

client alert

INSURANCE | TURKEY |

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MASAK BRINGS FLEXIBILITY TO DISTANCE SALES OF LIFE INSURANCE PRODUCTS

The Financial Crime Investigations Board ("**MASAK**") has issued General Communiqué No. 14 amending General Communiqué No. 5 on Simplified Measures for the Customer Recognition Principles according to the Regulation on Preventive Measures of Money Laundering and Financing Terrorism ("**Regulation**"), published in the Official Gazette on 18 March 2016. This new Regulation contains significant changes in favour of the distance sale of life insurance agreements.

The MASAK regulation only provided for an exemption on specimen signature requirements for call centre sales of pension agreements. The sector had nonetheless long requested this provision to also apply to life insurance agreements.

To this end, MASAK recently decided to loosen the rules for life insurers, no longer requiring a specimen signature for the following:

- Pension agreements concluded through distance sale (call centre sales have been excluded);
- Life insurance agreements concluded through distance sale, with a total annual premium not exceeding TRY 3,000 or single premium amounts not exceeding TRY 7,500.

Other information stated in the Regulation, such as the authenticity of personal identity information, address, settlement certificate, telephone and fax number; must still be confirmed by the insurer before completion of the transaction.

All provisions are effective from 18 March 2016.

In compliance with Turkish bar regulations, opinions relating to Turkish law matters which are included in this client alert have been issued by Özdirekcan Dündar Şenocak Avukatlık Ortaklığı, a Turkish law firm acting as correspondent firm of Gide Loyrette Nouel in Turkey.

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