

Press release

Press enquiries: +41 61 280 8188
press@bis.org
www.bis.org

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Final paper on point of sale disclosure in the insurance, banking and securities sectors released by the Joint Forum

Today the Joint Forum released its final report on [Point of sale disclosure in the insurance, banking and securities sectors](#).

The report identifies and assesses differences and gaps in regulatory approaches to point of sale (POS) disclosure for investment and savings products across the insurance, banking and securities sectors, and considers whether the approaches need to be further aligned across sectors. It sets out eight recommendations, for use mainly by policymakers and supervisors to assist them in considering, developing or modifying their POS disclosure regulations:

1. Jurisdictions should consider implementing a concise written or electronic POS disclosure document for the product sample identified in this report, taking into account the jurisdiction's regulatory regime.
2. The POS disclosure document should be provided to consumers free of charge, before the time of purchase.
3. A jurisdiction considering POS disclosure should consider requiring that a POS disclosure document disclose key characteristics including costs, risks and financial benefits or other features of a given product and any underlying or referenced assets, investments or indices, irrespective of the financial sector from which the products are derived.
4. The POS disclosure document should be clear, fair, not misleading and written in a plain language designed to be understandable by the consumer.
5. The POS disclosures should include the same type of information to facilitate comparison of competing products.
6. The POS disclosure document should be concise, set out key information about a product and may include, as appropriate, links or refer to other information. It should make clear that it does not provide exhaustive information.
7. Allocation of responsibility for preparing, making available and/or delivering the POS disclosure document should be clearly established, and the POS disclosure document should identify which entity is responsible for its content.
8. A jurisdiction considering POS disclosure should consider how to use its capabilities and powers to implement these POS recommendations, taking into account the jurisdiction's regulatory regime.

Mr Thomas Schmitz-Lippert, Chairman of the Joint Forum and Executive Director, International Policy at the German Federal Financial Supervisory Authority (BaFin), stated, “it is critically important for consumers across all financial sectors to receive adequate product disclosure at the point of sale. The final document recommends basic guidance for policymakers and supervisors to achieve this objective. The Joint Forum will continue to address issues in the area of consumer protection as they gain prominence in the global regulatory community.”

An earlier version of this report was [issued for consultation](#) in August 2013. The Joint Forum thanks those who provided feedback and comments as these were instrumental in finalising the report and its recommendations. The changes made to the consultative document are explained in an annex to the final report.

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The Joint Forum was established in 1996 under the aegis of the Basel Committee on Banking Supervision (BCBS), the International Organization of Securities Commissions (IOSCO) and the International Association of Insurance Supervisors (IAIS) to deal with issues common to the banking, securities and insurance sectors, including the regulation of financial conglomerates.