurance intermediary are
		included in the annual report: the nature of
		the insurance distribution activities
		undertaken by the insurance intermediary
		for the policyholder during the reporting
		period.

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III-321	4. The information described in paragraph 1 and the annual statement referred to in paragraphs 2 and 3 shall be provided to retail customers and policyholders by using a Union standardised terminology and format.	4. The information described in paragraph 1 and the annual statement referred to in paragraphs 2 and 3 shall be provided to retail customers and policyholders by using a Union standardised terminology and format.
III-322	EIOPA shall, after having consulted ESMA and after conducting consumer testing and industry testing, develop draft regulatory technical standards to specify:	EIOPA shall, after having consulted ESMA and after conducting consumer testing and industry testing, develop draft regulatory technical standards to specify:
III-323	(a) the relevant format for the provision of the information listed in paragraphs 1 and 3, including the form and the length of the document, and the content of each of the elements of information;	(a) the relevant format for the provision of the information listed in paragraphs 1 and 3, including the form and the length of the document, and the content of each of the elements of information;
III-324	(b) the Union standardised terminology and related explanations to be used for the provision of the	(b) the Union standardised terminology ₂ calculation method and related explanations to be used for the provision of the information

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	information listed in paragraphs 1 and	listed in paragraphs 1 and 3, including
	3. The explanations shall ensure that	<u>information</u> on <u>implicit</u> costs. The
	they are likely to be understood by any	explanations shall ensure that they are likely to
	retail customer without specific	be understood by any retail customer without
	knowledge on insurance-based	specific knowledge on insurance-based
	investment products;	investment products
III-325	EIOPA shall submit those draft	EIOPA shall submit those draft regulatory
	regulatory technical standards to the	technical standards to the Commission by [OJ:
	Commission by [OJ: insert date 18	insert date 18 months after the date of entry
	months after the date of entry into	into force].
	force].	
III-326	Power is conferred on the Commission	Power is <u>delegated to</u> conferred on the
	to supplement this Directive by	Commission to supplement this Directive by
	adopting the regulatory technical	adopting the regulatory technical standards
	standards referred to in the third	referred to in the third subparagraph in
	subparagraph in accordance with Article	accordance with Article 10 of Regulation (EU)
	10 of Regulation (EU) No 1094/2010.	No 1094/2010.
III-327	5. Member States shall ensure that	5. Member States shall ensure that insurance
	insurance intermediaries and insurance	intermediaries and insurance undertakings
	undertakings distributing insurance-	distributing insurance-based investment
	based investment products display	products display appropriate warnings in

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	appropriate warnings in information	information materials, including marketing
	material, including marketing	communications, <u>concerning particularly</u>
	communications, provided to retail	risky insurance-based investment products
	customers to alert them on the specific	provided to retail-customers to alert them on
	risks of potential losses carried by	<u>highlight</u> the specific risks of potential losses
	particularly risky insurance-based	earried by associated with such particularly
	investment products and, where	risky insurance-based investment products
	applicable, underlying investment	and, where applicable underlying investment
	assets.	assets.
III-328	EIOPA shall, by [18 months after the	EIOPA shall, by [18 months after the entry
	entry into force of the amending	into force of the amending Directive],
	Directive], develop, and update	develop, and update periodically, guidelines
	periodically, guidelines on the concept	on the concept of particularly risky
	of particularly risky insurance-based	insurance-based investment products,
	investment products, taking due account	taking due account of the specificities of the
	of the specificities of the different types	different types of insurance-based
	of insurance-based investment products.	investment products.
III-329	EIOPA shall develop regulatory	EIOPA shall develop regulatory technical
	technical standards to further specify	standards to further specify the format and

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	the format and content of such risk	content of such risk warnings, taking due
	warnings, taking due account of the	account of the specificities of the different
	specificities of the different types of	types of insurance-based investment products
	insurance-based investment products	and types of communications.
	and types of communications.	EIOPA shall develop regulatory technical
		standards to further specify the concept of
		particularly risky insurance-based
		investment products and, after conducting
		consumer testing, the format and content of
		such the risk warnings mentioned in the
		previous subparagraph, taking due account
		of the specificities of the different types of
		insurance-based investment products.
III-329a		The specificities of the insurance-based
		investment products or, where applicable,
		the underlying investment assets may, in
		particular, relate to-specific market risks,
		<u>credit risks and or liquidity risks.</u>

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		The format and content of the risk
		warnings shall take into account the
		different types of communication media.
III-330	EIOPA shall submit those regulatory	EIOPA shall submit those regulatory technical
	technical standards to the Commission	standards to the Commission by [OJ: insert
	by [OJ: insert date 18 months after the	date 18 months after the date of entry into
	date of entry into force].	force].
III-331	Power is delegated to the Commission	Power is delegated to the Commission to adopt
	to adopt the regulatory technical	those regulatory technical standards referred
	standards referred to in the third	to in the third subparagraph in accordance
	subparagraph in accordance with Article	with Article 10 of Regulation (EU) No
	10 of Regulation (EU) No 1094/2010.	1094/2010.
III-332	EIOPA shall monitor the consistent	EIOPA shall monitor the consistent
	application of risk warnings throughout	application of risk warnings throughout the
	the Union. In case of concerns	Union. In case of concerns regarding the
	regarding the use, or absence of use or	use, or the absence of use or the supervision
	supervision of the use of such risk	of the use of such risk warnings in one or
	warnings in Member States, that may	more Member States, that may have a
	have a material impact on the investor	material impact on the investor protection,
	protection, EIOPA, after having	EIOPA, after having consulted the
	consulted the competent authorities	competent authorities concerned, may

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	concerned, may impose the use of risk	impose the use of risk warnings by
	warnings by insurance intermediaries	insurance intermediaries and insurance
	and insurance undertakings distributing	undertakings distributing insurance-based
	insurance-based investment products.';	investment products; shall issue a
		recommendation addressed to all
		competent authorities, to impose on
		insurance intermediaries and
		insurance undertakings distributing
		insurance-based investment products, the
		use of risk warnings <u>issue</u> a
		recommendation addressed to the relevant
		competent authorities, to impose on
		insurance intermediaries and insurance
		undertakings the use of risk warnings for
		specific insurance-based investment
		<u>products.';</u> Where the use or absence of use,
		or supervision of the use, of such
		risk warnings is inconsistent across the
		EU, EIOPA may issue a recommendation
		in accordance with Article 16 of
		Regulation (EU) No 1094/2010 addressed to

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		some or all national competent authorities
		concerning the use of risk warnings.
		Where the use or absence of use, or
		supervision of the use, of such
		risk warnings is inconsistent across the
		EU, EIOPA may issue a recommendation
		in accordance with Article 16 of
		Regulation (EU) No 1094/2010 addressed
		to some or all national competent
		authorities concerning the use of risk
		warnings.
		EIOPA may also issue risk warnings in the
		event that a specific insurance-based
		investment product poses a serious threat to
		customer protection, in accordance with
		Article 9(3) of Regulation (EU) No
		1094/2010.
III-333	(45) the following Articles 29a and	(21 45) the following Articles 29a and 29b are
	29b are inserted:	inserted:
III-334	'Article 29a	'Article 29a

