



**NATIONAL BANK OF SERBIA**

**GUIDELINES ON MINIMAL STANDARDS OF CONDUCT  
AND GOOD PRACTICE OF  
INSURANCE MARKET PARTICIPANTS**

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**CONTENTS**

1. INTRODUCTION .....	3
2. PURPOSE OF THE GUIDELINES .....	3
3. DEFINITIONS.....	3
4. GOAL OF THE GUIDELINES.....	3
5. GENERAL PRINCIPLES OF MARKET BEHAVIOUR.....	4
6. ESTABLISHING AND ENHANCING THE INSURANCE SERVICES SUPERVISION AND MANAGEMENT SYSTEM .....	4
7. TARGET MARKET SEGMENT .....	5
8. INSURANCE SERVICE TESTING .....	5
9. ADVERTISING.....	6
10. DISTRIBUTION CHANNELS .....	6
11. NOTIFYING THE CONSUMER.....	7
12. KNOW-HOW AND EXPERTISE OF THE INSURER'S EMPLOYEES .....	8
13. RULES OF BUSINESS CONDUCT WHEN CONCLUDING INSURANCE CONTRACTS.....	9
14. POST-SALE ACTIVITIES .....	9
15. DAMAGE COMPENSATION CLAIMS AND COMPLAINTS .....	9
16. CORRECTION PROCEDURE .....	10
17. OTHER ASPECTS OF MARKET CONDUCT.....	10

## 1. INTRODUCTION

1. The National Bank of Serbia has recognised the need for additional improvement of certain aspects of business operations of market participants by establishing minimal standards of behaviour and good business practice these participants should adhere to, wherefore it has adopted these Guidelines.

2. These Guidelines define the framework and standards of behaviour and good business practice in the insurance market (hereinafter: market behaviour), the adherence to which would enable fair and transparent operations of participants in that market towards insurance service consumers, as well as a higher level of protection of their rights and interests, whereby the confidence of insurance service consumers would be further strengthened.

The Guidelines also establish adequate assumptions for participants in the insurance market to prepare for the full alignment with EU regulations in the area that is the subject of these Guidelines; in the coming period during the Republic of Serbia's EU accession, these regulations are also expected to be adequately implemented in the legal system of the Republic of Serbia.<sup>1</sup>

## 2. PURPOSE OF THE GUIDELINES

3. These Guidelines are intended for insurance undertakings, insurance brokerage undertakings, insurance agency undertakings, natural person entrepreneurs – insurance agents, as well as banks, financial lessors and the public postal operator who carry on insurance agency tasks based on the prior consent of the NBS.

## 3. DEFINITIONS

4. Certain terms, within the meaning of these Guidelines, have the following meaning:

- **insurer** is an insurance undertaking within the meaning of the Law on Insurance (RS Official Gazette, No 139/2014, hereinafter: the Law);
- **intermediary** is a licenced insurance brokerage undertaking, insurance agency undertaking, natural person entrepreneur – insurance agent, as well as a bank, financial lessor and the public postal operator who carry on insurance agency tasks;
- **consumer** is a natural or a legal person who is the insured, policyholder, insurance beneficiary or an injured party who uses or has used insurance services, or has approached the insurer or the intermediary for the purpose of using those services;
- **target market segment** is a group of consumers for which the insurer creates an insurance service and to which it provides that service;
- **insurance service** is a type of non-life or life insurance within the meaning of the Law.

## 4. GOAL OF THE GUIDELINES

5. The goal of these Guidelines is to ensure that insurers/intermediaries:

- act in accordance with high business standards and have a fair and transparent relationship with consumers;

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<sup>1</sup> See Directive (EU) 2016/97 on insurance distribution from 20 January 2016.

- act with the care of a prudent businessman when providing insurance services;
- make certain that the insurance services meet the actual needs of consumers;
- sell insurance services in a manner and through distribution channels which guarantee a high level of protection of the rights and interests of the consumer;
- resolve all claims for damages in an efficient and just manner, in accordance with their business policy and in the spirit in which insurance services were created and sold.

## **5. GENERAL PRINCIPLES OF MARKET BEHAVIOUR**

6. The conduct of insurers and intermediaries towards consumers should be fair, professional and in the best interest of consumers, in particular that:

- they should not mislead the consumer as regards the characteristics of insurance services by selectively presenting the positives and negatives of those services;
- they should obtain from the consumer information about his requests and needs, based on which they will propose an appropriate insurance service;
- they do not coerce the consumer to conclude an insurance contract;
- they avoid any conflicts of interest.

