

# AssurMiFID legislation and Aon Belgium

## Your protection when entering into a contract of insurance

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The protection of investors in financial products and services in Belgium is based on what is commonly referred to as the “Markets in Financial Instruments Directive” (MiFID). Since 30 April 2014, the MiFID rules of conduct are expanded to include the insurance sector - they are also referred to as the “AssurMiFID rules”. A number of AssurMiFID rules to which Aon Belgium is committed is listed below:

### 1 Duty of care & needs analysis

Aon Belgium must gather sufficient information from you so that a correct assessment can be carried out regarding your needs and demands. This allows us to offer products that are a suitable solution for these needs and demands. This is carried out in accordance with the process described below:

- First, a needs and risk analysis is carried out.
- In addition, Aon Belgium will carry out a baseline survey of the solutions that are offered by the various insurers. As respects structured portfolio solutions, an overall baseline survey is carried out for a group of clients who have a similar risk profile.
- Subsequent, Aon Belgium provides an objective and a neutral advice about the possible contracts of insurance.

Should they change during the duration of the contract of insurance, you must inform Aon Belgium about this. The new needs, demands and risks will then be reevaluated and, where required, the insurance contract will be amended.

### 2 Provision of information

To ensure clients can enter into a contract of insurance in a fully informed manner, Aon Belgium will inform its clients in a timely, accurate, suitable and understandable manner in accordance with the AssurMiFID requirements about the company and the products and services it offers. We will, moreover, ensure that all publicity statements are correct, transparent, not misleading and clearly recognisable.

The provision of information and communication from Aon Belgium to you will be in the language of your choice or in the language that you use when you communicate with Aon Belgium (Dutch, French or English).

#### a) General information about Aon Belgium

Aon Belgium is a private limited company with its head office in Diegem (postcode: 1831), Telecomlaan 5-7, and has been registered under the following enterprise number: 0426.531.863. If you would like to contact Aon Belgium, either contact your regular Account Manager or call +32 (0)2/730.95.11. You can also send an email to [info@aon.be](mailto:info@aon.be) or contact us through our website: [www.aon.be](http://www.aon.be).

Aon Belgium is registered at the FSMA, (Congresstraat 12-14, 1000 Brussels, [www.FSMA.be](http://www.FSMA.be)) under the number 013982-A as an insurance broker for all insurance branches. Its insurance activities focus on all types of clients ranging from private persons to industrial and commercial companies.

## b) Information about the insurers and their products

As described above, every insurance advice issued by Aon Belgium is preceded by a market survey. These market surveys are of essential importance in the decision process for the (potential) insurance client. For structured portfolio solutions an overall baseline survey is carried out for a group of clients who have a similar risk profile.

Aon Belgium takes the greatest care in drawing up its market surveys and it strives to describe transparently and understandably all specifications about essential elements of the products and services offered. You will always be issued with the most suitable proposals and terms and conditions of insurers to ensure you can verify the market survey on its completeness.

Aon Belgium will generally provide information about:

- The insurers and their services;
- The type of insurance;
- The coverages and excluded risks;
- The applicable terms and conditions;
- Any facultative coverage extensions;
- The calculation of the premiums;
- Our commission;
- The costs and any related charges or fees.

Should they change during the duration of the contract of insurance, you must inform Aon Belgium about this. The new needs, demands and risks will then be revaluated and, where required, the insurance contract will be amended.

## 3 Conflicts of interest

Conflicts of interest may occur between Aon Belgium (or the group to which Aon Belgium belongs) and its personnel and clients, or between its clients amongst each other when for example:

- Aon Belgium receives payments or benefits from insurance companies;
- Aon Belgium allocates to its personnel variable payments, incentives or remunerations in proportion to commercial targets;
- directors, managers and other Aon Belgium members of personnel exercise external mandates;
- the interests of different Aon Belgium clients where their respective interest in a particular case may be different.

Aon Belgium has, therefore, drawn up a conflict of interest policy to guarantee your interests. The personnel needs to respect the internal procedures and rules based on which Aon Belgium expects the personnel to make every effort at all times with regard to client's interests while respecting applicable legislation and regulations.

### a) Identification of potential conflicts of interest

The potential conflicts of interest within all departments of Aon Belgium have been mapped and are kept updated in a central register. The Compliance department manages this register (with the support of all departments of Aon Belgium) and this register is updated in the light of certain events that may lead to a conflict of interest.