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III-335	Inducements	Inducements
III-336	1. Member States shall ensure that	1. Member States shall ensure that
	insurance intermediaries or insurance	insurance intermediaries or insurance
	undertakings that manufacture	undertakings that manufacture insurance-
	insurance-based investment products or	based investment products or distribute
	distribute such products in accordance	such products in accordance with Article
	with Article 30(2) and (3) do not pay or	30(2) and (3) do not pay or receive any fee
	receive any fee or commission, or	or commission, or provide or are provided
	provide or are provided with any non-	with any non-monetary benefit with regard
	monetary benefit with regard to the	to the provision or distribution of an
	provision or distribution of an insurance	insurance based investment product, to or
	based investment product, to or by any	by any party except the customer or a
	party except the customer or a person	person on behalf of the customer.
	on behalf of the customer.	Member States shall ensure that insurance
		intermediaries and insurance undertakings
		paying or receiving inducements comply
		with the following overarching principles:
		(a) Inducements do not provide an incentive
		to the insurance intermediary or insurance
		undertakings to offer or recommend a

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		particular insurance-based investment
		product or service to the customer;
		(b) The level of inducements paid or
		accepted and retained is proportional to the
		value of the insurance-based investment
		product and the level of service provided to
		the relevant customer;
		(c) Inducements paid to or accepted and
		retained by entities belonging to the same
		group are treated in the same way as
		inducements paid to or accepted and
		retained from other entities.
		(d) Inducements accepted and retained do
		not directly benefit the insurance
		intermediary or insurance undertaking,
		and where relevant, its shareholders or
		employees without tangible benefit to the
		customer.
		Insurance intermediaries and insurance
		undertakings shall explain in their

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		inducements policy or procedures how they
		comply with the overarching principles.
III-337	2. Member States shall ensure that	2 <u>a</u> . Member States shall ensure that insurance
	insurance intermediaries or insurance	intermediaries or insurance undertakings,
	undertakings, when distributing	when distributing insurance-based investment
	insurance-based investment products in	products in accordance with Article 30(1),
	accordance with Article 30(1), only	shall only receive or pay or accept and
	receive or pay fees or benefits from or	retain inducements fees or benefits from or
	to a third-party on the condition that	to a third-party on the condition that those
	those insurance intermediaries or	insurance intermediaries or insurance
	insurance undertakings ensure that the	undertakings ensure that the reception or
	reception or payment of such fees or	payment of such fees or benefits
	benefits does not impair compliance	inducements does not impair compliance with
	with their duty to act honestly, fairly	their duty to act honestly, fairly and
	and professionally in accordance with	professionally in accordance with the best
	the best interests of their customers.	interests of their customers.
	Insurance intermediaries and insurance	
	undertakings shall disclose the	
	existence, nature and amount of such	
	third-party payments in accordance with	
	Article 29.	

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III-337a		Insurance intermediaries and insurance
		undertakings shall be considered not to
		comply with their duty to act honestly,
		fairly and professionally in accordance with
		the best interest of their-customers if their
		inducements or inducement schemes do not
		meet at least the following criteria, where
		applicable:
III-337b		(a) the inducement takes into account
		qualitative criteria, such as compliance with
		applicable regulations and the quality of
		services provided to customers;
III-337d		(b) the insurance intermediary or insurance
		undertaking can demonstrate that—the
		inducement was taken into account in the
		<u>context</u> of the product governance
		requirements when assessing the cost
		structure of the insurance product;
III-337e		(c) an appropriate mechanism exists for
		reclaiming the inducement in nominal value

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		in case the product lapses or is surrendered
		at an early stage, unless such lapsing or
		surrendering is part of the normal
		<u>functioning</u> of the insurance-based
		investment product, or in case the interests
		of the customers have been harmed as a
		result of non-compliance of the insurance
		intermediary or insurance undertaking
		with investor protection requirements set
		<u>forth in this Directive;</u>
III-337f		(d) the inducement does not contain any
		form of variable or contingent threshold or
		any other kind of value accelerator which is
		unlocked by attaining a target based on
		volume or value of sales;
III-337g		(e) the inducement is based on a clear,
		comprehensible and transparent
		calculation method;
III-337h		(f) the inducement can be identified
		separately from other fees, commissions or

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		non-monetary benefits (such as fees relating
		to services for other customers) and
		payments or benefits which are necessary
		for the provision of services;
III-337i		Insurance intermediaries and insurance
		undertakings shall fulfil the requirements
		set out above on an ongoing basis as long as
		they continue to pay or accept and retain the
		inducement.
III-337j		Insurance intermediaries and insurance
		undertakings shall keep an internal list of
		all inducements paid or accepted and
		retained in relation to the provision of
		manufacturing and/or distribution of IBIPs,
		and keep records of the inducements test
		performed in accordance with paragraph 2
		and the results of those tests for each
		inducement or inducement scheme.
III-338a		2 <u>b.</u> Insurance intermediaries and insurance
		undertakings shall disclose the existence,
		nature and amount of such third-party

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		payments inducements separately from
		other costs and charges in accordance with
		Article 29 <u>(1)</u> .
III-338b	The prohibition contained in the first	2c. The prohibition contained in the first
	sub-paragraph shall not apply to minor	sub-paragraph The overarching principles
	non-monetary benefits of a total value	and the inducements test shall not apply to
	below EUR 100 per annum or of a scale	minor non-monetary benefits of a total value
	and nature such that those benefits do	below EUR 100 per annum per third party or
	not impair compliance with the	of a scale and nature such that those benefits
	insurance intermediary's or insurance	do not impair compliance with the insurance
	undertaking's duty to act in the best	intermediary's or insurance undertaking's duty
	interests of their customer provided	to act in the best interests of their customer
	those benefits have been clearly	provided those benefits have been clearly
	disclosed to the customer.	disclosed to the customer.
III-338c	Any payment or benefit which enables	<u>2d.</u> Any payment or benefit which enables or
	or is necessary for the provision of	is necessary for the provision of services,
	services, including regulatory levies or	including regulatory levies or legal fees, and
	legal fees, and which by its nature	which by its nature cannot give rise to conflicts
	cannot give rise to conflicts with the	with the insurance intermediary's or insurance
	insurance intermediary's or insurance	undertaking's duty to act honestly, fairly and
	undertaking's duty to act honestly,	professionally in accordance with the best

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	fairly and professionally in accordance	interests of their customers, shall not be
	with the best interests of their	subject to the requirements set out in the first
	customers, shall not be subject to the	subparagraph of the overarching principles
	requirements set out in the first	and the inducements test.
	subparagraph.	
III-338d		2e. Member States shall ensure that
		insurance intermediaries and insurance
		undertakings that distribute insurance-
		based investment products in accordance
		with Articles 30(2) and 30(3) through digital
		means without advice, using a filtering tool
		to make it possible for customers to select
		such products on the basis of various
		criteria, include an option that allows their
		customers to easily identify insurance-
		based investment products for which the
		insurance intermediaries or insurance
		undertakings do not pay or receive
		inducements. If the insurance intermediary
		or insurance undertaking do not offer such
		products to customers, they shall

