

Consumer Credit sourcebook

CONC TP 5

Transitional provisions for prudential provisions in relation to debt management firms

| (1) | (2) | (3) | (4) | (5) | (6) |
|-----|--|-----|---|--|--------------------------------------|
| | Material to which the transitional provision applies | | Transitional provision | Transitional provision: dates in force | Handbook provision coming into force |
| 5.1 | CONC 10.3.3 R | | A <i>firm</i> can calculate its prudential resources without deducting items 2 and 3 in CONC 10.3.3 R | From 1 April 2014 to 31 March 2017 | 1 April 2014 |
| 5.2 | CONC 10.3.5 R | | b = items 1, 4 and 5 in the Table of items which must be deducted from a <i>firm's</i> prudential resources (see CONC 10.3.3 R) | From 1 April 2014 to 31 March 2017 | 1 April 2014 |
| 5.3 | CONC 10.3.6 G | | The <i>guidance</i> at CONC 10.3.6 G should be read in the light of TP 5. 2 | From 1 April 2014 to 31 March 2017 | 1 April 2014 |

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CONC TP 6

Transitional provisions for financial promotions and communications in relation to catalogues etc.

| (1) | (2) | (3) | (4) | (5) | (6) |
|-----|--|-----|---|--|--------------------------------------|
| | Material to which the transitional provision applies | | Transitional provision | Transitional provision: dates in force | Handbook provision coming into force |
| 6.1 | CONC 3 | R | A <i>firm</i> will not contravene a rule in CONC 3 to the extent that a <i>financial promotion</i> or communication referred to in 6.2 would comply, as the case may be, with the Consumer Credit (Advertisements) Regulations 2010 or the Consumer Credit (Advertisements) Regulations 2004 (assuming they had not been repealed by Article 21 of the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No 2) Order 2013). | From 1 April 2014 to 31 March 2015 | 1 April 2014 |
| 6.2 | | R | A <i>financial promotion</i> or a communication first communicated to the public in a catalogue, diary or work of reference comprising at least fifty printed pages copies of which are first communicated before 1 October 2014 and which in a reasonably prominent position either contains the date of its first publication or specifies a period being a calendar or seasonal period throughout which it is intended to have effect. | From 1 April 2014 to 31 March 2015 | 1 April 2014 |

Consumer Credit (Amendment No 2) Instrument 2015

CONC TP 7

Transitional provision in relation to the Consumer Credit (Amendment No 2) Instrument 2015

| (1) | (2) Material to which the transitional provision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|-----|--|-----|----------------------------|--|---|
| 7.1 | CONC | R | [expired] | | |

Consumer Credit (Earlier Intervention and Persistent Debt) Instrument 2018

CONC TP 7A

Transitional provisions in relation to the Consumer Credit (Earlier Intervention and Persistent Debt) Instrument 2018

| (1) | (2) Material to which the transitional pro- vision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|------|---|-----|---|---|---|
| 7A.1 | CONC 6.7.2R, CONC 6.7.3AR to CONC 6.7.3DR, and CONC 6.7.27R to CONC 6.7.40G | R | A <i>firm</i> may comply with CONC as if the changes made by the Consumer Credit (Earlier Intervention and Persistent Debt) Instrument 2018 had not been made until (but not including) 1 September 2018. But where a <i>firm</i> elects, in relation to a credit card agreement, to comply before that date with CONC as amended by that Instrument, it must comply with the relevant provisions in full. Consequently, the time periods set out in the <i>rules</i> to which this transitional provision applies are to be determined by reference to the date on which the <i>firm</i> first acted in compliance (or purported compliance) with those <i>rules</i> . | 1 March 2018 to 31 August 2018 | 1 March 2018 |
| 7A.2 | CONC 6.7.27R to CONC 6.7.40G | G | The effect of TP 7A.1 is that no later than 1 September 2018 <i>firms</i> must start to look back at credit card <i>customers'</i> repayment records over the preceding 18-month period and identify any <i>customers</i> that fall within the application of CONC 6.7.27R (and must thereafter continue to do so on at least a <i>monthly</i> basis). <i>Firms</i> must then send those <i>customers</i> a communication in accordance | 1 March 2018 to 31 August 2018 | 1 March 2018 |

| (1) | (2) Material to which the transitional provision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|-----|---|-----|---|---|--|
| | | | <p>with CONC 6.7.27R(3). Between 9 and 10 <i>months</i> after this communication is required to be sent, CONC 6.7.29R requires <i>firms</i> to take the additional steps set out in that <i>rule</i> with respect to that group of <i>customers</i>. 18 <i>months</i> after this CONC 6.7.27R communication is required to be sent, CONC 6.7.30R to CONC 6.7.40G potentially require the <i>firm</i> to take the further steps described in those <i>rules</i> in relation to that group of <i>customers</i> where CONC 6.7.30R applies. CONC 6.7.30R applies only where the amount that <i>customer</i> has paid to the <i>firm</i> towards the credit card balance, over the 18-month period following the date on which the CONC 6.7.27R communication was triggered, comprises a lower amount in principal than in interest, fees and charges. This means that the earliest date on which a <i>firm</i> may have obligations under CONC 6.7.30R is 1 March 2020 (except as mentioned below). However, <i>firms</i> are not required to delay implementation to the end of the six-month period set out in TP 7A.1: where a <i>firm</i> takes a step in compliance with one of the <i>rules</i> in question before 1 September 2018 in relation to a particular credit card agreement (for example, carrying out the 18-month review), the time for taking all subsequent steps required to be taken under those <i>rules</i> is to be determined by reference to the date of that first</p> | | |

| (1) | (2) Material to which the transitional pro- vision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|-----|---|-----|---|---|---|
| | | | step, and not by refer- ence to 1 September 2018 (or some later date). | | |

