

**Banking: Conduct of Business sourcebook**

# Chapter 1

# Application



## Structured deposit business

### Application of BCOBS to firms selling structured deposits

- 1.1 R The *BCOBS* provisions shown below do not apply to a *MiFID investment firm*, a *third country investment firm* or a *MiFID optional exemption firm* in relation to the sale of *structured deposits* subject to the rules specified in [COBS 1.1.1AR\(2\)](#).
- | BCOBS provision   | Description  |
|---|--|
| <a href="#">BCOBS 2</a>   | Communications with banking customers and financial promotions |
| <a href="#">BCOBS 4</a> (other than <a href="#">BCOBS 4.1.4AG</a> and <a href="#">BCOBS 4.3</a> ) | Information to be communicated to banking customers            |
- 1.2 G A *firm* to which [BCOBS 1 Annex 1](#) paragraph 1.1R applies should read and understand the reference to the appropriate information *rule* in [BCOBS 4.1.4AG](#) as referring to [COBS 2.2A.2R](#).
- 1.3 G A *MiFID investment firm*, a *third country investment firm* or a *MiFID optional exemption firm* that sells *structured deposits* should consider [COBS 1.1.1AR](#) to [COBS 1.1.1ABR](#). These rules specify how certain provisions in *COBS* apply to a *firm* in relation to the sale of *structured deposits*.

### Financial promotions relating to structured deposits

- 1.4 G (1) [BCOBS 2](#) contains rules which apply to a *firm* when it *communicates a financial promotion* that is not an *excluded communication* or when the *firm* *approves a financial promotion*.
- (2) If a *financial promotion* relates to a *structured deposit*, rules relating to past, simulated past and future performance in [COBS 4.5A](#) or [COBS 4.6](#) will also apply.

### Structured deposits as PRIIPs

- 1.5 G *Firms* are reminded that *structured deposits* are *PRIIPs* and that the provisions of the *PRIIPs Regulation* are also relevant to such products. The *PRIIPs Regulation* requires a *person* who advises on, or sells, a *PRIIP* to provide a retail investor (as defined in the *PRIIPs Regulation*) with the *key information document* for that *PRIIP*.
- 1.6 G Where a *firm* is required to provide information in a *key information document*, it will not be required to provide the same information under [BCOBS 4.1](#).

[Note: [BCOBS 1.1.4R\(3\)](#) and article 13 of the *PRIIPs Regulation*]