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		prominently state this in the filtering tool.
III-339	3. Member States shall ensure that	3. Member States shall ensure that
	insurance intermediaries and insurance	insurance intermediaries and insurance
	undertakings shall, where applicable,	undertakings shall, where applicable, inform
	inform the customer on mechanisms for	the customer on mechanisms for transferring to
	transferring to the customer any fee,	the customer any <u>inducement</u> fee,
	commission, monetary or non-monetary	commission, monetary or non-monetary
	benefit received in relation to the	benefit received in relation to the distribution
	distribution of the insurance-based	of the insurance-based product.
	product.	
III-340	4. Member States may impose	4. Member States may impose stricter
	stricter requirements on insurance	requirements on insurance intermediaries and
	intermediaries and insurance	insurance undertakings in respect of the
	undertakings in respect of the matters	matters covered by this Article. In particular,
	covered by this Article. In particular,	Member States may additionally prohibit or
	Member States may additionally	further restrict the offer or acceptance of fees,
	prohibit or further restrict the offer or	commissions or non-monetary benefits
	acceptance of fees, commissions or non-	from third parties inducements in relation to
	monetary benefits from third parties in	the provision of insurance advice
	relation to the provision of insurance	distribution of insurance-based investment
	advice.	products.

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III-341	Stricter requirements may include	Stricter requirements may include requiring
	requiring any such fees, commissions or	any <u>inducements</u> such fees, commissions or
	non-monetary benefits to be returned to	non-monetary benefits to be returned to the
	the customers or offset against fees paid	customers or offset against fees paid by the
	by the customer.	customer.
III-342	The stricter requirements of a Member	The stricter requirements of a Member State
	State referred to in this paragraph shall	referred to in this paragraph shall be complied
	be complied with by all insurance	with by all insurance intermediaries or
	intermediaries or insurance	insurance undertakings, including those
	undertakings, including those operating	operating under the freedom to provide
	under the freedom to provide services or	services or the freedom of establishment, when
	the freedom of establishment, when	concluding insurance contracts with customers
	concluding insurance contracts with	having their habitual residence or
	customers having their habitual	establishment in that Member State.
	residence or establishment in that	
	Member State.	
III-343	5. The Commission shall be	5. The Commission shall be empowered
	empowered to supplement this Directive	to supplement this Directive by adopting
	by adopting delegated acts in	delegated acts in accordance with Article 38 to
	accordance with Article 38 to further	further specify:
	specify:	

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III-344	(a) how insurance intermediaries	(a) how insurance intermediaries and
	and insurance undertakings are to	insurance undertakings are to comply with the
	comply with the principles set out in	principles set out in this Article;
	this Article;	
III-345	(b) the criteria for assessing	(b) the criteria for assessing compliance of
	compliance of insurance intermediaries	insurance intermediaries and insurance
	and insurance undertakings paying or	undertakings paying or receiving inducements
	receiving inducements with the	with the obligation to act honestly, fairly and
	obligation to act honestly, fairly and	professionally in accordance with the best
	professionally in accordance with the	interests of the customer.
	best interests of the customer.	
III-346	6. Three years after the date of	6. <u>Five</u> years after the date of entry into force
	entry into force of Directive (EU) [OP	of Directive (EU) [Please introduce the
	Please introduce the number of the	number of the amending Directive] and after
	amending Directive] and after having	having consulted ESMA and EIOPA, the
	consulted ESMA and EIOPA, the	Commission shall assess the effects of third-
	Commission shall assess the effects of	party payments inducements on retail
	third-party payments on retail investors,	investors customers, in particular in view of
	in particular in view of potential	potential conflicts of interest and as regards
	conflicts of interest and as regards the	the availability of independent advice on an
	availability of independent advice, and	independent basis; and shall evaluate the

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	shall evaluate the impact of the relevant	impact of the relevant provisions of this
	provisions of Directive (EU) [OP Please	Directive (EU) [Number of the amending
	introduce the number of the amending	Directive] on retail investors customers. If
	Directive] on retail investors. If	necessary to prevent consumer detriment, the
	necessary to prevent consumer	Commission shall propose legislative
	detriment, the Commission shall	amendments to the European Parliament and
	propose legislative amendments to the	the Council.
	European Parliament and the Council.	
III-347	Article 29b	Article 29b
III-348	Best interest of customers	Best interest of customers
III-349	1. Member States shall ensure that	1. Member States shall ensure that in
	in order to act in the best interest of the	order to act in the best interest of the customer
	customer in accordance with Article	in accordance with Article 17(1), when
	17(1), when providing advice to	providing advice to customers on insurance-
	customers on insurance-based	based investment products, insurance
	investment products, insurance	undertakings and insurance intermediaries
	undertakings and insurance	comply with the following requirements are
	intermediaries are under the obligation:	under the obligation:
III-350	(a) to provide such advice on the	(a) to provide such advice on the basis of
	basis of an assessment of an appropriate	an assessment of an appropriate range of
	range of insurance-based investment	insurance-based investment products and,

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	products and, where applicable,	where applicable, underlying investment
	underlying investment assets;	assets; identified as suitable for the
		customer pursuant to Article 30(1), from
		one or more manufacturers which must be
		sufficiently diversified with regard to their
		type, characteristics and underlying
		investment assets to ensure that the
		customer's investment objectives and
		demands and needs can be met. This
		requirement can also be met by offering a
		single insurance-based investment product
		with an appropriate range of underlying
		investment assets;
III-351	(b) to recommend the most cost-	(b) to recommend the most cost-efficient
	efficient insurance-based investment	insurance-based investment product and,
	product and, where applicable,	where applicable, underlying investment
	underlying investment assets among the	assets, among the insurance-based investment
	insurance-based investment products	products identified as suitable for the customer
	identified as suitable for the customer	pursuant to Article 30(1) and offering similar
	pursuant to Article 30(1) and offering	features. The assessment of cost-efficiency
	similar features;	shall take into account the costs and

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		associated charges of those insurance-based
		investment products as well as other factors
		of the insurance-based investment product
		relevant to the customer, such as the
		performance and expected return;
III-352	(c) to recommend, among the range	(c) to recommend, among the range of
	of insurance-based investment products	insurance-based investment products
	identified as suitable for the customer	identified as suitable for the customer
	pursuant to Article 30(1), one or several	pursuant to Article 30(1), one or several
	insurance-based investment products	insurance-based investment products and,
	and, where applicable, underlying	where applicable, underlying investment
	investment assets, a product or	assets, a product or products, without
	products, without additional features	additional features that are not necessary to
	that are not necessary to the	the achievement of the customer's
	achievement of the customer's	objectives and that give rise to extra costs;
	objectives and that give rise to extra	
	costs;	
III-353	(d) to recommend an insurance-	(<u>dc</u>) to recommend an insurance-based
	based investment products which	investment products which insurance cover is
	insurance cover is consistent with the	consistent with the customer's insurance demands and needs.';

