



Ministry of Education and Science of Ukraine  
Sumy State University  
Academic and Research Institute of Law

**5371 Methodical instructions**  
for practical classes and self-study on the course  
**“European standards of consumer protection in financial services”**  
for students of specialty 293 **“International Law”**  
of all forms of study

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## FOREWORD

The training of highly qualified EU-oriented professionals requires the ability to organize legal support for the protection of the rights of consumers of financial services in accordance with national law and taking into account EU standards in this area. The discipline “European standards of consumer protection in financial services “ aims to acquaint students with current European legislation in the field of protection of the rights of consumers of financial services, as well as to disseminate experience of exemplary application of knowledge gained during the course.

The aim of the course is to form in students a holistic view of European standards of consumer protection in the context of relations in the process of European integration and the European system of consumer protection.

After successful study of the discipline, the applicant will be able:

- To know the basic concepts and principles of the EU financial services market
- To explain the legal basis for the functioning of the EU financial services market
- To describe the system of sources of European law, the principles of interaction between EU bodies and institutions, the legal status of consumers of financial services and their right to protection of their legitimate rights and interests, the right to appeal to European courts
- To assess the legal basis of the relationship between the institutions of the European Union in regulating the financial services market
- To be able to apply the acquired knowledge of European standards of protection of the rights of consumers of financial services.

The methodical instructions are prepared within the framework of the project Jean Monnet module «European standards for protection of rights of consumers of financial services» (619998-EPP-1-2020-1-UA-EPPJMO-MODULE)<sup>1</sup>.



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## CONTENT OF THE DISCIPLINE

**Unit 1**     ***Introduction to the course. Overview of the key issues regarding the functioning of the EU and EU legislation regulating the financial services market***

The institutional system of the EU and sources of EU law. Legal bases of regulation of financial relations in the EU. Legal bases of economic and monetary union. Concepts and types of financial services. Overview on EU banking law, EU insurance law, EU investment law, legal regulation of the securities market.

**Unit 2**     ***The principles of the protection of the rights of consumers of financial services in the EU***

Constitutional and institutional framework for consumer protection in the EU. General legal issues of consumer protection in the EU. General characteristics of the system of protection of the rights of consumers of financial services in the EU. Pre-contractual disclosure of information by a financial institution, information on the final cost of services to the consumer, the requirements for advertising financial services. Supervision of market behavior of financial institutions, consideration of complaints, guarantees and compensation to consumers of financial services.

**Unit 3**     ***The regulators and the supervisors in the EU financial services market***

Protection of the rights of consumers of financial services as a goal of the legal regulation of the financial services market. Legal bases of financial services market regulation. Requirements of EU acts for the distribution of regulatory and supervisory functions in the financial market. European Banking Authority. EIOPA. ESMA. European system of financial supervision.

**Unit 4**     ***Methods of the protection of the rights of consumers of financial services in the EU***

Institutional mechanisms for protecting the rights of consumers of financial services. Judicial restrictions to protect the rights of consumers of financial services. Collective implementation of protection of the rights of consumers of financial services. Extrajudicial network for the protection of the rights of consumers of financial services in the EU. Advising consumers of financial services in the EU. Methods of consumer protection in the field of e-commerce.

**Unit 5**     ***The concept of a single market for retail financial services in the EU (current and savings accounts, payment services, credit cards, mortgages, insurance and investment products)***

Prerequisites for creating a single market for retail financial services in the EU. Principles of the single market of retail financial services in the EU. Legal framework for the provision of retail financial services in the EU: the main EU institutions that regulate and supervise the provision of retail financial services in the EU and EU regulations governing the provision of retail financial services in the EU. Characteristics of the main types of retail financial services in the EU: current and savings accounts; payment services; opening and using credit cards; mortgage lending; insurance and investment products.

**Unit 6**     ***Legal regulation of banking services in the EU***

Legal basis of the common market for banking services in the EU. Standards of European banking law. EU banking freedoms. Basic models of regulation and supervision of the banking sector in the EU. Types of banking services in EU countries. Consumer protection of banking services in the EU. Remote banking in the EU.

**Unit 7      *Legal regulation of insurance services in the EU***

General characteristics of the EU single insurance market. Requirements of Directive 2009/138/EC (Solvency II) in the context of ensuring the rights of consumers of insurance services in the EU. Types of insurance services in the EU. Insurance contract. Requirements for pre-contractual disclosure, terms and conditions of life insurance contract and other types of insurance. Protecting the rights of consumers of insurance services in the EU.