When doing business with consumers, insurers and intermediaries should secure the following rights of consumers:

- right to be fully and accurately informed;
- right to an equal relationship with the insurer;
- right to protection from discrimination;
- right to the protection of personal data;
- right to efficient and just handling of claims for damages.

## **6. ESTABLISHING AND ENHANCING THE INSURANCE SERVICES SUPERVISION AND MANAGEMENT SYSTEM**

7. In order to regulate the business operations in a manner that would ensure adequate market behaviour, insurers are expected to take preparatory activities to establish and implement a system for supervising and managing insurance services that would define appropriate measures and procedures in terms of the creation, supervision, re-examining and distribution of an insurance service, as well as in terms of taking activities in order to mitigate or eliminate damages that might arise through the use of certain insurance services (hereinafter: insurance services supervision and management systems).

8. Insurance services supervision and management systems should correspond to the complexity and degree of risk of insurance services, as well as to the nature, size and complexity of the insurer's business.

9. Insurers should regulate the insurance services supervision and management systems in their internal acts, and familiarise with them all employees engaged in the activities included in those systems, in order to ensure that those activities are implemented in an appropriate manner.

10. By way of the insurance services supervision and management systems, insurers are to make sure that the goals, interests and needs of consumers have been taken into account, to prevent or reduce the damage the consumer might suffer through the use of an insurance service, as well as to facilitate the proper management of a conflict of interests between participants in the insurance market, and between participants in the insurance market and consumers.

11. The insurer's bodies are expected to approve the insurance services supervision and management system, as well as to be accountable in the last instance for the establishment of the

system, its implementation and, later, the re-examination and continuous internal compliance with the system.

12. The insurer is expected to re-examine the insurance services supervision and management system on a regular basis in order to ensure that it is adequate and updated at any given moment, as well as to upgrade the system as needed.

13. All activities taken by the insurer with respect to the insurance services supervision and management system should be properly documented.

## **7. TARGET MARKET SEGMENT**

14. The insurer is expected to regulate the procedure of prior approval to provide an individual insurance service, which would accomplish the following in particular:

- define the target market segment for each insurance service;
- ensure that all relevant risks for the particular target segment have been evaluated and that a distribution strategy has been envisaged in accordance with the characteristics of that market;
- make sure that reasonable measures have been undertaken to ensure the distribution of an insurance service in the defined target market segment.

With its insurance services supervision and management system, the insurer is expected to predict adequate steps in order to determine the relevant target market segment for each individual insurance service.

15. The approval procedure from Section 14 of these Guidelines should be proportionate and tailored to the nature and characteristics of a particular service.

16. Before launching a service in the market or distributing it to consumers, the insurer is expected to implement and re-examine the approval procedure for each insurance service or a change to an existing insurance service if such change is considerable.

17. The insurer is expected to create and launch in the market such insurance services whose features and distribution channels have been defined in accordance with the interests, goals and characteristics of the target market segment.

18. When deciding whether a particular insurance service is in accordance with the interests, goals and characteristics of the target market segment, the insurer is expected to take into account the level of information available to the target market segment and the level of financial capacity and literacy of the target market segment.

19. The insurer is also expected to identify such groups of consumers whose interests, goals and needs will not be met by the insurance service offered.

20. The insurer is expected to regularly re-examine the insurance services it offers or sells, taking into account any event that might significantly impact the defined target market segment in order to assess whether a particular service is still tailored to the needs of that target market segment, as well as whether the defined distribution strategy is still adequate.

## **8. INSURANCE SERVICE TESTING**

21. Before an insurance service is offered in the market, or before an existing service is offered in a new target market segment or is changed considerably, the insurer is expected to conduct adequate testing of those services, including the scenario analysis, if applicable. Insurance service testing should assess whether a particular service is tailored to consumer needs and whether it is in accordance with the goals for a particular target market segment for the entire life cycle of that

service. The insurer is expected to change the insurance service accordingly, in case the scenario analysis for a target market segment shows poor results for that service.

22. The insurer is expected not to introduce an insurance service in the market if the testing result for that service indicates that it is not in accordance with the interests, goals and characteristics of the target market segment.