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	customer's insurance demands and	
	needs.	
III-354	2. The Commission shall be	2. The Commission shall be
	empowered to supplement this Directive	empowered to supplement this Directive by
	by adopting delegated acts in	adopting delegated acts in accordance with
	accordance with Article 38 to further	Article 38 to further specify how insurance
	specify how insurance intermediaries	intermediaries and insurance undertakings
	and insurance undertakings are to	are to comply with the principles set out in
	comply with the principles set out in	this Article.
	this Article.	
III-355	Those delegated acts shall take into	Those delegated acts shall take into account
	account the nature of the services	the nature of the services offered or
	offered or provided to the customer, the	provided to the customer, the nature of the
	nature of the products being offered or	products being offered or considered,
	considered, including different types of	including different types of insurance-based
	insurance-based investment products.';	investment products.';
III-356	(46) Article 30 is amended as	(22 46) Article 30 is amended as follows:
	follows:	
III-357	(a) the following paragraph -1 is	(a) the following paragraph -1 is inserted:
	inserted:	

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III-358	'-1. Member States shall require that	'-1. Member States shall require that insurance
	insurance intermediaries and insurance	intermediaries and insurance undertakings
	undertakings distributing insurance-	distributing insurance-based investment
	based investment products assess the	products assess the suitability or
	suitability or appropriateness of	appropriateness of insurance-based investment
	insurance-based investment products	products and, where applicable, underlying
	and, where applicable, underlying	investment assets to be recommended to or
	investment assets to be recommended to	requested demanded by customers in good
	or demanded by customers in good time	time before the customers are bound by an
	before the customers are bound by an	insurance contract or offer. Each of these
	insurance contract or offer. Each of	assessments shall be carried out on the basis of
	these assessments shall be carried out	proportionate and necessary information about
	on the basis of proportionate and	the customer as obtained by the insurance
	necessary information about the	intermediary or insurance undertaking in
	customer as obtained by the insurance	accordance with the requirements set out in
	intermediary or insurance undertaking	this Article.
	in accordance with the requirements set	
	out in this Article.	
III-359	Member States shall ensure that	Member States shall ensure that insurance
	insurance intermediaries and insurance	intermediaries and insurance undertakings
	undertakings distributing insurance-	distributing insurance-based investment

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	based investment products explain to	products explain to customers the purpose of
	customers the purpose of the suitability	the suitability or appropriateness assessment
	or appropriateness assessment before	before the information necessary for this
	any information is requested from them.	assessment any information is requested
	Member States shall ensure that	from them. Member States shall ensure that
	insurance intermediaries and insurance	insurance intermediaries and insurance
	undertakings distributing insurance-	undertakings distributing insurance-based
	based investment products warn	investment products warn customers, in a
	customers, in a standardised format, of	standardised format, of all of the following
	all of the following:	<u>consequences</u> :
III-360	(a) that the provision of inaccurate	(a) that—the provision of inaccurate or
	or incomplete information may impact	incomplete information may impact
	negatively the quality of the assessment	negatively the quality of the assessment to be
	to be made by the insurance	made by the insurance intermediary or
	intermediary or insurance undertaking	insurance undertaking:
III-361	(b) that the absence of information	(b) that the absence of the necessary
	prevents the insurance intermediaries	information, including the provision of
	and insurance undertakings distributing	incomplete information, prevents the
	insurance-based investment products	insurance intermediaries and insurance
	from determining whether the service or	undertakings distributing insurance-based
	financial instrument envisaged is	investment products from determining whether

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	suitable or appropriate for the customer	the insurance-based investment product the
	and from providing advice.	service or financial instrument envisaged is
		suitable or appropriate for the customer and
		from providing advice.
		Such warning shall be provided in a
		standardised format. Insurance
		intermediaries and insurance undertakings
		distributing insurance-based investment
		products shall keep a record of the warning
		provided to its customer.
III-361a		Member States shall ensure that insurance
		intermediaries and insurance undertakings
		<u>distributing</u> insurance-based investment
		products keep a record of the information
		collected from the customer for the purpose
		of the suitability or appropriateness
		assessment.
III-362	Member States shall ensure that	Member States shall ensure that insurance
	insurance intermediaries and insurance	intermediaries and insurance undertakings
	undertakings distributing insurance-	distributing insurance-based investment
	based investment products provide	products provide customers, upon their

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	customers, upon their request, with a	request, with a report on the information
	report on the information collected for	collected for the purpose of the suitability or
	the suitability or appropriateness	appropriateness assessment. That report shall
	assessment. That report shall be	be presented in a standardised format, as
	presented in a standardised format, as	developed by EIOPA.
	developed by EIOPA.	
III-363	EIOPA shall develop draft regulatory	EIOPA shall develop draft regulatory
	technical standards to determine the	technical standards to determine the
	explanation and warning referred to in	explanation and the warning referred to in
	the second subparagraph and the format	the second subparagraph. and the format and
	and content of the report referred to in	content of the report referred to in the third
	the third subparagraph.	subparagraph
III-364	EIOPA shall submit those draft	EIOPA shall submit those draft regulatory
	regulatory technical standards to the	technical standards to the Commission by [OJ:
	Commission by [OJ: insert date 18	insert date 18 months after the date of entry
	months after the date of entry into	into force].
	force].	
III-365	Power is delegated to the Commission	Power is delegated to the Commission to adopt
	to adopt those regulatory technical	those regulatory technical standards in
	standards in accordance with Article 10	accordance with Article 10 of Regulation (EU)
	of Regulation (EU) No 1094/2010.';	No 1094/2010.';

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III-366	(b) paragraphs 1, 2 and 3 are	(b) paragraphs 1, 2 and 3 are replaced by
	replaced by the following:	the following:
III-367	1. Without prejudice to Article 20(1),	1. Without prejudice to Article 20(1), when
	when providing advice on insurance-	providing advice on insurance-based
	based investment products, the	investment products, the insurance
	insurance intermediary or insurance	intermediary or insurance undertaking shall
	undertaking shall obtain the information	obtain the <u>necessary</u> information regarding the
	regarding the customer's knowledge	customer's knowledge and experience in the
	and experience in the investment field	investment field relevant to the specific type of
	relevant to the specific type of	insurance-based investment product or, where
	insurance-based investment product or,	applicable, underlying investment assets,
	where applicable, underlying	offered or demanded, the that customer's
	investment assets, offered or demanded,	financial situation, including, to the extent
	that customer's financial situation,	possible, the composition of any existing
	including the composition of any	portfolios, its ability to bear full or partial
	existing portfolios, its ability to bear full	losses, investment needs and objectives,
	or partial losses, investment needs and	including any sustainability preferences and
	objectives, including any sustainability	need for portfolio diversification, if any, and
	preferences, and risk tolerance, so as to	risk tolerance, so as to enable the insurance
	enable the insurance intermediary or the	intermediary or the insurance undertaking to
	insurance undertaking to recommend to	recommend to the customer the insurance-