**Unit 8      *Legal regulation of investments in the EU***

The concept of investment and investment activities under the law. The main EU acts regulating investment activities within the EU. Principles of EU investment policy. Legal regulation of domestic and foreign investments in the EU. Legal status of investment entities in the EU internal market. Legal bases for protection of the rights and legitimate interests of investors.

**Unit 9      *Legal regulation of pensions in the EU***

The legal framework of pension provision in the EU. EU pension institutions. Pension funds as professional participants in the EU financial services market. Personal pension products: a pan-European personal pension product as a type of individual pension insurance. Characteristics of the procedure for protection of basic rights of consumers of pension insurance services

**Unit 10    *Liability for violations in the EU financial services market. The case law of the European Court of Justice and the European Court of Human Rights on the protection of consumers of financial services***

General characteristics of the European system of consumer protection of financial services. Legal status of judicial institutions in the system of protection of the rights of consumers of financial services: the European Court and the European Court of Human Rights. Review of the case law of the European Court of Justice on the protection of consumers of financial services. Review of the case law of the European Court of Human Rights on the protection of consumers of financial services.

## **PLANS FOR PRACTICAL TRAININGS AND INDIVIDUAL WORK**

### **Unit 1. Introduction to the course. Overview of key issues related to the functioning of the EU and EU legislation regulating the financial services market**

1. Describe the stages of European integration.
2. Name the EU institutions; give examples of EU bodies and institutions.
3. Describe the areas of EU competence.
4. How do Regulations differ from Directives as a source of EU law?
5. What is the doctrine of the rule of EU law?
6. Name the provisions of the EU's founding treaties, which set out the principles of the monetary and economic union.
7. Describe the stages of development of legal regulation of financial services in the EU.
8. What is the basis of the common market for financial services in the EU?
9. Which services are financial according to EU legislation?
10. What is the principle of a single license in the financial markets of EU member states?

## **Individual work:**

### **Task 1**

Analyze the provisions of the Protocol on the Statute of the European System of Central Banks and the European Central Bank and the Law of Ukraine “On the National Bank of Ukraine” and compile a comparative table of functions (powers) of the European Central Bank and the National Bank of Ukraine. Determine whether these documents contain powers to protect consumer rights.

### **Task 2**

Compare the provisions of European and Ukrainian legislation regarding the affiliation of certain services to financial ones. What restrictions apply to institutions that have the right to provide financial services?

## **References:**

1. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC Text with EEA relevance.
2. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms.
3. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.
4. Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012.
5. Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS).
6. Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010.
7. Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II).
8. Directive 2003/41/EC of the European Parliament and of the Council of 3 June 2003 on the activities and supervision of institutions for occupational retirement provision.

## **Unit 2. Principles of protection of the rights of financial services consumers in the EU**

1. Is consumer protection a competence of the EU or the Member States?
2. What are the EU's multiannual consumer programs?
3. What provisions of the founding treaties are the legal bases for ensuring cooperation in the field of consumer protection in the EU?
4. Which issues in consumer relations in the EU have the same approach to regulation?
5. Identify the objectives of EU consumer policy.
6. Name and describe the sources of EU law on consumer protection.

7. What principles of protection of the rights of consumers of financial services have been formulated by the Group of Twenty (G20)?
8. Name the components of the consumer protection system in the EU.
9. What information should a financial service provider disclose to a consumer before entering into a contract?
10. What activities of a service provider can be recognized as unfair commercial practice under EU law?

### **Individual work:**

#### **Task 1**

Indicate the norms of primary EU legislation acts or international agreements of the Union, which contain provisions on consumer protection. Determine which acts of secondary legislation regulate the various elements of the system of protection of the rights of financial services consumers. Develop a structural and logical scheme that would cover the interaction of elements of the system of protection of financial services consumer rights.

#### **Task 2**

Analyze the Principles for the Protection of the Rights of Financial Services Consumers adopted by the G20 and determine whether they are implemented in European and Ukrainian law.

