**1)  Improvement of quality of advice and selling methods**

IDD was implemented in Italy with Legislative Decree 68 of 2018 which modified the rules of conduct provided for by the Insurance Code that must be observed by insurance companies and intermediaries in the distribution of insurance products (also therefore by banks and financial companies when they sell insurance products such as PPI policies combined with mortgages and loans). Now the situation is not the best, given that the Bank of Italy and Ivass have had to call the operators to order, also asking them to check the sales network through an analysis of the complaints received and mystery shopping <https://www.ivass.it/normativa/nazionale/secondaria-ivass/lettere/2020/17-03/Comunicazione_BI_IVASS_Polizze_abbinate_17.3.20_en.pdf?language_id=3> . The investigations should have reached the authorities by 31 December 2020. We are now awaiting the results.

In the meantime, we can use the data of Altroconsumo's mystery shopping made in 2019 and 2020 and which analyze precisely the combined sale of insurance policies and loans by banks and financial companies. The data of these mystery shopping were also sent to the Antitrust for appropriate investigations and led to the opening of investigations still in progress. These are products that are sold as mandatory to customers without any explanation of their characteristics and above all without any verification of their adequacy to the customer's needs. In short, they are policies purchased by the customer who does not know what they are, what they are for, and buys them only to obtain mortgages or personal loans. Attached are the articles published in “InTasca”, the legal economic review of Altroconsumo.

1. In January 2019, from one of Altroconsumo’s mystery shopping dedicated to the transfer of the loan to another bank (ie surroga), it turned out that in 77% of cases the banks asked us to take out their own home policy, refusing to take over the one on its time. Furthermore, these are incorrect behaviors, explicitly prohibited by article 21 of the Consumer Code (legislative decree 206 of 2005). Following Altroconsumo’s investigation, in June 2019 the Antitrust opened three proceedings for unfair practices against Intesa San Paolo, Bnl Bnp Paribas and Unicredit which then also led to high fines for a total of 20 million euros: <https://www.altroconsumo.it/soldi/mutui/news/sanzioni-banche-mutui>.
2. In Altroconsumo’s mistery shopping carried out in February 2020 in which we visited 257 bank and finance branches in 12 cities (Bari, Bergamo, Brescia, Verona, Trento, Turin, Milan, Rome, Bologna, Genoa, Naples and Taranto) it emerged that in 56% the loan was subordinated to the purchase of a policy to cover the credit purchased in the same bank or financial institution.
3. In November 2020 we went to the bank and the financial companies to ask for a personal loan. In 53% of the offers received, it was necessary to subscribe to the life insurance policy to cover the credit sold by the bank itself, which had an average cost of € 990 and, above all, was never explained to the customer or assessed as adequate. The pre-contractual information is never delivered (this happens especially in physical agencies, less online).

Then, looking at the statistics complaints of Ivass and especially those on life policies, it appears that between 2018 and 2019 there was an increase in commercial complaints on life policies:

2018



2019



Annex: 