



The DFSA Rulebook

Conduct of Business Module

(COB)

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PART 4 – CONDUCT OF INSURANCE BUSINESS

15 INTRODUCTION

15.1 Application

- 15.1.1** (1) Subject to (3), COB part 4 applies to an Insurer with respect to the conduct in or from the DIFC of Insurance Business.
- (2) For the purposes of this Rule, COB part 4 consists of chapters 15 and 16 of this module.
- (3) COB Part 4 does not apply to an Insurer that is an Authorised ISPV.

16 RESPONSIBLE CONDUCT

16.1 Communication of information

- 16.1.1** (1) When communicating any information in relation to Insurance Business to a Person, an Insurer must take reasonable steps to ensure that it communicates any such information in a manner which is clear, fair and not misleading.
- (2) An Insurer must not, in any form of communication with a Person, attempt to limit or avoid any duty or liability it may have to that Person under the Regulatory Law 2004 or Rules.

16.2 Customers duty of disclosure

- 16.2.1** An Insurer must explain to a Commercial Customer the duty to disclose all circumstances material to the insurance and the consequence of any failure to make such disclosures both before the insurance commences and during the continuance of the policy.

16.3 Information about the proposed insurance

16.3.1 An Insurer must provide adequate information in a comprehensive and timely manner to enable a Commercial Customer to make an informed decision about the Contract of Insurance being proposed.

Guidance

An Insurer should provide a Commercial Customer with the key features of any insurance proposed including the essential cover and benefits, any significant or unusual restrictions, exclusions, conditions or obligations, and a period of cover. In so doing, an Insurer should take into consideration the knowledge held by the Commercial Customer when deciding to what extent it is appropriate to explain the terms and conditions of a particular insurance to that Commercial Customer.

16.3.2 If an Insurer is unable to match a Commercial Customer's requirements it must explain the differences in the insurance proposed.

16.4 Confirmation of cover

- 16.4.1** (1) An Insurer must, as soon as reasonably possible, provide a Commercial Customer with written confirmation and details of the insurance which it has effected for the customer including any changes to the Contract of Insurance.
- (2) An Insurer must as soon reasonably practical provide the Commercial Customer with the full policy documentation where this was not included with the confirmation of cover.

16.5 Amendments to and renewal of insurance

- 16.5.1** (1) An Insurer must deal promptly with a Commercial Customer's request for an amendment to the insurance cover and provide the Commercial Customer with full details of any premium or charges to be paid or returned.
- (2) An Insurer must provide a Commercial Customer with written confirmation when the amendment is made and remit any return premium or charges due to the Commercial Customer without delay.

16.5.2 An Insurer must give adequate advance notification to a Commercial Customer of the renewal or expiration date of an existing insurance policy so as to allow the Commercial Customer sufficient time to consider whether continuing cover is required.

16.6 Claims

16.6.1 Where an Insurer handles insurance claims it must handle claims fairly and promptly and keep the Commercial Customer informed of progress.