By testing the insurance service, the insurer should establish in particular whether the required insured risk protection in case of an insured event is provided, especially when the insurer excludes certain risks from the insurance coverage, as well as whether the conclusion of such insurance contract achieves the equality of the relationship between the contractual parties.

23. The insurer is expected to perform a qualitative testing of the insurance service and, where possible, quantitative testing as well, depending on the type and nature of the insurance service and the possible damage that the consumer might suffer through the use of that service.

## 9. ADVERTISING

24. The insurer/intermediary is expected to ensure that advertisements:

- do not contain any information, promise or prediction that are incorrect or misleading;
- are not worded so as to misrepresent or conceal the key information about the subject of the advertisement;
- are clearly recognisable as an insurance service advertisement;
- if containing professional terms, i.e. terms not familiar to the broader public – they must also contain an appropriate explanation of those terms;
- do not contain phrases suggesting that the insurance service is free of charge, or any similar expressions, if the approval of that service is conditional upon the conclusion of another contract or if it was conditional upon anything that poses a cost to the consumer or creates another obligation;
- do not contain any information that the value of the investment is not guaranteed or that the value may vary, if this is applicable to the service being advertised.

## 10. DISTRIBUTION CHANNELS

25. The insurer is expected to choose, with due care, such distribution channels that are suitable for a particular target market segment, taking into account the characteristics of the particular insurance service. In this sense, the insurer should choose intermediaries with appropriate knowledge, expertise and capability to properly introduce each insurance service to the market and provide consumers with adequate information about the characteristics and risks of the insurance service, as well as about the services after the conclusion of the insurance contract, if applicable.

26. The insurer is expected to provide intermediaries with clear, precise and updated information of an appropriate standard, including details about the insurance service.

27. Information provided to intermediaries should be sufficient to enable them to do the following:

- have an understanding of the insurance service and adequately introduce it in the target market segment;
- identify the target market segment for which the insurance service has been created, as well as the group of consumers whose interests, goals and needs will most likely not be met by that service.

28. The insurer should take all reasonable steps to monitor whether the intermediaries are operating in accordance with the goals of the established insurance services supervision and management system.

29. The insurer is expected to regularly re-examine whether an insurance service has been sold to a consumer in the defined target market segment.

30. The insurer is expected to ensure that the intermediary accomplishes the goals of the insurance services supervision and management system which the insurer has established.

31. When selling an MTPL insurance service, the insurer is expected to take all reasonable measures to ensure that employees – authorised insurance agents directly engaged in the sale of the MTPL insurance service, have the necessary information to sell that service, as well as to ensure that any conflicts of interest are avoided.

32. When contracting an insurance service using a means of distant communication (e.g. internet, email, mail, telefax, telephone, etc.), the insurer/intermediary is expected to sell that service using a means of communication whose characteristics enable the consumer to be provided with all prescribed information, or all information the consumer needs in order to make a reasonable decision to purchase an insurance service.

33. The insurer is expected to take all necessary measures to ensure that insurance services are not sold through distribution channels that pose a high risk of damages to the consumer, i.e. that do not secure the required level of protection of consumer rights and interests, and in particular to take all measures to ensure that persons not authorised to carry out those activities (e.g. persons engaged through a network marketing system) do not participate in the sale of insurance services.

## **11. NOTIFYING THE CONSUMER**

34. The insurer/intermediary is expected to define and carry out activities to ensure that consumers are informed about their rights and obligations pertaining to the use of a particular insurance service – before, during and after the term of the contractual relation.

35. Activities of the insurer/intermediary that aim to inform the consumer should be defined in an internal act which will be available to employees.

36. In the pre-contractual stage, before the conclusion of the insurance contract, the insurer or the intermediary authorised to do so by regulations shall duly notify the consumer about the required information in a plain and understandable manner, taking care that the consumer is familiarised with all important elements of the insurance service he is interested in, particularly with the length of the insurance and risks covered by the insurance, i.e. exclusions pertaining to those risks.

37. The information provided in the pre-contractual stage must be presented in a clear and easy-to-survey manner ensuring that the insurance service consumer is able to become familiarised with the terms of the insurance service and other elements relevant for the assessment of that service, and that the consumer is not misled as to the characteristics of the insurance service or his rights and obligations arising from the insurance contract.

