

Decision 2013-03 bis of 7 April 2014 against Cardif Assurance Vie (life insurance policies not paid out)

In this decision, in which the company was publicly named, the Sanctions Committee handed down a reprimand and a fine of EUR 10 million. It ruled that, almost four years after the publication of the Act of 17 December 2007 on locating the beneficiaries of unclaimed life insurance policies, Cardif Assurance Vie, wholly owned by BNP Paribas, had still not taken full measure of the new obligations introduced by the Act. As such, in its decision of 7 April 2014, the Sanctions Committee found that Cardif Assurance Vie had delayed in properly complying with the Act of 17 December 2007, which required it to take active steps to identify deceased policyholders, in particular by consulting the national register of natural persons (RNIPP), and to locate the beneficiaries of such policies when informed that a policyholder was deceased. The Committee also found that the company had failed to fully apply the provisions of the Act, which requires insurers to put in place an automated system to recalculate amounts due in respect of death benefits.

Justifying the size of the fine, the Committee found that these shortcomings and delays in implementing the requirements of the Act of 17 December 2007 initially resulted in Cardif Assurance Vie incurring less expenditure than was necessary and unduly holding onto amounts that should have been paid out to beneficiaries. More generally, the company's failings also had an adverse effect on policyholders' confidence in life insurance products.

To the company's credit, the Committee found that its initial work to consult the national register of natural persons (RNIPP) went beyond what would have resulted from merely applying the criteria defined by the industry at that time and resolving the deficiencies in recalculating death benefits so that no beneficiary was disadvantaged after the fact.