### **References:**

1. Guidelines on the application of Directive 2008/48/EC (Consumer Credit Directive) in relation to costs and the Annual Percentage Rate of charge. URL: [https://ec.europa.eu/info/sites/info/files/guidelines\\_final.pdf](https://ec.europa.eu/info/sites/info/files/guidelines_final.pdf).
2. G20 High-Level Principles on Financial Consumer Protection. URL: <https://www.oecd.org/daf/fin/financial-markets/48892010.pdf>.
3. Cherednychenko Olha. Financial consumer protection in the EU: towards a self-sufficient European contract law for consumer financial services? / Olha Cherednychenko // European Review of Contract Law. - 2014. – Vol. 10.4. - P. 476–495.
4. Benöhr, Iris. The United Nations guidelines for consumer protection: Legal implications and new frontiers / Iris Benöhr // Journal of Consumer Policy. - 2020. – Vol. 43.1. - P. 105–124.
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### **Unit 3. Regulators and supervisors in the EU financial services market**

1. Why do the risks of a consumer of financial services need more protection than the risks of financial intermediaries?
2. What is included in the effective protection of consumers' rights of financial services in the EU?
3. Describe the elements of the European System of Financial Supervision.
4. What are the powers of the European Central Bank?
5. What are the powers of the European Banking Authority?



6. What are the main objectives of the European Insurance and Occupational Pensions Authority?

7. What is the purpose of the European Securities and Markets Authority?

8. Which EU bodies or institutions are empowered to carry out macro-prudential regulation of financial markets?

9. Do the national regulators of the financial services markets of the EU Member States have the appropriate regulatory or supervisory powers?

How are consumers of financial services involved in the development of financial services policy in the EU?

### **Individual work:**

#### **Task 1**

The European Systemic Risk Board has, by its own decision, established mandatory forms of financial reporting for banks and insurance companies regarding the ownership structure and liquidity ratios that financial institutions were required to submit to the Joint Supervisory Committee on a monthly basis. Analyze the provisions of Regulation (EU) № 1092/2010 on EU macro-prudential supervision of the financial system and the establishment of the European Systemic Risk Board and determine whether this is within the remit of the Council.

#### **Task 2**

The European Systemic Risk Board has proposed to regulate issues related to the functioning of financial services markets, which will improve the protection of the rights of consumers of financial services. The European Commission has submitted a proposal to adopt a Regulation, which stipulates that financial services to citizens of an EU Member State may be provided only by financial institutions owned by legal or natural persons of the same EU Member State. Explain what constitutes freedom of establishment in the EU. What are the powers of the above-mentioned EU bodies in the field of financial services regulation? Explain the legal force of EU regulations and indicate which EU bodies are authorized to adopt them. Which provisions of the EU's founding treaties would be contradicted by the provisions of this draft regulation?

### **References:**

1. Moloney, Niamh. Brexit and financial services:(yet) another re-ordering of institutional governance for the EU financial system? / Niamh Molony // Common Market Law Review. Special. - 2018. – No. 55. - P. 175–201.
2. Howarth, David. The new intergovernmentalism in financial regulation and European Banking Union / David Howarth, Lucia Quaglia.// The New Intergovernmentalism: States and Supranational Actors in the Post-Maastricht Era. - 2015. – No. 146. - P. 146–162.
3. Chiu, Iris H-Y. Power and accountability in the EU financial regulatory architecture: examining inter-agency relations, agency independence and accountability / Iris H-Y. Chiu / Regulating and Supervising European Financial Markets. Cham : Springer. - 2016. – P. 67–101.
4. Véron, Nicolas. EU financial services policy since 2007: Crisis, responses, and prospects / Nicolas Véron // Global Policy. - 2018. – Vol. 9. - P. 54–64.
5. Pennesi, Francesco. Equivalence in the area of financial services: An effective instrument to protect EU financial stability in global capital markets? / Francesco Pennesi // Common Market Law Review. - 2021. - Vol. 58.1. - P. 39–70.

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#### **Unit 4. Methods of protecting the rights of consumers of financial services in the EU**

1. What is the cooperation between national authorities responsible for enforcing consumer protection laws in EU Member States?
2. Why does increasing the financial literacy of consumers of financial services help protect their rights?
3. Which entities are empowered to sue for injunctions to protect the rights of consumers of financial services?
4. Does EU law allow for the collective protection of the rights of consumers of financial services?
5. What disputes between consumers of financial services and providers of these services can be used as an alternative to resolving consumer disputes?
6. In which cases can online consumer dispute resolution be used?
7. Name the bodies or institutions that advise consumers of financial services on their rights.
8. What is the procedure for dealing with complaints on the FIN-NET network?
9. What are the features of EU legislation on distance contracts?
10. Who bears the burden of proving the supplier's obligations and the consumer's agreement to the terms of the distance contract in the event of a consumer dispute?

