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On 23rd December 2019 a meeting of AIDA Israel was held in Tel Aviv together with the Insurance Committee of the Israeli Bar Association.

Two issues were dealt with in this meeting:

1. The Mandatory Disclosure duty of the Insurer – is it time for change?

Omri Ben Shahar and **Carl Schneider** published a book in the United States which summarized their study titled "More than you wanted to Know". Their study shows that consumers do not read the fine print and therefore disclosure does not work and it cannot be fixed. They criticize the ability of mandated disclosure to equip the consumers to make good choices, as consumers do not read and if they read they do not understand and they don't want to make difficult choices. Therefore, the disclosures may even harm the consumers . In addition, disclosure imposes heavy costs and this is only an illusion that the disclosure can abridge the information gap between the suppliers and the consumers. Ben Shahar and Schneider think that the disclosure aspires to help people making unfamiliar and complex decisions while dealing with specialists who give them too much information.

The book was published in 2014, and ignited articles in different directions ever since to date.

In September 2019, the **Australian Securities and Investments Commission (ASIC)** and the **Dutch Authority for the Financial Markets (AFM)** published a joint report titled "Disclosure: why it shouldn't be the Default".

According to the report, the disclosure does not solve the complexity in financial services market as the effect of the disclosure differs from person to person and situation to situation. Therefore no universal approach to disclosure can meet the needs of all. The conclusion of these two Regulators is that the mandated disclosure should not be the only solution and that the appropriate balance between consumers and industry should be assessed in order to find an effective way to achieve the protection of the consumers.

The various views of scholars were presented by **Adv. Yael Finkelman**, a Council member of AIDA Israel, and **Peggy Sharon**, AIDA World President and head of AIDA Israel. The participants raised various considerations

concerning this issue and the conclusion was that it is time to look for new ways in order convey the information to Insureds in a more effective way.

It was suggested that various aspects of this issue will be raised by Insurers' representatives/brokers/lawyers representing Plaintiffs etc. in order to check the feasibility of a change in the Israeli Insurance market.

2. Electric Bicycles – whether or not they are Motor Vehicles

Adv. **Eran Bekker** gave a presentation about the ruling in the Haifa District Court in the case of Walid Darwish (Judge Kamal Sayeb) who ruled that electric bicycles are motor vehicles and therefore and rider who is injured in a road accident will not be entitled to compensation for lack of motor insurance. It is true that it is not possible to buy insurance for electric bicycles under the Mandatory Motor Insurance policy , however this mode of transportation meets the definition of motor vehicle of the law.

On the other hand, a Tel Aviv Court of Appeal in the case of Zilbershtein decided that electric bicycles do not fall within the definition of motor vehicles. **Adv. Omer Harlap** described the judgement and called for the intervention of the legislator in order to enable the public who widely use the electric bicycles to buy compulsory motor insurance in consideration for reasonable premium.