In particular, the required information which the insurers or intermediaries provide to consumers is expected to be delivered in a manner and form that ensure the following:

- that all the information is contained in a single document that does not include referential norms to insurance terms or other acts of the insurer/intermediary as regards the required information;
- that the information is presented in a clear and easy-to-survey manner, that the letters are of appropriate size to make them easy to read (size lower than 8 pt is not recommended);
- that the information is accurate and complete, as well as presented so as not to be misleading to the insurance service consumer;

– that the required information relates to a specific insurance service, and not the entire insurance group.

The National Bank of Serbia expects the insurer/intermediary to compose the notification with pre-contractual information or the information about the insurer/intermediary in a clear and easy-to-survey manner and, as an example of good practice, forms provided in Annexes 1 and 2 of these Guidelines should be taken into account.

38. When the policyholder and the insured are not the same person, and the contract is in collective insurance or insurance that is part of a related contract or a contract that is a condition for the use of another financial service – the insurer or the intermediary, if applicable, shall undertake all reasonable actions to ensure that the insured is provided with the required information.

39. The insurer/intermediary is expected to make available to the consumer the information about the structure of the insurance premium to be paid.

40. When informing the consumer, the insurer/intermediary is expected to particularly bear in mind the inviolability of the principle of voluntary insurance, except in cases of mandatory insurance which are specifically prescribed by law.

41. During the term of the contractual relation, the insurer/intermediary is expected to provide the consumer with the required information in a manner that would enable the consumer to make the decision to continue using the particular insurance service.

42. All activities taken by the insurer/intermediary with the aim of notifying the consumer should be properly documented.

## 12. KNOW-HOW AND EXPERTISE OF THE INSURER'S EMPLOYEES

43. The insurer is expected to make sure that the employees engaged in the tasks of creating new and innovating the existing insurance services possess the necessary qualifications, know-how and experience in order to have a proper grasp of the basic features and characteristics of a particular insurance service, as well as of the interests, goals and characteristics of the target market segment.

44. The insurer is expected to make sure that employees engaged in the tasks of selling insurance services and tasks that are performed after the sale, as well as employees supervising the performance of those tasks, possess the necessary qualifications, know-how, experience and skills, professional and personal qualities, as well as to ensure that those employees fully and accurately notify the consumers about the characteristics of insurance services and terms of their use. The qualifications, know-how, experience and skills of employees engaged in tasks referred to in this Section should correspond to the complexity of those tasks.

45. The insurer is expected to secure training for employees engaged in the tasks of selling insurance services and tasks that are performed after the sale of those services, as well as training of employees supervising the performance of those tasks, and their continuous education.

46. The insurer is expected to secure that employees from Section 45 of these Guidelines are familiar in particular with the characteristics of insurance services, terms of insurance services, rights and obligations of consumers, as well as procedures for processing damage claims and acting upon complaints.

47. The insurer is expected to define a training programme for employees enabling them to acquire the necessary knowledge about the insurer's insurance services, which includes the knowledge and understanding of the following in particular:

– *characteristics of insurance services*, especially the term of the insurance contract, the start of insurance, risks covered by insurance and exclusions regarding those risks, scope of the insurer's obligation, risk premium structure (amount of the basic premium and expense loading, including the basic premium structure) and other relevant characteristics of insurance services;



– *consumer rights and obligations*, i.e. regulations governing such rights and obligations, or procedures to exercise those rights, such as the procedure and deadlines for submitting a damage claim and the necessary documents, the right to terminate an insurance contract, the right to cancel the contract, as well as other rights and obligations of the consumer under the insurance contract;

– *sale and post-sale activities*, particularly the manner of notifying the consumer in the pre-contractual stage and during the contractual relation, that is, the manner of preparing and closing an insurance contract;

– *manner of protecting consumer rights and interests*, i.e. procedures for filing a complaint and initiating an arbitration procedure with the National Bank of Serbia.

Through training referred to in this Section the insurer is expected to ensure that its employees master the skill to appropriately and in a comprehensible manner present to the consumer the characteristics of the insurance service which the consumer is interested in, as well as to acquaint the consumer with other insurance services that could be more suitable to that consumer, based on the requests, needs and interests which the consumer had previously stated.