#### **Individual work:**

##### **Task 1**

For several months, the Spanish investment company Invest-Capital violated the terms of agreements on the payment of income to its depositors. Determine which method of protection investors can use. Which authorities can be contacted to protect the rights of consumers of financial services in this case? Consumer protection needs to be protected at the national level, are there any activities of pan-European institutions authorized to resolve disputes between consumers and financial service providers?

##### **Task 2**

A citizen of one of the EU countries A. while on a business trip in Ukraine applied to a Ukrainian bank for a transfer of funds (the amount of the transfer is 10 thousand dollars, the recipient of the transfer in Spain). However, due to the client's nervous and atypical behavior, the bank identified such an operation as suspicious and stopped the transfer. Upon learning that the recipient of the transfer had not received the funds, A. turned to the bank for explanations, which he received and decided that his rights as a client had been violated. Has there been a violation of A.'s rights? Will A. be able to use the mechanisms provided for in Directive 2013/11 / EU and Regulation (EU) № 524/2013 to protect his rights? Which country's law should apply in the event of a decision on an EU citizen's complaint against the actions of a Ukrainian financial institution?

## References:

1. Directive 2002/65/EC of the European Parliament and of the Council of 23 September 2002 concerning the distance marketing of consumer financial services and amending Council Directive 90/619/EEC and Directives 97/7/EC and 98/27/EC.
2. Regulation (EU) 2017/2394 of the European Parliament and of the Council of 12 December 2017 on cooperation between national authorities responsible for the enforcement of consumer protection laws and repealing Regulation (EC) No 2006/2004.
3. Directive 2009/22/EC of the European Parliament and of the Council of 23 April 2009 on injunctions for the protection of consumers' interests (Codified version) Text with EEA relevance.
4. Directive on representative actions for the protection of the collective interests of consumers and repealing Directive 2009/22/EC.
5. Regulation (EU) No 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC (Regulation on consumer ODR).
6. Directive 2013/11/EU of the European Parliament and of the Council of 21 May 2013 on alternative dispute resolution for consumer disputes and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC (Directive on consumer ADR).

## Unit 5. The concept of a single market for retail financial services in the EU

1. Describe the three main stages in the development of legal regulation of financial services in the EU.
2. Which institutions act as financial regulators in the EU?
3. List the main features of the modern European financial market.
4. What are the basic principles of legal regulation of financial services in the EU?
5. On which bodies is the system of European financial regulators based?
6. What decisions can European regulators make?
7. Which EU acts are leading in the field:
  - a) Banking services;
  - b) Insurance?

## Individual work:

### Task 1

In 1989, the Dutch state-owned postal, telegraph and telephone company was transformed into a limited liability company called Koninklijke PTT Nederland NV ("PTT").

On the occasion of the partial privatization of PTT, by selling the first tranche of 30 % of its capital in 1994 and the second tranche of another 20 % in 1995, the company's charter was amended to introduce a special share called "golden" action «in favor of the State of the Netherlands.

In 1998, PTT was divided into two limited liability companies, namely Koninklijke KPN NV ("KPN") for telecommunications services and TNT Post Group NV, which later became TPG NV ("TPG"), for postal services.

In this unit, the special share of the Netherlands in PTT has been changed to give the state a special share in each of the two new companies («special shares in question»).

In principle, the state of the Netherlands can transfer its special shares to the relevant company or other purchaser. In the latter case, the transfer under Article 17 of the KPN and TPG

Articles of Association must be approved by the company's board of directors and supervisory board.

The special shares in question give the Netherlands the special rights of prior approval of decisions of the two bodies on certain points.

“Afspraken op Hoofdlijnen KPN en TPG” (agreement with KPN and TPG), the Netherlands undertakes, first, to use a special share in KPN only when its interests as a major shareholder require, and, secondly, to use its special to participate in the TPG only in the same circumstances or if required by the protection of the general interest in the guarantee of universal postal service. The state also undertook not to use its rights gained from these special shares to protect interested companies from hostile takeover bids.

