

Decision 2013-05 of 31 October 2014 against CNP Assurances (life insurance policies not paid out)

In a decision in which the company was publicly named, the Committee handed CNP Assurances a reprimand and a fine of EUR 40 million. The Committee found that CNP Assurance's action to meet the requirements of Act 2007-1775 of 17 December 2007 on locating the beneficiaries of unclaimed life insurance policies and guaranteeing policyholders' rights fell well short of what was required. The objections upheld related to compliance with (i) the obligation to identify deceased policyholders; (ii) the obligation to locate beneficiaries; and (iii) the obligation to draw up a list of life insurance policies terminated by death involving unclaimed amounts.

Approximately five years after the Act of 17 December 2007 entered into force, the insurer was still excluding certain categories of policies when consulting the national register of natural persons (RNIPP), intended to identify deceased policyholders. Furthermore, the company's failure to comply with the obligation to locate beneficiaries over a period of several years resulted in serious and manifest delays and deficiencies relating to numerous policies and significant financial amounts. Finally, the insurer still did not meet the obligation to draw up a list of life insurance policies terminated by death involving unclaimed amounts.

In determining the sanction, the Committee took into account the fact that these violations initially resulted in the company incurring lower expenses than necessary and unduly holding onto amounts – totalling very large sums – that should have been paid out to the beneficiaries. Noting the loss suffered by the latter and the resulting negative effect on policyholders' confidence in life insurance products, the Committee ruled that the violations observed did not correspond to what one might expect of the leading life insurance institution in the French market.

It did, however, take into account measures adopted to remedy these deficiencies and accelerate the handling of cases, as well as the firm commitment by the management of CNP Assurances, expressed during the hearing, to continue with and rapidly bring to a conclusion efforts undertaken following the ACPR's inspection to remedy the identified shortcomings. The Sanctions Committee also found that neither the written instruction nor debates during the hearing had established that CNP Assurances had derived undue benefit from the alleged delays in identifying beneficiaries and paying out amounts due.