

General Good Rules (NL) – Insurance Distribution Directive (IDD)

In accordance with article 11(1) IDD, this document contains relevant national legal provisions protecting the general good, which are applicable to the carrying on of insurance and reinsurance distribution in its territories. This list of provisions is neither complete nor exhaustive. The English translations of the Dutch legal texts are unofficial translations for your convenience. AFM cannot be held liable for any errors, omissions or inaccuracies in this list, nor for the use of this list. No rights may be derived from this list.

IDD article	Key aspect of Member state option	Explanation	Legal text <i>Wft = Act on Financial Supervision</i> <i>BGfo = The Decree on Conduct of Business Supervision of Financial Undertakings under the Wft</i>
Art. 22 (3)	Remuneration restriction for any insurance product	Commissions on (<i>inter alia</i>) individual invalidity insurances, life insurances and funeral expenses insurances are banned. There is a limited number of exceptions to this rule, such as commissions paid directly by the consumer. The exceptions can be found in Article 86c of the BGfo.	Art. 86c BGfo <ol style="list-style-type: none"> 1. A financial service provider pays or receives, directly or indirectly, no commission for intermediating or advising in relation to payment protection insurances, complex products, mortgage loans, individual disability insurance, life insurance, pension contribution claims (<i>premiepensioenvordering</i>), funeral expenses and benefits in kind insurance or any other financial product indicated by ministerial regulation. 2. The first paragraph does not apply to: <ol style="list-style-type: none"> a. commissions that are directly paid by the consumer or, when it concerns an insurance policy, the client or whomever acts on behalf of the client, unless the amount of the commission is unreasonable given the nature and the scope of the service provided; b. commissions that are directly paid by contributing companies to the extent it concerns a pension contribution claim, unless the amount of the commission is unreasonable given the nature and the scope of the service provided; c. commissions that are paid by the provider or received by the intermediary or advisor for intermediating or advising a consumer who has payment arrears or foreseeable payment arrears concerning a

			<p>mortgage loan, provided that the commission does not diminish the quality of the service provided and the obligation of the intermediary or advisor to commit himself or herself to the interests of the client;</p> <ul style="list-style-type: none"> d. commissions that are necessary for providing the financial service in question or make that financial service possible; e. commissions that are paid by an intermediary or advisor, who are not providers or authorised agents, to another intermediary or advisor; f. promotional gifts, to the extent the combined annual value does not exceed €100. <p>3. The intermediary or advisor announces the existence and the amount of the commission as meant in the second paragraph, item b, in an understandable manner before the financial service in question is provided, unless the amount of the commission is not known at that time. (...)</p>
Art. 29 (3) Sp 1 - 2	Remuneration restriction for IBIPs	Commissions on (<i>inter alia</i>) complex products, such as insurances with an investment component, are banned	Art. 86c BGfo (see above)
Art. 29 (3) Sp 4	Independent advice	Where an insurance intermediary informs the client that advice is given independently, the intermediary shall assess a sufficiently large number of similar insurance products available on the market to ensure that the client's objectives can be suitably met.	Art. 86f BGfo <ol style="list-style-type: none"> 1. Before a financial service in relation to a financial product as meant in article 86c, first paragraph, is provided, a provider of financial services provides a service provision document in relation to the requested service to the consumer or, when it concerns an insurance policy, to the client. 2. The service provision document contains the following information about the provider of financial services and his financial service: <ol style="list-style-type: none"> a. whether he provides advice and, if so, whether this happens on the basis of an objective analysis; b. whether he has a contractual obligation to intermediate for one or more offerors exclusively, in which case, when asked, provides the names of these offerors to the client or consumer; c. whether he has no contractual obligation to intermediate for one or more offerors exclusively, and does not advise on the basis of an

			<p>objective analysis, in which case, when asked, he provides the names of these offerors to the client or consumer;</p> <ol style="list-style-type: none"> d. whether he, in addition to providing advice, also intermediates, in which case he provides the costs charged for this in the total overview of the costs for the service, as meant in the items i and j; e. whether he, after the contract has been entered into, can perform other services for the consumer, in which case he announces how the costs for these services are charged; f. whether he advises on his own products exclusively, or also on products from other offerors; g. whether he holds a qualified shareholding in a specific offeror or the parent company of a specific offeror; h. whether a specific offeror or parent company of a specific offeror holds a qualified shareholding in him; i. in case he is an intermediary or advisor who does not also offer: the nominal amount of the compensation that is on average charged by him for the financial service, as well as how these costs are charged to the client or the consumer; j. in case he is an offeror: the nominal costs that is on average charged by him to the consumer or client for advice on and distribution of a financial product that satisfies to the service provision request (<i>dienstverleningsvraag</i>), as well as how these costs are charged; k. in case he is an insurer: information about the nature of the compensation his employees receive who provide financial services in relation to insurance policies; and l. other information indicated by ministerial regulation. <ol style="list-style-type: none"> 3. If the provider of financial services has, on the basis of the second paragraph, items f, g, and h, other interests than those of the consumer or the client when supplying a financial service he points out to the client or the consumer that these interests may lead to specific financial products being advised. 4. An objective analysis as meant in the second paragraph, item a, is an analysis of a sufficient number of comparable financial products that are available on the free market that enables the intermediary or advisor to recommend a
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This table states the member state options that the Netherlands has chosen not to apply.

IDD article	Key aspect of Member state option
Art. 20 (7) Sp 2	Provision of the IPID together with other information
Art. 22 (1) Sp 2	Information exemption for professional clients
Art. 22 (2) Sp 1	Stricter information requirements and COB rules
Art. 22 (2) Sp 3	Mandatory advice for any insurance product or for certain types of insurance products.
Art. 24 (7)	Cross-selling
Art. 29 (1) Sp 3	Standardised information
Art. 29 (3) Sp 3	Mandatory advice for IBIPs
Art. 30 (3)	Execution only