Between 1998 and the limited period set out in the reasoned opinion, namely 6 April 2003, the Netherlands ordinary shareholding was gradually reduced to around 20 % in KPN and 35 % in TPG.

Having given the Kingdom of the Netherlands the opportunity to submit its observations, the Commission sent it two reasoned opinions on 6 February 2003, stating that the special shares held by the Netherlands in KPN and TPG were considered incompatible with Articles 56 (1) EU and 43 EU. The Commission set a two-month deadline for the Netherlands to take the necessary measures to comply with the reasoned conclusions. Dissatisfied with the replies of the Government of the Netherlands in letters dated 28 April 2003, the Commission brought these actions.

After analyzing the circumstances of the case and following the rules of EU law, the Court of Justice has concluded that, while maintaining certain provisions in the Memorandum and Statutes of Koninklijke KPN NV and TPG NV, the capital includes a special share owned by the Netherlands. The Kingdom of the Netherlands has not their obligations under Article 56 (1) EU.

Read the judgment of the European Court of Justice in case C-282/04 – Commission v Netherlands, and identify which of the basic principles of the single market for financial services have been violated.

### **References:**

1. Directive 2004/39/EC of the European Parliament and of the Council On markets in financial instruments.
2. Howarth, David. Banking union as holy grail: Rebuilding the single market in financial services, stabilizing Europe's banks and completing economic and monetary union / David Howarth, Lucia Quaglia. // J. Common Mkt. Stud. - 2013. – No. 51. - P. 103.
3. Armour, John. Brexit and financial services / Armour, John. // Oxford Review of Economic Policy. - 2017. 33 (Suppl\_1). - P. 54–69.
4. Bouyon, Sylvain. Relaunching the European Retail Finance Market: Comments on the Commission's Green Paper. No. 11187. / Sylvain Bouyon, Karel Lannoo. / Centre for European Policy Studies, 2015.
5. Allinger, Katharina. European retail payments market integration and fintech: A case study approach / Katharina Allinger // Financial Stability Report. - 2018. – No. 36. – P. 25–39.
6. Boldeanu, F. T. The financial system of the EU and the Capital Markets Union / F. T. Boldeanu, I. Tache // European Research Studies Journal. - 2016. - 19 (1). - 3. 59–70.

### **Unit 6. Legal regulation of banking services in the EU**

1. Describe the basic legal framework for regulating the banking market in the EU.
2. Sources of regulation of the banking services market in the EU.

3. What are the principles of European banking law?

4. What does it mean:

- The principle of equality in the conduct of credit and financial institutions in the European Union, regardless of place of registration;
- The principle of fair competition;
- Establishing the independence of the central bank;
- The principle of consolidated supervision and the procedure for reporting (the main instrument of supervision) by credit institutions;
- The principle of establishing the same requirements for prudential supervision for all credit institutions of the European Union (bringing the main financial indicators and requirements for the activities of European credit institutions to uniform standards);
- The principle of cooperation between the European Union banking supervisors;
- The principle of mutual recognition by Member States of national banking licenses?

5. Name the main models of regulation and supervision of the banking sector in the EU.

6. Types of banking services in EU countries.

7. Describe the procedure for protecting the rights of consumers of banking services in the

EU.

### **Individual work:**

#### **Task 1**

Read the information on the protection of depositors' rights (URL: <https://www.fg.gov.ua/zakhist-prav-vkladnikiv>) and the list of banks (URL: <https://www.fg.gov.ua/articles/39917-banki---uchasniki-fondu-garantuvannya-vkladiv-fizichnih-osib.html>) participating in the Individual Deposit Guarantee Fund.

Analyze information on the activities of banks in accordance with the option for compliance with the rights of depositors:

1. Joint-stock company “Altbank”;
2. Universal bank JSC;
3. Taskombank JSC;
4. Public JSC Bank “Ukrasbank”;
5. OTP Bank JSC;
6. Privatbank Commercial Bank JSC;
7. Raiffeisen Bank Aval JSC;
8. Prokredit Bank JSC;
9. JSC “Ukrainian Bank for Reconstruction and Development”;
10. Bank Sich JSC.