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	the customer the insurance-based	based investment products that are suitable for
	investment products that are suitable for	that customer person and that, in particular,
	that person and that, in particular, are in	are in accordance with its risk tolerance, ability
	accordance with its risk tolerance,	to bear losses and, to the extent applicable,
	ability to bear losses and need for	need for portfolio diversification. Where the
	portfolio diversification.	<u>customer</u> is not willing to provide
		information on existing portfolios held with
		third parties, the insurance intermediary or
		insurance undertaking shall base the
		assessment of portfolio diversification on
		the information available to it.
III-367a		Member States shall ensure that insurance
		intermediary or insurance undertaking
		cannot consider a product to be suitable
		where it contains features which are not be
		necessary to the achievement—to of the
		customer's investment objectives and that
		give rise to extra costs.
III-368	When providing advice on an	When providing advice on an independent
	independent basis to retail customers	basis to retail customers restricted to well-
	restricted to well-diversified, non-	diversified, non-complex, and cost-efficient

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	complex, and cost-efficient insurance-	insurance-based investment products, the
	based investment products, the	insurance intermediary <u>or insurance</u>
	insurance intermediary or insurance	undertaking shall be under no obligation to
	undertaking shall be under no obligation	obtain information on the customer's
	to obtain information on the customer's	knowledge and experience about the
	knowledge and experience about the	considered insurance-based investment
	considered insurance-based investment	products or on the customer's portfolio
	products or on the customer's portfolio	composition.
	composition.	
III-369	When providing advice that involves	When providing advice that involves
	switching between underlying	switching between underlying investment
	investment assets, insurance	assets, insurance intermediaries and insurance
	intermediaries and insurance	undertakings shall obtain the necessary
	undertakings shall obtain the necessary	information on the customer's existing
	information on the customer's existing	underlying investment assets and the
	underlying investment assets and the	recommended new investment assets and shall
	recommended new investment assets	analyse the expected costs and benefits of the
	and shall analyse the expected costs and	switch, so that they are reasonably able to
	benefits of the switch, so that they are	demonstrate that the benefits of switching are
	reasonably able to demonstrate that the	expected to be greater than the costs.

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	benefits of switching are expected to be	
	greater than the costs.	
III-370	2. Without prejudice to Article 20(1),	2. Without prejudice to Article 20(1),
	Member States shall ensure that, where	Member States shall ensure that, where no
	no advice is given in relation to	advice is given in relation to insurance-based
	insurance-based investment products,	investment products, the insurance
	the insurance intermediary or insurance	intermediary or insurance undertaking shall
	undertaking shall ask the customer to	ask the customer to provide information
	provide information regarding that	regarding that person's knowledge and
	person's knowledge and experience in	experience in the investment field relevant to
	the investment field relevant to the	the specific type of insurance-based
	specific type of insurance-based	investment product or, where applicable,
	investment product or, where	underlying investment assets, offered or
	applicable, underlying investment	<u>requested</u> demanded and the person's
	assets, offered or demanded and the	capacity to bear full or partial losses and risk
	person's capacity to bear full or partial	tolerance so as to enable the insurance
	losses and risk tolerance so as to enable	intermediary or the insurance undertaking to
	the insurance intermediary or the	assess whether the insurance-based
	insurance undertaking to assess whether	investment product or products envisaged are
	the insurance-based investment product	appropriate for the customer.

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	or products envisaged are appropriate	
	for the customer.	
III-371	Where the insurance intermediary or	Where the insurance intermediary or insurance
	insurance undertaking considers, on the	undertaking considers, on the basis of the
	basis of the information received under	information received under the first
	the first subparagraph, that the product	subparagraph, that the product is not
	is not appropriate for the customer, the	appropriate for the customer, the insurance
	insurance intermediary or insurance	intermediary or insurance undertaking shall
	undertaking shall warn the customer.	warn the customer. That warning shall be
	That warning shall be provided in a	provided in a standardised format and shall be
	standardised format and shall be	recorded. The insurance intermediary or
	recorded.	the insurance undertaking shall keep a
		record of such warnings.
III-372	The insurance intermediary or insurance	The insurance intermediary or insurance
	undertaking shall not proceed with the	undertaking shall not proceed with the
	distribution of an insurance-based	distribution of an insurance-based investment
	investment product subject to a warning	product subject to a warning indicating that the
	indicating that the product of service is	product o <u>r</u> f service is not appropriate <u>or a</u>
	not appropriate, unless the customer	warning indicating that the insurance
	asks to proceed with it despite such	intermediary or insurance undertaking
	warning and the insurance undertaking	cannot assess the appropriateness of the

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	accepts to conclude the contract at the	product or service , unless the customer asks
	demand of the customer. Both the	to proceed with it despite such warning and the
	demand of the customer and the	insurance undertaking accepts to conclude the
	acceptance by the insurance undertaking	contract at the demand of the customer. The
	shall be recorded.	insurance intermediary and the insurance
		undertaking distributing insurance-based
		investment products shall keep a record of
		B <u>b</u> oth the demand of the customer and the
		acceptance by the insurance undertaking shall
		be recorded.
III-373	EIOPA shall develop draft regulatory	EIOPA shall develop draft regulatory
	technical standards to determine the	technical standards to determine the format
	format and content of the warning	and content of the warning referred to in the
	referred to in the second subparagraph.	second subparagraph.
III-374	EIOPA shall submit the draft regulatory	EIOPA shall submit the draft regulatory
	technical standards to the Commission	technical standards to the Commission by [OJ:
	by [OJ: insert date 18 months after the	insert date 18 months after the date of entry
	date of entry into force].	into force].
III-375	Power is conferred on the Commission	Power is conferred on the Commission to
	to adopt those regulatory technical	adopt those regulatory technical standards in

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	standards in accordance with 10 of	accordance with <u>Article</u> 10 of Regulation (EU)
	Regulation (EU) No 1094/2010.	No 1094/2010.
III-376	3. Without prejudice to Article 20(1),	3. Without prejudice to Article 20(1), where no
	where no advice is given in relation to	advice is given in relation to insurance-based
	insurance-based investment products,	investment products, Member States may
	Member States may derogate from the	derogate from the obligations referred to in
	obligations referred to in paragraph 2 of	paragraph 2 of this Article, allowing insurance
	this Article, allowing insurance	intermediaries or insurance undertakings to
	intermediaries or insurance	carry out insurance distribution activities in
	undertakings to carry out insurance	relation to insurance-based investment
	distribution activities in relation to	products within their territories without the
	insurance-based investment products	need to obtain the information or make the
	within their territories without the need	determination provided for in paragraph 2 of
	to obtain the information or make the	this Article where all of the following
	determination provided for in	conditions are met:
	paragraph 2 of this Article where all of	
	the following conditions are met:	
III-377	(a) the insurance distribution	(a) the insurance distribution activities
	activities relate to either of the	relate to either of the following:
	following:	

