

Luxembourg PRIIPs Template (LPT)

19 September 2017, the ACA approved the formalisation of the Luxembourg PRIIPs Template (LPT) as an official (non-mandatory) template for the Luxembourg insurance sector.

OVERVIEW OF ACA's WORK ON PRIIPs

- PRIIPs Regulation requires to provide, on a precontractual basis, Key Information Documents (KIDs) indicating notably the risks presented by finance based insurance products and the financial performance the client can expect from them.
- Creating standardised information documents for bespoke products such as the Dedicated Internal Funds (FID – the main Luxembourg Life insurance product) is a very complex matter.
- The ACA therefore developed a solution: KIDs based on standard investment profiles (profiles used by the discretionary portfolio manager (DPM), by the insurer, or based on the Circular Letter LC15/3). This type of KID is called « profiled » KIDs
- The possibility to use profiled KIDs for FIDs was approved by Luxembourg supervisory authority (CAA) during the work of the PRIIPs KID Task Force organised by the CAA and where the ACA was represented.
- To help creating profiled KIDs, the Board of the ACA decided that the PRIIPs working group would work on a specific template to exchange the necessary data.
- The template aims to help insurers gather in a standardised manner all information required so to produce profiled KIDs, from DPMs.
- A technical sub-working group of the PRIIPs working group therefore developed the LPT which is based on the European PRIIPs Template (EPT).

GOVERNANCE

- Owner: ACA
→ This template is free of any rights. Any entity can use it freely. There is no mandatory use of the LPT. Each company is free to use it or not. The ACA cannot be held responsible for any potential damages that the use of the template may cause.
- Testing period: 6 months from the approval of the LPT by the Board of the ACA (19 September 2017 – 19 March 2017).
→ All along the testing period, ACA members are welcome to actively report their questions, comments and possible bugs via the following email address: aca@aca.lu. The technical group on the LPT will cover these issues during the regular meetings organised during the testing period.
- Review frequency: yearly or upon duly justified request from one or more ACA members.
- Experts in charge of the reviews: members of the technical group on the LPT.
- Availability of the LPT: a protected version of the LPT will be visible on the ACA website; the xls. version is made available on demand via the following email address: aca@aca.lu.
- Indication in the LPT: "The Luxembourg PRIIPs Template was elaborated by The Luxembourg Insurance and Reinsurance Association (www.aca.lu). Luxembourg insurance companies have no obligation to use this template and can resort to any other templates they deem appropriate."

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