

Chapter 1

Application and purpose

1.1 Application

Application

1.1.1 **G** The Claims Management: Conduct of Business sourcebook (*CMCOB*) is the specialist sourcebook for *regulated claims management activities*.

CMCOB applies as described in this chapter, unless the application of a chapter, section or a *rule* is described differently in the chapters, sections or *rules* in *CMCOB*.

Purpose

1.1.2 **G** The purpose of *CMCOB* is to set out the detailed obligations that are specific to *regulated claims management activities* and activities connected to those activities carried on by *firms*. These build on and add to the high-level obligations, for example, in *PRIN*, *GEN* and *SYSC*.

1.1.3 **G** Other parts of the *FCA Handbook* also apply to *regulated claims management activities*. For example, the arrangements for supervising *firms*, including applicable reporting obligations, are described in the Supervision manual (*SUP*) and the detailed requirements for handling complaints are set out in the Dispute Resolution: Complaints sourcebook (*DISP*). The Client Assets sourcebook (*CASS*) also contains *rules* about *client money* that apply in certain circumstances.

1.1.4 **G** *Firms* are reminded that they may require permissions to carry on *regulated activities* other than *regulated claims management activities*: for example, *credit broking*, *entering into a regulated credit agreement as lender* or *insurance distribution activity*.



1.2 Who? What? Where?

- 1.2.1 **R** (1) *CMCOB* applies to a *firm* (including to a Gibraltar-based firm or a *TP firm*) with respect to carrying on *regulated claims management activities* and *ancillary activities*, unless otherwise stated in, or in relation to, a *rule*.
- (2) In (1) “Gibraltar-based firm” has the same meaning as in the *Gibraltar Order*.
- 1.2.2 **G** For an activity to amount to a *regulated claims management activity* it must be carried on in *Great Britain*. *Firms* should note that *regulated claims management activities* (and activities ancillary to *regulated claims management activities*) can be carried on in *Great Britain* whether or not they are carried on from an establishment maintained in the *United Kingdom* (see ■ PERG 2.4A).
- 1.2.3 **R** A *firm* must:
- (1) ensure that its *employees* and agents comply with *CMCOB*; and
 - (2) take reasonable steps to ensure that other persons acting on its behalf comply with *CMCOB*.