48. The length of the training programme should correspond to the contents and skills to be mastered, and in terms of the expertise and scope, the training should be equivalent to the training before taking a certification exam to obtain the title of a certified broker or a certified agent.

49. The insurer is expected to endure continuous education of employees who have passed the training, in a manner and at a pace that will enable those employees to possess current knowledge and skills at any given moment, as well as to regularly re-establish whether its employees possess the necessary knowledge and skills.

The insurer should regulate the training and continuous education of employees through an internal act that would be at disposal to its employees.

50. All activities taken by the insurer with respect to training (training programme and its implementation) should be properly documented.

### **13. RULES OF BUSINESS CONDUCT WHEN CONCLUDING INSURANCE CONTRACTS**

51. When concluding an insurance contract, the insurer or the intermediary is expected to act in a fair, non-discriminatory, transparent and professional manner, taking into account the needs, rights and interests of consumers. In performing these activities, the circumstances of the consumer and each of his requests should be particularly taken into account, as well as the assumptions about the risks that might arise due to the consumer's specific situation.

### **14. POST-SALE ACTIVITIES**

52. Once a service is introduced in the market, the insurer is expected to continuously monitor whether the service, throughout its life cycle, is in accordance with the interests, goals and characteristics of the target market segment.

53. The insurer is expected to regularly verify the quality of services and the manner of their sale.

### **15. DAMAGE COMPENSATION CLAIMS AND COMPLAINTS**

54. The insurer is expected to undertake all necessary activity to ensure fair and efficient handling of damage compensation claims within the prescribed deadline.

55. The insurer or the intermediary, if applicable, is expected to handle consumer complaints in a fair and efficient manner.

56. The insurer or the intermediary is expected to familiarise the consumer in detail with the procedure of submitting a damage claim, as well as to inform him about the documents that need to be submitted along with the claim.

57. The insurer is expected – based on the knowledge of any deficiencies of insurance services obtained during the handling of consumer claims or complaints – to implement the necessary changes to those services, or to improve them or remove them from the market.

## **16. CORRECTION PROCEDURE**

58. If the insurer identifies a deficiency in a service (e.g. regarding risk coverage) during the provision of that service, it is expected to implement all the necessary changes to that service in order to alleviate any damages the consumers might suffer, or to prevent future damages, if it is possible to implement such changes. If not, the insurer is expected to remove the service from the market.

59. If there are to be changes to the service, and provided that the insurer has obtained the consent of the consumer to change the insurance terms of that service or to remove the particular insurance service, the insurer is expected to inform consumers as soon as possible, as well as intermediaries through which it sells that service.

## **17. OTHER ASPECTS OF MARKET CONDUCT**

60. Insurers/intermediaries should regulate all other aspects of market conduct that are also the subject of the supervision of market conduct, whereby they would ensure the following:

- appropriate internal control systems;
- appropriate information and communications system which implies safety and protection of data, as well as integrity and provability of those data;
- developed policy and procedures against fraud in insurance;
- appropriate manner of monitoring the work of third persons or outsourced persons;
- appropriate procedures on confidentiality of information about consumers and former consumers.

## ANNEX 1

## NOTIFICATION ABOUT PRE-CONTRACTUAL INFORMATION

Notification about pre-contractual information shall be duly delivered to the insurance service consumer, before the conclusion of the insurance contract, in accordance with Article 82 of the Law on Insurance (RS Official Gazette, No 139/2014). All information in that notification provided to the insurance service consumer shall be included in the insurance contract and insurance terms pertaining to the specific insurance service.

The insurance service consumer shall have the right to receive a Notification on pre-contractual information, while the insurance undertaking/insurance agent the obligation to deliver the notification prior to the conclusion of the insurance contract.

1. DATA ABOUT THE INSURANCE UNDERTAKING	
Business name: Legal type: Head office: Head office address:	Telephone number for insurance service consumers <sup>2</sup> : Telefax: Email: Website:
2. DESCRIPTION OF MAIN FEATURES OF THE INSURANCE SERVICE	
A. RISKS COVERED BY INSURANCE, EXCLUSIONS AND CONTRACT VALIDITY TERM	
2.1. Insurance terms and law applicable to the insurance contract.  <i>You have the right to be duly informed, before concluding the insurance contract, about insurance terms applicable to that contract.</i>	<i>[State the terms applicable to the insurance service and the date of the adoption of those terms, as well as applicable regulations.]</i>
2.2. Risks covered by insurance	
2.3. Exclusions relating to risks covered by the insurance	<i>[State the exclusions relating to the risks covered by the insurance, including the scope of the insurer's obligation, if the scope of the obligation has been specifically envisaged in insurance terms.]</i>
2.4. Insurance premium amount and manner of payment	Insurance premium amount and manner of payment:  Insurance premium consists of: 1. basic premium – ... 2. expense loading – ...  <i>[State the insurance premium structure, including the structure of the basic premium.]</i>
2.5. Amount of contributions, taxes and other costs calculated in addition to the risk premium	Contributions: Taxes: Other costs:

<sup>2</sup> The term “insurance service consumer” is used in the form within the meaning of the Law on Insurance.

2.6. Total payment amount (2.4 and 2.5)	
2.7. Contract term	<p><i>[Emphasise in particular when the insurance contract will take legal effect and when the insurer's obligation to pay insurance compensation will begin.</i></p> <p><i>Emphasise in particular if the contract will take legal effect with a delay or a condition – within a specific deadline or after the fulfilment of a particular condition following the signing of the contract.]</i></p>

#### **B. OTHER RIGHTS AND OBLIGATIONS UNDER THE CONTRACT**

2.8. Right to terminate the contract and terms of termination	<p><i>[State when and how the right to terminate the contract can be exercised, particularly the right to terminate the contract in the event of circumstances envisaged in the contract.]</i></p>
2.9. Right to cancel the contract	<p><i>[If the policyholder has the right to cancel the contract, state the deadline for contract cancellation and how that right can be exercised.]</i></p>
2.10. Deadline in which the offer is binding to the insurance undertaking	
2.11. Manner and deadline for submitting damage claims, or exercising the right under the insurance	
2.12. Manner of protection of the rights and interests of insurance service consumers with an insurance undertaking	
2.13. The head office and address of the National Bank of Serbia, which is tasked with the supervision of insurance undertakings, as well as the manner of protection of the rights and interests of insurance service consumers with the National Bank of Serbia.	<p>National Bank of Serbia Kralja Petra 12 11000 Belgrade</p> <p>Decision on the Manner of Protecting the Rights and Interests of Insurance Service Consumers (RS Official Gazette, No 55/2015) regulates more closely the manner of protecting the rights and interests of the insured, policyholders, insurance beneficiaries and injured parties in Serbia (insurance service consumer) and the manner of mediation in the settlement of claims for damages, complaint filing by the insurance service consumer and the handling of such complaints.</p> <p>The insurance service consumer may file a complaint with the National Bank of Serbia about the activities of an insurance undertaking, insurance brokerage undertaking, insurance agency undertaking, natural person – entrepreneur who is an insurance agent, as well as a bank, financial lessor and public postal operator that carry on insurance agency activities on the basis of prior approval of the National Bank of Serbia (insurance service provider).</p> <p>Insurance service consumer may file a complaint to the National Bank of Serbia provided that he has previously filed a complaint in writing to the insurance service provider and was dissatisfied with such provider's response or the insurance service provider failed to respond in writing to such complaint within the specified deadline – no later than 15 days from the receipt of the complaint, or within the additional deadline of no more than 15 days if the insurance service provider cannot deliver a response due to reasons beyond its volition.</p>

	<p>Insurance service consumer may file a complaint with the National Bank of Serbia within six months of the day of the receipt of a response from the insurance service provider or the expiration of the date for delivering a response.</p> <p>In addition to the above, if the complainant is dissatisfied with the response of the insurance service provider or the response is not sent within the set deadline, the dispute between the insurance service consumer and the insurance service provider may be resolved through out-of-court settlement – mediation.</p> <p>Complaint or a proposal for mediation is submitted to the following address:</p> <p>National Bank of Serbia – Department for Financial Consumer Protection and Education Nemanjina 17, 11000 Belgrade</p> <p>or: PO Box 712, 11000 Belgrade</p> <p>or by email to: <a href="mailto:zastita.korisnika@nbs.rs">zastita.korisnika@nbs.rs</a>.</p>
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*If applicable***3. SPECIAL INFORMATION RELATING TO LIFE INSURANCE**