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III-378	(i) insurance-based investment products	(i) insurance-based investment products which
	which only provide investment	only provide investment exposure to the
	exposure to the financial instruments	financial instruments deemed non-complex
	deemed non-complex under Directive	under Directive 2014/65/EU and do not
	2014/65/EU and do not incorporate a	incorporate a structure which makes it difficult
	structure which makes it difficult for the	for the customer to understand the risks
	customer to understand the risks	involved;
	involved;	
III-379	(ii) other non-complex insurance-based	(ii) other non-complex insurance-based
	investment products for the purpose of	investment products for the purpose of this
	this paragraph;	paragraph;
III-380	(b) the insurance distribution	(b) the insurance distribution activity is
	activity is carried out at the initiative of	carried out at the initiative of the customer;
	the customer;	
III-381	(c) the customer has been clearly	(c) the customer has been clearly informed
	informed that, in the provision of the	that, in the provision of the insurance
	insurance distribution activity, the	distribution activity, the insurance
	insurance intermediary or the insurance	intermediary or the insurance undertaking is
	undertaking is not required to assess the	not required to assess the appropriateness of
	appropriateness of the insurance-based	the insurance-based investment product or
	investment product or insurance	insurance distribution activity provided or

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	distribution activity provided or offered	offered and that the customer does not benefit
	and that the customer does not benefit	from the corresponding protection of the
	from the corresponding protection of	relevant conduct of business rules. Such a
	the relevant conduct of business rules.	warning shall be provided in a standardised
	Such a warning shall be provided in a	format.
	standardised format.	
III-382	(d) the insurance intermediary or	(d) the insurance intermediary or insurance
	insurance undertaking complies with its	undertaking complies with its obligations
	obligations under Articles 27 and 28.	under Articles 27 and 28.
III-383	All insurance intermediaries or	All insurance intermediaries or insurance
	insurance undertakings, including those	undertakings, including those operating under
	operating under the freedom to provide	the freedom to provide services or the freedom
	services or the freedom of	of establishment, when distributing insurance-
	establishment, when distributing	based investment products to customers
	insurance-based investment products to	having their habitual residence or
	customers having their habitual	establishment in a Member State which does
	residence or establishment in a Member	not make use of the derogation referred to in
	State which does not make use of the	this paragraph shall comply with the applicable
	derogation referred to in this paragraph	provisions in that Member State.
	shall comply with the applicable	
	provisions in that Member State.	

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III-384	EIOPA shall develop draft regulatory	EIOPA shall develop draft regulatory technical
	technical standards to determine the	standards to determine the format and content
	format and content of warning referred	of warning referred to in the first
	to in the first subparagraph, point (c).	subparagraph, point (c).
III-385	EIOPA shall submit the draft regulatory	EIOPA shall submit the draft regulatory
	technical standards to the Commission	technical standards to the Commission by [OJ:
	by [OJ: insert date 18 months after the	insert date 18 months after the date of entry
	date of entry into force].	into force].
III-386	Power is conferred on the Commission	Power is conferred on the Commission to
	to adopt those regulatory technical	adopt those regulatory technical standards in
	standards in accordance with 10 of	accordance with 10 of Regulation (EU) No
	Regulation (EU) No 1094/201039.';	1094/201039.';
III-387	(c) paragraph 5 is replaced by the	(c) paragraph 5 is replaced by the
	following:	following:
III-388	'5. Member States shall ensure that	'5. Member States shall ensure that insurance
	insurance intermediaries or insurance	intermediaries or insurance undertakings
	undertakings provide the customer with	provide the customer policyholder with
	adequate reports on the insurance	adequate reports on the insurance distribution
	distribution activities on a durable	activities — on a durable medium. Those
	medium. Those reports shall contain	reports shall contain periodic communications
	periodic communications to customers,	to eustomers policyholders , taking into

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	taking into account the type and the	account the type and the complexity of
	complexity of insurance-based	insurance-based investment products involved
	investment products involved and the	and the nature of the service provided to
	nature of the service provided to the	insurance distribution activities undertaken
	customer and shall contain, where	<u>for</u> the <u>customer</u> <u>policyholder</u> and shall
	applicable, the costs associated with the	contain, where applicable if not already
	transactions and services undertaken on	provided for in the annual statement
	behalf of the customer.	referred to in Article 29, paragraphs 2 and
		3, the costs fees associated with the
		transactions and services those insurance
		distribution activities undertaken on behalf
		of the customer policyholder.
III-388a		Insurance intermediaries that directly
		charge fees to the policyholder shall provide
		adequate reports on the insurance
		distribution activities undertaken for the
		policyholder. Such a report shall include the
		nature of the insurance distribution
		activities undertaken by the insurance
		intermediary for the policyholder during

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		the reporting period and the fees associated
		with those insurance distribution activities.
III-389	Member States shall ensure that	Member States shall ensure that insurance
	insurance intermediaries or insurance	intermediaries or insurance undertakings,
	undertakings, when providing advice on	when providing advice on insurance-based
	insurance-based investment products,	investment products, provide the customer
	provide the customer sufficiently before	sufficiently before the conclusion of the
	the conclusion of the contract and on a	contract and on a durable medium, with a
	durable medium, with a suitability	suitability statement specifying the advice
	statement specifying the advice given	given and how that advice meets the
	and how that advice meets the	preferences, objectives and other
	preferences, objectives and other	characteristics of the customer. The provision
	characteristics of the customer. The	of such statement shall be made sufficiently in
	provision of such statement shall be	advance before the customer is bound by an
	made sufficiently in advance before the	insurance contract or offer to ensure that the
	customer is bound by an insurance	customer gets enough time to review it, and
	contract or offer to ensure that the	where necessary, obtain additional
	customer gets enough time to review it,	information or clarifications from the
	and where necessary, obtain additional	insurance intermediary or insurance
	information or clarifications from the	undertaking.

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	insurance intermediary or insurance	
	undertaking.	
III-390	Member States shall ensure that where	Member States shall ensure that where the
	the insurance contract is concluded by	insurance contract is concluded by means of
	means of distance communication	distance communication which prevents the
	which prevents the prior delivery of the	prior delivery of the suitability statement, the
	suitability statement, the insurance	insurance intermediary or the insurance
	intermediary or the insurance	undertaking may provide the suitability
	undertaking may provide the suitability	statement on a durable medium immediately
	statement on a durable medium	after the customer is bound by an insurance
	immediately after the customer is bound	contract, provided that both of the following
	by an insurance contract, provided that	conditions are met:
	both of the following conditions are	
	met:	
III-391	(a) the customer has consented to	(a) the customer has consented to
	receiving the suitability statement	receiving the suitability statement without
	without undue delay after the	undue delay after the conclusion of the
	conclusion of the contract;	contract;
III-392	(b) the insurance intermediary or	(b) the insurance intermediary or insurance
	insurance undertaking has given the	undertaking has given the customer the option
	customer the option of delaying the	of delaying the conclusion of the contract to

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	conclusion of the contract to receive the	receive the suitability statement in advance of
	suitability statement in advance of such	such conclusion.
	conclusion.	
III-393	Member States shall ensure that where	Member States shall ensure that where an
	an insurance intermediary or an	insurance intermediary or an insurance
	insurance undertaking has informed the	undertaking has informed the customer that it
	customer that it will carry out a periodic	will carry out a periodic assessment of
	assessment of suitability, the periodic	suitability, the periodic report shall contain an
	report shall contain an updated	updated statement of how the insurance-based
	statement of how the insurance-based	investment product meets the customer's
	investment product meets the	preferences, objectives and other
	customer's preferences, objectives and	characteristics of the retail customer.';
	other characteristics of the retail	
	customer.';	
III-394	(d) the following paragraphs 5a, 5b	(d) the following paragraphs 5a, 5b and 5c
	and 5c are inserted:	are inserted:
III-395	'5a. Member States may impose stricter	'5a. Member States may impose stricter
	requirements on distributors in respect	requirements on distributors in respect of the
	of the matters covered by this Article. In	matters covered by this Article. In particular,
	particular, Member States may make the	Member States may make the provision of
	provision of advice referred to in Article	advice referred to in Article 30 mandatory for

