



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

T +353 1 224 6000 F +353 1 671 5550

Bosca OP 559, Sráid Wapping Nua, Cé an Phoirt Thuaidh,
Baile Átha Cliath 1, Éire.

*Po Box No. 559, New Wapping Street, North Wall Quay,
Dublin 1, Ireland.*

www.centralbank.ie

Chief Executive Officer

4 September 2017

Re: Life Assurance (Provision of Information) Regulations (Amendment) Regulations 2017

Dear Sir/Madam

The Central Bank of Ireland (Central Bank) has today published S.I. no. 392 of 2017, which amends the Life Assurance (Provision of Information) Regulations 2001 (the Life Regulations) arising from the introduction of Regulation (EU) No 1286/2014 of the European Parliament and of the Council on Key Information Documents for Packaged Retail and Insurance-based Investment Products (the PRIIPs Regulation). The Amending S.I. is available at the following link: <http://www.irishstatutebook.ie/eli/2017/si/392/made/en/pdf>

The PRIIPs Regulation is due to enter into application from 1 January 2018. It imposes requirements on regulated entities manufacturing and selling packaged retail and insurance-based investment products (PRIIPs), including a requirement to produce a standardised pre-contractual disclosure document (the Key Information Document (KID)). The Life Regulations also provide for the provision of a pre-contractual disclosure document to prospective policyholders in advance of buying life assurance products, including insurance-based investment products.

As an EU Regulation, the PRIIPs Regulation has direct effect in all Member States and supersedes national legislation. The PRIIPs Regulation requires the provision of a pre-contractual disclosure document which is generic to the product, while the document to be provided under the Life Regulations must be personalised to the particular circumstances of the prospective policyholder.

The Central Bank has decided that the disclosure required under the Life Regulations should be retained and that both pre-contractual disclosure regimes (i.e., both generic and personalised) will co-exist for an interim period, pending the review by the EU Commission of the PRIIPs Regulation, which is due to take place before the end of 2018.

Regulation 7(2) of the Life Regulations allows for the provision of a generic disclosure document to the consumer before signing a proposal or an application form, where it is 'not practicable' to provide a personalised document at that time. A personalised disclosure document must then be provided when issuing the policy. As the provision of another generic pre-contractual document would conflict with the PRIIPs Regulation, Regulation 7(2) must be disapplied for any products which fall within the scope of the PRIIPs Regulation. Consequently, the amending Statutory Instrument, published today, is required in order to give effect to this amendment to the Life Regulations.

In order to inform its consideration and discussions on the planned review of the PRIIPs Regulation by end-2018, the Central Bank proposes to conduct consumer testing during 2018 in order to assess the effectiveness



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

of both the Key Information Document required by the PRIIPs Regulation and the current Life Regulations disclosure document.

During the interim period, the Central Bank expects that regulated entities, when providing both disclosure documents, clearly explain to retail investors the personalised nature of the Life Regulations disclosure document and the generic nature of the Key Information Document required by the PRIIPs Regulation.

Yours sincerely

Bernie Mooney
Head of Policy
Consumer Protection: Policy and Authorisations