

ANNEX A

SUMMARY OF ISSUES FOR FEEDBACK

What contracts of insurance will be regulated?

1. The Government is seeking views on the scale of any problem with the sale of travel insurance sold as part of a package and on the proposed options. In particular views are sought on:
 - the factors to be taken into account in determining the nature and extent of regulation, including supporting evidence;
 - the scale and nature of consumer detriment in relation to travel insurance sold as part of a package;
 - which of the three options outlined in Para 2.4. is most appropriate in terms of balancing consumer protection against industry costs and competition;
 - any other relevant considerations;
 - whether there are any other options that should be considered? (Para 2.10)
2. Should all motor warranties which are contracts of insurance be subject to regulation by the FSA or only those costing more than €500 (about £300) per annum? (Para 2.15.)
3. Are there other factors which the Government should take into account in considering regulation of extended warranties on domestic appliances or other goods? (Para 2.17.)

Which activities will be regulated?

4. Are there other activities in relation to work preparatory to the conclusion of contracts of insurance that should be regulated? (Para 3.7.)
5. Do you agree that claims handling by intermediaries on behalf of insurance companies, expert appraisal and loss adjusting should not be subject to direct FSA regulation? If not, do you have evidence of consumer detriment that would warrant such regulation? (Para 3.13.)

6. Do you agree that the financial promotion regime should not apply to promotions of general insurance mediation activities? Is there sufficient consumer detriment to justify bringing insurance mediation activities into the Financial Promotion Order with the broad Part V exemptions applying? (Para 3.25.)
7. Should the exclusion for information provided on an incidental basis in the context of another professional activity apply to “qualifying contracts” of long-term insurance? Would this be likely to cause significant consumer detriment and if so, how? (Para 3.27.)
8. Should the regulatory regime be extended to mediation activities in relation to rights to and interest in, all contracts of insurance? (Para 3.29.)

Who will be regulated and how?

9. Do you agree that the appointed representatives regime should be extended to insurance mediation activities? Would this cause significant consumer detriment and if so, how? (Para 4.7.)
10. Should the provision of information exclusion also cover advice? Would this cause significant consumer detriment? (Para 4.10.)
11. Do you agree that the FSMA Part XX regime for Designated Professional Bodies should apply to insurance mediation activities? Would this cause significant consumer detriment and if so, how? (Para 4.11.)
12. Do you agree that the limitations that currently apply to the advice that a professional can give under Part XX in relation to long term contracts of insurance should not apply to advice given in relation to general insurance? (Para 4.12.)

What will the requirements of regulation be?

13. Do you agree that the notification requirements for the controller’s regime for general insurance intermediaries should be streamlined as outlined in Para 5.14. above? Would this cause significant consumer detriment and if so, how? (Para 5.14.)

Regulatory Impact Assessment

14. The Government would welcome views on the assumptions made in the Regulatory Impact Assessment. It would be helpful to receive views on both the costs and benefits to businesses and consumers of the proposed regulation. We would particularly like to receive views on the likely impact on the small firms that will be covered by FSA regulation of general insurance mediation.