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	30 mandatory for the sales of any	the sales of any insurance-based investment
	insurance-based investment products, or	products, or for certain types of them.
	for certain types of them.	
III-396	Member States shall ensure that their	Member States shall ensure that their stricter
	stricter requirements referred to in the	requirements referred to in the first
	first subparagraph are complied with by	subparagraph are complied with by all
	all insurance intermediaries or insurance	insurance intermediaries or insurance
	undertakings, including those operating	undertakings, including those operating under
	under the freedom to provide services or	the freedom to provide services or the freedom
	the freedom of establishment, when	of establishment, when concluding insurance
	concluding insurance contracts with	contracts with customers having their habitual
	customers having their habitual	residence or establishment in that Member
	residence or establishment in that	State.
	Member State.	
III-397	5b. Member States shall require that,	5b. Member States shall require that, where an
	where an insurance intermediary or	insurance intermediary <u>or insurance</u>
	insurance undertaking distributing	<u>undertaking</u> distributing insurance-based
	insurance-based investment products	investment products informs the customer that
	informs the customer that advice is	advice is given on an independent basis, the
	given on an independent basis, the	insurance intermediary <u>or insurance</u>
		undertaking:

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	insurance intermediary or insurance	
	undertaking:	
III-398	(a) assesses a sufficiently large	(a) assesses a sufficiently large number of
	number of insurance products available	insurance products available on the market
	on the market which are sufficiently	which are sufficiently diversified with regard
	diversified with regard to their type and	to their type and product providers to ensure
	product providers to ensure that the	that the customer's objectives can be suitably
	customer's objectives can be suitably	met and shall not be limited to insurance
	met and shall not be limited to	products issued or provided by entities having
	insurance products issued or provided	close links with the insurance intermediary <u>or</u>
	by entities having close links with the	<u>insurance undertaking;</u>
	insurance intermediary or insurance	
	undertaking;	
III-399	(b) not accept and retain fees,	(b) not accept and retain inducements
	commissions or any monetary or non-	fees, commissions or any monetary or non-
	monetary benefits paid or provided by	monetary benefits paid or provided by any
	any third party or a person acting on	third party or a person acting on behalf of a
	behalf of a third party in relation to the	third party in relation to the provision of the
	provision of the service to customers.	service to customers.
III-399a		This paragraph shall not prevent insurance
		intermediaries that are not employed by or

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		contractually tied to an insurance
		undertaking, but receive inducements from
		the insurance undertaking and that fall
		within the scope of Article 29a, from
		presenting themselves as not contractually
		tied to a specific insurance undertaking.
III-400	5c. When providing investment advice	5c. When providing investment advice to
	to retail customers on an independent	retail customers on an independent basis, the
	basis, the insurance intermediary or	insurance intermediary <u>or insurance</u>
	insurance undertaking may limit the	undertaking may limit the assessment in
	assessment in relation to the type of	relation to the type of insurance-based
	insurance-based investment products	investment products mentioned in paragraph
	mentioned in paragraph 5b, point (a), to	5b, point (a), to well-diversified, cost-efficient
	well-diversified, cost-efficient and non-	and non-complex insurance-based investment
	complex insurance-based investment	products. Before accepting such service, the
	products. Before accepting such service,	retail customer shall be duly informed about
	the retail customer shall be duly	the possibility and conditions to get access to
	informed about the possibility and	standard independent advice and the
	conditions to get access to standard	associated benefits and constraints.';
	independent advice and the associated	
	benefits and constraints.';	

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III-401	(e) paragraph 6 is replaced by the	(e) paragraph 6 is replaced by the
	following:	following:
III-402	'6. The Commission shall be	'6. The Commission shall be empowered to
	empowered to supplement this Directive	supplement this Directive by adopting
	by adopting delegated acts in	delegated acts in accordance with Article 38 to
	accordance with Article 38 to further	further specify how insurance intermediaries
	specify how insurance intermediaries	and insurance undertakings are to comply with
	and insurance undertakings are to	the principles set out in this Article when
	comply with the principles set out in	carrying out insurance distribution activities in
	this Article when carrying out insurance	relation to insurance-based investment
	distribution activities in relation to	products, including with regard to:
	insurance-based investment products,	
	including with regard to:	
III-403	(a) the information to be obtained	(a) the information to be obtained when
	when assessing the suitability and	assessing the suitability and appropriateness of
	appropriateness of insurance-based	insurance-based investment products for their
	investment products for their customers;	customers;
III-404	(b) the criteria to assess non-	(b) the criteria to assess non-complex
	complex insurance-based investment	insurance-based investment products for the
	products for the purposes of paragraph	purposes of paragraph 3, point (a)(ii), of this
	3, point (a)(ii), of this Article;	Article;

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III-405	(c) the content and format of	(c) the content and format of records and
	records and agreements for the	agreements for in relation to the provision of
	provision of services to customers and	services to insurance distribution activities
	of periodic reports to customers on the	undertaken for the customers and of periodic
	services provided.	reports to customers on the services provided
		those insurance distribution activities.
III-406	Those delegated acts shall take into	Those delegated acts shall take into account the
	account the nature of the services	nature of the services offered or provided to the
	offered or provided to the customer, the	customer, the nature of the products being
	nature of the products being offered or	offered or considered, including different types
	considered, including different types of	of insurance-based investment products and
	insurance-based investment products	the retail or professional nature of the
	and the retail or professional nature of	customer.';
	the customer.';	
III-407	(47) Article 35(2) is amended as	(23 47) Article 35(2) is amended as follows:
	follows:	
III-408	(a) point (a) is replaced by the	(a) point (a) is replaced by the following:
	following:	
III-409	'(a) specific procedures for the receipt	'(a) specific procedures for the receipt of
	of reports on potential or actual	reports on potential or actual infringements
	infringements and their follow-up,	and their follow-up, including the

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	including the establishment of secure	establishment of secure communication
	communication channels for such	channels for such reports.';
	reports.' ';	
III-410	(b) the following subparagraph is	(b) the following subparagraph is added:
	added:	
III-411	'The specific procedures	'The specific procedures referred to in
	referred to in point (a) shall also include	point (a) shall also include the creation, on the
	the creation, on the front page of each	front page of each competent authority's
	competent authority's website, of a link	website, of a link to a simple reporting form
	to a simple reporting form allowing any	allowing any person to report potential or
	person to report potential or actual	actual infringements to Union law. Member
	infringements to Union law. Member	States shall require competent authorities to
	States shall require competent	analyse, without undue delay, all reports
	authorities to analyse, without undue	submitted via that reporting form;
	delay, all reports submitted via that	
	reporting form;	
III-412	(48) the following Article 35a is	(24 48) the following Article 35a is inserted:
	inserted:	
III-413	'Article 35a	'Article 35a