3.1 The basis and criteria for participation in the profits	
3.2 The manner and terms of payment of the share in profit	
3.3 The cash surrender value table	<i>[State the period after which the policyholder or the insured is entitled to redemption value, as well as the terms for exercising that right and/or illustrate this on a representative example.]</i>
3.4 The conditions for entitlement to the contract capitalisation and the rights arising from such insurance	
3.5 Tax regulations related to life insurance	
<i>If applicable</i>	
3.6 Additional information about the life insurance service related to investment funds units: – investment risk bearer; – definition of fee-related investment units; – investment fund prospectus; – structure of investments.	<i>[In addition to this information, it is necessary to state whether there is uncertainty regarding the movement in the value of investment units]</i>

*If applicable***4. SPECIAL INFORMATION RELATING TO LEGAL PROTECTION INSURANCE**

In case of the conclusion of a contract on legal protection insurance, the insured has the right to freely choose a lawyer or another person with appropriate qualifications, in accordance with regulations, for the purpose of defending, representing or protecting the interests of the insured in an investigation or a proceedings.

*If applicable***5. SPECIAL INFORMATION RELATING TO COLLECTIVE INSURANCE**

When the policyholder and the insured are not the same person and the contract is a collective insurance – the insurance undertaking shall inform the insured about the data referred to in parts 1, from 2.1 to 2.9 and in part 3 of this Form, as well as provide him with insurance policy conditions that are applicable to the insurance contract.

<i>If applicable</i>	
<b>6. RELATED CONTRACTS</b>	
6.1 When the policyholder and the insured are not the same person and the contract is an insurance that is part of a related contract or a contract that is a condition for the use of another financial service – the insurance undertaking shall inform the insured about the data referred to in parts 1, from 2.1 to 2.9 and in part 3 of this Form, as well as provide him with insurance policy conditions that are applicable to the insurance contract.	
6.2 Conditions and procedure for contract termination	<i>[State how and in which conditions an insurance contract may be terminated, or the right to the return of (a portion of) the premium exercised in case a contract for the use of another financial service is terminated.]</i>

<i>If applicable</i>	
<b>7. CONCLUDING A CONTRACT THROUGH AN INSURANCE AGENT</b>	
Insurance agents are undertakings carrying out insurance agency, entrepreneurs – insurance agents, as well as banks, financial lessors and the public postal operator who carry on insurance agency tasks.	
When an insurance contract is concluded through an insurance agent, in addition to this Form, you also have the right, and the insurance agent is obligated to do so, to be given the form “Information about the Insurance Agent”.	

In those parts of the Form marked with the phrase “if applicable”, the appropriate information should be stated if it is important for the particular type of insurance, or deleted from that part of the Form, or an entire row should be deleted if the information is not relevant for that particular type of insurance.

The notes in brackets, including the ones below the Form, are explanations intended for the insurance undertaking/insurance agent that must be replaced by appropriate information while the notes must be deleted from the Form.

Place and date:

\_\_\_\_\_  
(policyholder)

\_\_\_\_\_  
(person authorised by the insurance undertaking /  
insurance broker / insurance agent)

## ANNEX 2

**INFORMATION**  
**ABOUT THE INSURANCE BROKER/AGENT**<sup>3</sup>

Information about the insurance broker/agent is delivered to the policyholder to an insurance/reinsurance undertaking in due time, prior to the conclusion of the insurance/reinsurance contract or before amendments to the contract or extension of its term, in accordance with Article 111 of the Law on Insurance (RS Official Gazette, No 139/2014).

When the insurance contract is concluded through an insurance agent, the policyholder is entitled to a Notification about pre-contractual information, while the insurance agent is obligated to deliver it to the policyholder.

