



## Regulatory Newsflash

### FSMA's regulation on costs and charges approved

On 11 May 2017, the Belgian Official Gazette published the Royal Decree approving the [FSMA's Regulation on the information on costs and charges which service providers must provide to their clients in relation to the provision of insurance intermediation services in Belgium](#). This Regulation implements Article 9 of the Royal Decree of 21 February 2014 on rules of conduct and rules on the management of conflicts of interest ("RD N2").

The Regulation will entry into force on 1<sup>st</sup> of January 2018 (in line with the entry into force of the PRIIPS regulation).

#### **Type of information to provide to clients depends on the type of insurance contract**

The Regulation makes a clear distinction between the different types of insurance contracts, i.e.:

- savings- and investment contracts
- contracts related to mandatory liability insurance for motor vehicles
- other insurance contracts

The regulator has opted to not yet foresee any requirements for savings- and investment contracts, awaiting the entry into force of the PRIIPS regulation.

For the insurance contracts other than contracts related to mandatory liability insurance for motor vehicles, the information requirements on costs and charges are based on the rules already applicable to liability insurance for motor vehicles (rules that have remained more or less the same apart from the frequency of provision of the information).

Service providers will be, under these new requirements, requested to provide their clients with information in euro on the premium amount, the taxes and contributions, as also an estimate of the acquisition costs and administrative costs (calculated on the basis of data recorded in the profit and loss accounts of the previous fiscal year).

Apart from the cost and charges directly related to the insurance contracts, service providers are also to inform their clients on the cost and charges related to the provision of their intermediation services, independent of the type of insurance contract.

## Timing and delivery

The idea is that the information on costs and charges provided to clients will be identical regardless of the manner in which an insurance contract is distributed (direct sales by an insurance undertaking or their tied insurance agents, or rather through independent insurance intermediaries).

The information on costs and charges must be communicated to the client by the service provider before the provision of insurance services (in particular, when an insurance contract is presented, offered or advised to a client) and at each maturity date of the insurance contract.

---

## Contact

For further information with respect to this subject, please contact [Caroline Veris](#) or [Patricia Goddet](#).

**Caroline Veris**  
Partner – FSI Governance,  
Regulatory & Risk

**Patricia Goddet**  
Director – FSI Governance,  
Regulatory & Risk



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a more detailed description of DTTL and its member firms.

Deloitte provides audit, tax and legal, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 225,000 professionals, all committed to becoming the standard of excellence.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this communication, rendering professional advice or services. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2017. For information, contact Deloitte Belgium.

To no longer receive emails about this topic please send a return email to the sender with the word “Unsubscribe” in the subject line.