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III-414	Procedure to address activities offered	Procedure to address activities offered through
	through digital means without	digital means without authorisation or
	authorisation or registration	registration
III-415	1. Member States shall ensure that	1. Member States shall ensure that where
	where a natural or legal person is	a natural or legal person is pursuing insurance
	pursuing insurance distribution	distribution activities online targeting
	activities online targeting customers	customers within its territory without being
	within its territory without being	registered in accordance with Article 3 of this
	registered in accordance with Article 3	Directive or authorised in accordance with
	of this Directive or authorised in	Article 14 of Directive 2009/138/EC, or where
	accordance with Article 14 of Directive	a competent authority <u>has reasonable</u>
	2009/138/EC, or where a competent	grounds to suspect that that entity such
	authority to suspect that that entity	<u>natural or legal person</u> pursues such
	pursues such activities without being	activities without being registered in
	registered in accordance with Article 3	accordance with Article 3 of this Directive or
	of this Directive or authorised in	authorised in accordance with Article 14 of
	accordance with Article 14 of Directive	Directive 2009/138/EC, the competent
	2009/138/EC, the competent authority	authority takes all appropriate and
	takes all appropriate and proportionate	proportionate measures to prevent the pursuit
	measures to prevent the pursuit of these	of these distribution activities, including
	distribution activities, including related	related marketing communication, by resorting

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	marketing communication, by resorting	to the supervisory powers referred to in Article
	to the supervisory powers referred to in	12(3). Any such measures shall respect the
	Article 12(3). Any such measures shall	principles of cooperation between Member
	respect the principles of cooperation	States set out in this Directive.
	between Member States set out in this	
	Directive.	
III-416	2. Member States shall provide that	2. Member States shall provide that
	competent authorities publish any	competent authorities publish any decision
	decision imposing a measure pursuant	imposing a measure pursuant to paragraph 1 in
	to paragraph 1 in compliance with	compliance with Article 32.
	Article 32.	
III-417	Competent authorities shall inform	Competent authorities shall inform EIOPA of
	EIOPA of any decision referred to in	any decision referred to in paragraph 2 without
	paragraph 2 without undue delay.	undue delay. EIOPA shall establish an
	EIOPA shall establish an electronic	electronic database containing the decisions
	database containing the decisions	submitted by competent authorities, which
	submitted by competent authorities,	shall be accessible to all competent authorities.
	which shall be accessible to all	EIOPA shall publish a list of all existing
	competent authorities. EIOPA shall	decisions, describing the natural or legal
	publish a list of all existing decisions,	persons concerned and the types of services or
	describing the natural or legal persons	products provided. The list shall be accessible

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	concerned and the types of services or	to the public through a link on EIOPA's
	products provided. The list shall be	website. As regards natural persons, this list
	accessible to the public through a link	shall not lead to the publication of more
	on EIOPA's website. As regards natural	personal data of those natural persons than that
	persons, this list shall not lead to the	published by the competent authority pursuant
	publication of more personal data of	to the first subparagraph, and in accordance
	those natural persons than that	with Article 32.';
	published by the competent authority	
	pursuant to the first subparagraph, and	
	in accordance with Article 32.';	
III-418	(49) Article 38 is replaced by the	$(\underline{25} \ 49)$ Article 38 is replaced by the
	following:	following:
III-419	'Article 38	'Article 38
III-420	Delegated acts	Delegated acts
III-421	The Commission shall be	The Commission shall be empowered
	empowered to adopt delegated acts in	to adopt delegated acts in accordance with
	accordance with Article 39 concerning	Article 39 concerning Articles 10, 25, 26a, 28,
	Articles 10, 25, 26a, 28, 29a, 29b and	29a _z 29b and 30.';
	30.';	
III-422	(50) Article 39 is amended as	$(\underline{26}\ 50)$ Article 39 is amended as
	follows:	follows:

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III-423	(a) the paragraphs 2 and 3 are	(a) the paragraphs 2 and 3 are replaced by
	replaced by the following:	the following:
III-424	'2. The power to adopt delegated acts	'2. The power to adopt delegated acts referred
	referred to in Articles 10, 25, 26a, 28,	to in Articles 10, 25, 26a, 28, 29a _z 29b and 30
	29a, 29b and 30 shall be conferred on	shall be conferred on the Commission for an
	the Commission for an indeterminate	indeterminate period of time from 22 February
	period of time from 22 February 2016.	2016.
III-425	3. The delegation of power referred to	3. The delegation of power referred to in
	in Articles 10, 25, 26a, 28, 29a, 29b and	Articles 10, 25, 26a, 28, 29a ₂ 29b and 30 may
	30 may be revoked at any time by the	be revoked at any time by the European
	European Parliament or by the Council.	Parliament or by the Council. A decision to
	A decision to revoke shall put an end to	revoke shall put an end to the delegation of the
	the delegation of the power specified in	power specified in that decision. It shall take
	that decision. It shall take effect the day	effect the day following the publication of the
	following the publication of the	decision in the Official Journal of the European
	decision in the Official Journal of the	Union or at a later date specified therein. It
	European Union or at a later date	shall not affect the validity of any delegated
	specified therein. It shall not affect the	acts already in force.';
	validity of any delegated acts already in	
	force.';	

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III-426	(b) the following paragraph 3a is	(b) the following paragraph 3a is inserted:
	inserted:	
III-427	'3a. Before adopting a delegated act, the	'3a. Before adopting a delegated act, the
	Commission shall consult experts	Commission shall consult experts designated
	designated by each Member State in	by each Member State in accordance with the
	accordance with the principles laid	principles laid down in the Interinstitutional
	down in the Interinstitutional	Agreement on Better Law-Making of 13 April
	Agreement on Better Law-Making of 13	2016.';
	April 2016.';	
III-428	(c) paragraph 5 is replaced by the	(c) paragraph 5 is replaced by the
	following:	following:
III-429	'5. A delegated act adopted pursuant to	'5. A delegated act adopted pursuant to
	Articles 10, 25, 26a, 28, 29a, 29b and	Articles 10, 25, 26a, 28, 29a, 29b and 30 shall
	30 shall enter into force only if no	enter into force only if no objection has been
	objection has been expressed either by	expressed either by the European Parliament or
	the European Parliament or the Council	the Council within a period of three months of
	within a period of three months of	notification of that act to the European
	notification of that act to the European	Parliament and to the Council or if, before the
	Parliament and to the Council or if,	expiry of that period, the European Parliament
	before the expiry of that period, the	and the Council have both informed the
	European Parliament and the Council	Commission that they will not object. That

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	have both informed the Commission	period shall be extended by three months at the
	that they will not object. That period	initiative of the European Parliament or of the
	shall be extended by three months at the	Council.';
	initiative of the European Parliament or	
	of the Council.';	
III-430	(51) Annex I is amended in	(27 51) Annex I is amended in accordance
	accordance with Annex III to this	with Annex III to this Directive.
	Directive.	