<b>1. DATA ON THE <u>INSURANCE BROKER/AGENT</u></b>	
Business name: Head office: Head office address:	Register of the National Bank of Serbia – Verification of the registration of the <u>broker/agent</u> in the NBS Register can be conducted in writing and/or on the internet web-site <a href="http://www.nbs.rs">www.nbs.rs</a> (section Insurance Supervision – Insurance Market Participants).
<b>2. CONCLUDED CONTRACTS AND ASSOCIATION WITH INSURANCE/REINSURANCE UNDERTAKINGS</b>	
2.1 [Insurance <u>broker/agent</u> ] has concluded contracts on insurance <u>brokerage/agency</u> with insurance/reinsurance undertakings	<i>[List the insurance/reinsurance undertakings alphabetically.</i>  <i>In case of insurance agency undertakings, insurance agents and legal persons from Article 98, paragraph 2 of the Law on Insurance, it must be stated in particular whether they are agents for only one or several insurance undertakings, as well as the names of those undertakings.]</i>
2.2 Links with insurance/reinsurance undertakings: 2.2.1 [The insurance <u>broker/agent</u> ] has a direct or indirect right or ability to acquire 10% or more of the voting rights and/or ownership over 10% or more of core capital in the insurance/reinsurance undertaking with which it will conclude an insurance/reinsurance contract.	<i>[State the names of insurance/reinsurance undertakings or state that there is no qualified stake in the undertakings.]</i>
2.2.2 The insurance/reinsurance undertaking with which an insurance/reinsurance contract is to be concluded or the parent company of that undertaking has a direct or indirect right or ability to acquire 10% or more of the voting rights or ownership over 10% or more of the capital in the [insurance <u>broker/agent</u> (except the entrepreneur)].	<i>[State the name of the insurance/reinsurance undertaking / parent company or state that no insurance/reinsurance undertaking has a qualified stake in the said persons.]</i>

<sup>3</sup> The term “insurance broker” refers to insurance brokerage undertakings and the term “insurance agent” to insurance agency undertakings, entrepreneurs – insurance agents, banks that carry on insurance agency tasks, financial lessors that carry on insurance agency tasks and the public postal operator that carries on insurance agency tasks.

In title of the Form, instead of “insurance broker/agent”, list only the term “insurance broker” or “insurance agent”, depending on who is delivering the information in question.

3. PROTECTION OF THE RIGHTS AND INTERESTS OF INSURANCE SERVICE CONSUMERS	
3.1 Manner of protection of the rights and interests of insurance service consumers with an insurance <u>broker/agent</u>	
3.2 The head office and address of the National Bank of Serbia, which is tasked with the supervision of insurance <u>brokers/agents</u> , as well as the manner of protection of the rights and interests of insurance service consumers with the National Bank of Serbia	<p>National Bank of Serbia Kralja Petra 12 11000 Belgrade</p> <p>Decision on the Manner of Protecting the Rights and Interests of Insurance Service Consumers (RS Official Gazette, No 55/2015) regulates more closely the manner of protecting the rights and interests of the insured, policyholders, insurance beneficiaries and injured parties in Serbia (insurance service consumer) and the manner of mediation in the settlement of claims for damages, complaint filing by the insurance service consumer and the handling of such complaints.</p> <p>The insurance service consumer may file a complaint with the National Bank of Serbia about the activities of an insurance undertaking, insurance brokerage undertaking, insurance agency undertaking, natural person – entrepreneur who is an insurance agent, as well as a bank, financial lessor and public postal operator that carry on insurance agency activities on the basis of prior approval of the National Bank of Serbia (insurance service provider).</p> <p>Insurance service consumer may file a complaint to the National Bank of Serbia provided that he has previously filed a complaint in writing to the insurance service provider and was dissatisfied with such provider's response or the insurance service provider failed to respond in writing to such complaint within the specified deadline – no later than 15 days from the receipt of the complaint, or within the additional deadline of no more than 15 days if the insurance service provider cannot deliver a response due to reasons beyond its volition.</p> <p>Insurance service consumer may file a complaint with the National Bank of Serbia within six months of the day of the receipt of a response from the insurance service provider or the expiration of the date for delivering a response.</p> <p>In addition to the above, if the complainant is dissatisfied with the response of the insurance service provider or the response is not sent within the set deadline, the dispute between the insurance service consumer and the insurance service provider may be resolved through out-of-court settlement – mediation.</p> <p>Complaint or a proposal for mediation is submitted to the following address:</p> <p>National Bank of Serbia – Department for Financial Consumer Protection and Education Nemanjina 17, 11000 Belgrade</p> <p>or: PO Box 712, 11000 Belgrade</p> <p>or by email to: <a href="mailto:zastita.korisnika@nbs.rs">zastita.korisnika@nbs.rs</a>.</p>

The notes in brackets, including the ones below the Form, are explanations intended for the insurance broker/agent that must be replaced by appropriate information while the notes must be deleted from the Form.



Place and date:

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(policyholder in insurance/reinsurance)

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(person authorised by the insurance broker/agent)