#### **b) Elaborating measures to control the identified conflicts**

Measures have been elaborated to prevent, limit or manage the possible negative impact of the identified conflicts of interest on clients. These measures consist of at least the following (when relevant in view of the nature of the conflict of interest):

- Control the exchange and use of information. They ensure that no information is used or distributed within Aon Belgium that may work in favour of conflicts of interest.
- Prevent inappropriate influence. They ensure that people cannot exert inappropriate influence on the method used by a relevant person to provide insurance brokerage services.
- Organisational measures. They ensure that potential conflicts of interest that originate from Aon Belgium's organisation are avoided or that risks that are related to them are limited (the Chinese Wall principle).
- Control of paid or received inducements and other benefits. They ensure that payments and other benefits that are received or remunerated by Aon Belgium do not lead to conflicts of interest.
- Abstention measures. They prevent the execution of specific services or transactions if the conflict of interest prohibits Aon Belgium from acting in a loyal, fair and professional manner towards the client.

#### **c) Notifying clients non-manageable conflicts of interest**

Should the aforementioned measures be insufficient to reasonably assume that your interests will not be damaged, you must be informed in a transparent manner about the general nature and/or the sources of the conflicts of interest. This information must be provided prior to the services to which the conflict of interest is related.

#### **d) Notification and correct registration of all conflicts of interest that occur**

Conflicts of interest that have occurred (or, in the case of a service or activity that is still running, can occur) and that entail an essential risk of damage, must be reported by the relevant people to (1) the Manager of the involved department and (2) the Compliance department. All reported conflicts of interest will be registered in a central register that is managed by the Compliance department. This register is updated regularly.

#### **e) Sufficient training**

Expanding and maintaining a compliance culture that is universally present within Aon Belgium is one of the focal points of our policy. We ensure that Aon Belgium employees receive the training and support that are required to ensure they correctly understand the "conflict of interest" concept and the Aon Belgium conflict of interest policy to realise these objectives and to appropriately manage conflicts of interest.

## **4 Inducements**

Conflicts of interest may occur between Aon Belgium (or the group to which Aon Belgium belongs) and its personnel and clients, or between its clients amongst each other when for example:

#### **A. A remuneration from or to the client**

This comprises the agreed fees that you pay as a client and that are set down in a contract with Aon Belgium or the commission that is specified in the proposal and that is part of the premium that you pay to Aon Belgium;

#### **B. A remuneration from or to the insurance companies with which the client enters into a contract of insurance**

This comprises the commission specified in the proposal that is a part of the premium that you pay directly to the insurer or the portfolio commissions that insurers pay Aon Belgium as compensation for services we render to these insurers in favour of the client. These portfolio commissions are paid by insurers to Aon Belgium because we perform a number of tasks that are usually performed by insurers but that we take over either in full or partially.

### C. A third party remuneration that is required for the requested insurance brokerage service:

This is a very strict category under which, for example, the following falls: legal expenses necessarily incurred for the conclusion of a contract of insurance.

It is also possible that Aon Belgium remunerates a third party simply because this third party introduces new leads who become clients. These remunerations are fully in accordance with the FSMA circular of 20 February 2009 about “business introducers” and the strict internal regulations related to this issue.

On an international level, Aon Belgium may appeal to other Aon offices or the Global Broker Centre in London, which means that part of the fees or commissions that Aon Belgium receives are ceded to those Aon entities that are involved in the placement of a specific business.

With regard to non-monetary benefits such as meals or sporting, educational or cultural events offered by insurers, Aon Belgium keeps to the MiFID provisions and its own policy related to conflicts of interest. These invitations will, therefore, only be accepted if they are deemed beneficial for the services provided to the client. Aon Belgium will never accept that hotel expenses are paid by insurers in favour of our employees.

## 5 Reporting and client file

Aon Belgium keeps a detailed electronic client file that contains the following:

- The needs and risk analysis;
- The market survey with details of the proposals;
- The contract of insurance (general and specific terms and conditions);
- All endorsements to the contract of insurance;
- All emails, letters and communication with the client about coverages, premiums, limits or loss occurrences;
- All loss statistics;
- The Service Level Agreement (SLA) with the client;
- All complaints and replies to complaints.