It is necessary to determine:

- Since when is the bank a member of the DGF;
- What is the list of banking services provided by the bank and which of them are covered by the DGF;
- To what extent are the requirements of the Law “On the Deposit Guarantee System for Individuals”, Directive 2014/49/EC;
- «On Deposit Guarantee Schemes” to inform the depositor about banking services;
- Using the Unified Register of Court Decisions, determine whether cases have been initiated with the participation of the bank regarding violations of the law on depositors' rights.

## References:

1. Baglioni A. The European Banking Union: A Critical Assessment / A. Baglioni. - London : Palgrave Macmillan, 2016. - P. 1.5.
2. Understanding ... Banking Union (European Commission Banking and Finance Newsletter).  
URL: [http://ec.europa.eu/information\\_society/newsroom/cf/fisma/itemdetail.cfm?item\\_id=20758&newsletter\\_id=166&lang=en](http://ec.europa.eu/information_society/newsroom/cf/fisma/itemdetail.cfm?item_id=20758&newsletter_id=166&lang=en).
3. Understanding Bank Recovery and Resolution in the EU : A Guidebook to the BRRD. World Bank Group, 2016. - 173 p.
4. Castaneda J. E. European Banking Union: Prospects and Challenges / J. E. Castaneda, D. G. Mayes, G. Wood // New York : Routledge, 2016. - P. 114.
5. Council regulation 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions / Official Journal of the European Communities. – Oct. 29, 2013. - № L 287. - P. 63–89.
6. Directive 2014/59/EU of the European Parliament and of the Council of May 15, 2014 Establishing a Framework for the Recovery and Resolution of Credit Institutions and Investment Firms / Official Journal of the European Communities. – June 12, 2014. - № L 173. - P. 190–348.
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## Unit 7. Legal regulation of insurance services in the EU

1. Name the stages of formation of the EU insurance market.
2. What types of insurance does the EU insurance market cover?
3. Describe the three groups of legal relations in the field of insurance in the European Union.
4. Principles of functioning of the EU single insurance market.
5. Name the main sources of regulation of the EU insurance market.
6. Describe the types of insurance services in the EU.
7. Describe the procedure for providing insurance services in accordance with EU acts.
8. Name the main violations in the market of insurance services in the field of consumer protection of financial services.
9. What is the purpose of prudential supervision of insurance providers, which EU bodies / institutions are authorized to carry it out?
10. What information should be disclosed to the consumer when concluding an insurance contract?

## Individual work:

### Task 1

What legislative and regulatory acts regulate the activities of insurance agents and brokers in Ukraine? Discover the features of their activities. Compare requirements for insurance mediation in the European Union and Ukraine (EU Insurance Mediation Directive № 2002/92/EC).

### Task 2

Describe the EU directive on the regulation of Solvency II insurers. Explain the reasons for the strict requirements of the state to the authorized capital of the insurer.

### Task 3

Formulate the main directions of insurance regulation in the EU; compare them with those carried out in Ukraine. Identify their similarities and differences.

### References:

1. Köhne, Thomas. The new insurance distribution regulation in the EU - A critical assessment from a legal and economic perspective / Thomas Köhne, Christoph Brömmelmeyer // The Geneva Papers on Risk and Insurance Issues and Practice. - 2018. No. 43.4. - P. 704–739.
2. Dacev, Nikola. Dacev // UTMS Journal of Economics - 2017. – No. 8.3. - P. 259–269.
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### Unit 8. Legal regulation of investments in the EU

1. What are the key sources of EU investment law?
2. Describe the four categories of capital movements.
3. Name the fundamental principles of EU investment policy.
4. Explain the essence of the principle “focus on the implementation of long-term investment projects that promote economic growth, reduce unemployment and improve the quality of human capital”.
5. Explain the essence of the principle “ensuring transparency of investment through improving the regulatory framework, stimulating competition and open access to the investment market”.
6. Explain the essence of the principle of “guaranteeing equal conditions for investment activities for entrepreneurs, regardless of the country of origin of capital” and the principle of «non-discrimination against foreign investors”.
7. What are the conditions set by Regulation (Regulation (EU) No 1219/2012) for the application of more than 1,400 bilateral investment agreements?
8. Describe the concept of “investor”, who may fall into this category.

### Individual work:

Based on the list of bilateral investment agreements establishing transitional arrangements for bilateral investment agreements between Member States and third countries, determine, as appropriate, the list of countries and the chronology of such agreements by the country concerned.

Variant 1. Bulgaria

Variant 2. Denmark

Variant 3. Germany

Variant 4. Estonia  
Variant 5. Spain  
Variant 6. France  
Variant 7. Croatia  
Variant 8. Latvia  
Variant 9. Hungary  
Variant 10. Austria

List of bilateral investment agreements – URL: [https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1547736356459&uri=CELEX:52018XC0427\(06\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1547736356459&uri=CELEX:52018XC0427(06)).

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### Unit 9. Legal regulation of pensions in the EU

1. What are the basic pension rights defined by the European Social Rights Scheme?
2. What pension rights does EU law protect?
3. Name the main EU pension institutions.
4. Describe the main tasks of the European body for the regulation of insurance and private pension activities.
5. Define the structure of ESFS.
6. Describe the legal status of pension funds in the EU pension mechanism.
7. Provide the concepts and main features of the pan-European personal pension product.
8. What are the basic characteristics of the procedure for protecting consumers of pension services?



### **Individual work:**

1. In the Richards case, a complainant who underwent gender reassignment surgery wanted to retire on the occasion of her 60th birthday (retirement age for women in the United Kingdom). The government refused to grant her a pension on the grounds that she had not been treated unfavorably compared to others in a similar situation. The Government argued that the applicant should in fact be compared to a man, as she had lived her life as a male. The ECJ has decided that national law allows for gender reassignment operations, so “women” are a good example of comparison. Accordingly, the applicant's situation was less favorable than that of the other women, as she had been set a higher retirement age.

Analyze the solution of *Richards v. Secretary of State for Work and Pensions* and determine what conclusions the court reached in this case. Describe the principle of non-discrimination and determine its importance for consumer protection in the field of pensions. What impact does it have on the formation of relations in the field of private pension provision?

2. The applicant and her husband had lived all their lives in the Netherlands. The applicant's husband was granted an old-age pension for married persons under the Algemene Ouderdomswet (“AOW”) Act of 1 August 1984. However, his pension was reduced by 38 % because he had not been insured under the law for period, which is a total of 19 years, when he worked in Germany and insurance premiums were paid in accordance with German social insurance law. This decision was not appealed. The applicant was granted an old-age pension under the AOW of 1 March 1989 on the same grounds as her husband's pension, which was 38 % less. She appealed the decision, but to no avail. The applicant alleged that the reduction in her pension under the AOW constituted discrimination on grounds of sex, namely because at the relevant time a married woman had received legal insurance only during periods when her husband was insured, whereas for married men there was no such rule. .

Analyze the decision of the ECtHR *Wessels-Bergervoet v. the Netherlands* and determine what conclusions the court reached in this case. Describe the concept of “pension scheme”. Identify how the pension scheme affects the definition of the conditions and procedure of private pension provision.

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### **Unit 10. European system of consumer protection in financial services. Case law of the European Court of Justice and the European Court of Human Rights on the protection of consumers of financial services**

1. What types of infringements of consumer rights are provided for in Directive 2005/29/EU on unfair commercial practices in the domestic market?
2. What is dishonest commercial practice of financial services?
3. Describe the principles of protection of the rights of consumers of financial services.
4. Identify the main categories of cases in the field of violation of the rights of consumers of financial services, which considers:
  - a) The European Court of Justice;
  - b) ECHR.
5. Which entities have the right to apply to the European Court of Justice and the European Court of Human Rights?
6. Describe the key cases of the European Court of Justice in the field of consumer protection of financial services?

#### **Individual work:**

Analyze the solutions in the following cases:

1. Banif Plus Bank Zrt. v Mártonn Lantos, Mártonné Lantos Judgment C-312/14 03.12.2015.
2. Jean-Bernard Lafonta Authorities of the financial markets Judgment C-628/13 11.03.2015.
3. European Central Bank, European Commission and Trust Komerčbank among others Judgment C-663/17, C-665/17 and C-669/17 05.11.2019.
4. Harald Kolassa v. Barclays Bank plc Judgment C-375/13 28.01.2015.
5. Pronina v. Ukraine Application No. 63566/00.

Describe the factual circumstances of the case and the rules that were violated. What methods and tools were used to protect the rights of consumers of financial services? What conclusions were reached by the court?

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