Consumer Credit (Earlier Intervention and Persistent Debt) Instrument 2018

CONC TP 7B

Transitional provisions in relation to the Consumer Credit (High-Cost Credit) Instrument 2018

| (1) | (2) Material to which the transitional provision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|---------------------------------------|--|-----|--|---|--|
| Handbook provision: coming into force | CONC 6.7.1(4)R, CONC 6.7.3AR to CONC 6.7.3DG, and CONC 6.7.27R to CONC 6.7.40G | R | A <i>firm</i> may comply with CONC as if the changes made by the Consumer Credit (High-Cost Credit) Instrument 2018 had not been made until (but not including) 19 June 2019. But where a <i>firm</i> elects, in relation to <i>retail revolving credit</i> , to comply, before that date, with CONC as amended by that Instrument, it must comply with the relevant provisions in full. Consequently, the time periods set out in the <i>rules</i> to which this transitional provision applies are to be determined by reference to the date on which the <i>firm</i> first acted in compliance (or pur- | 19 December 2018 to 18 June 2019 | 19 December 2018 |

| (1) | (2) Material to which the transitional provision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|------|---|-----|---|---|--|
| 7B.2 | CONC 6.27R to CONC 6.40G | G | <p>ported compliance) with those <i>rules</i>.</p> <p>The effect of TP 7B.1 is that no later than 19 June 2019 <i>firms</i> must start to look back at the repayment records for <i>retail revolving credit customers</i> over the preceding 18-month period and identify any <i>customers</i> that fall within the application of CONC 6.7.27R (and must thereafter continue to do so on at least a <i>monthly</i> basis). <i>Firms</i> must then send those <i>customers</i> a communication in accordance with CONC 6.7.27R(3). Between 9 and 10 months after this communication is required to be sent, CONC 7.7.29R requires <i>firms</i> to take the additional steps set out in that <i>rule</i> with respect to that group of <i>customers</i>. 18 months after the CONC 6.7.27R communication is required to be sent, CONC</p> | 19 December 2018 to 18 June 2019 | 19 December 2018 |

| (1) | (2) Material to which the transitional provision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|-----|---|-----|---|---|--|
| | | | <p>6.7.30R to CONC 6.7.40G potentially require the <i>firm</i> to take the further steps described in those <i>rules</i> in relation to that group of <i>customers</i> where CONC 6.7.30R applies. CONC 6.7.30R applies only where the amount that <i>customer</i> has paid to the <i>firm</i> towards the balance on the <i>retail revolving credit</i> account, over the 18-month period following the date on which the CONC 6.7.27R communicated was triggered, comprises a lower amount in principal than in interest, fees and charges. This means that the earliest date on which a <i>firm</i> may have obligations under CONC 6.7.30R is 19 December 2020 (except as mentioned below). However, <i>firms</i> are not required to delay implementation to the end of the 6-month period set out in TP 7B.1: where a <i>firm</i> takes a step in</p> | | |

| (1) | (2) Material to which the transitional provision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|-----|---|-----|---|---|--|
| | | | <p>compliance with one of the <i>rules</i> in question before 19 June 2019 in relation to a particular <i>retail revolving credit</i> agreement (for example, carrying out the 18-month review), the time for taking subsequent steps required to be taken under those <i>rules</i> is to be determined by reference to the date of that first step, and not by reference to 19 June 2019 (or some later date).</p> | | |

Consumer Credit (Amendment No 2) Instrument 2015

CONC TP 8 Other transitional provisions

| (1) | (2) Material to which the transitional provision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|-----|---|-----|--|--|---|
| 1 | CONC 2.2.6R(1) to (3) | R | <p>A <i>firm</i> need not comply with CONC 2.2.6R(1) to (3) in relation to an automatic renewal of an agreement for an optional additional product which was entered into on or before 31 March 2016 provided:</p> <p>(1) the automatic renewal of the agreement is on substantially the same terms. The phrase “on substantially the same terms” is to be interpreted in the same way as in CONC 2.2.6R(11)(b) and (c)</p> <p>(2) on the occasion of the first automatic renewal on or after 1 April 2016, the <i>firm</i> takes reasonable steps to ensure that the <i>customer</i> is informed:</p> <p>(a) that the renewal of the agreement is optional;</p> <p>(b) that the <i>customer</i> may elect not to renew the agreement; and</p> <p>(c) of the effect of the non-renewal of the agreement, if any, on the service the provision of which constitutes the carrying on of a <i>credit-related regulated activity</i>; and</p> <p>(3) the procedure to be used by <i>customers</i> for electing not to renew the agreement pays due regard to the interests of <i>customers</i> and treats them fairly.</p> | From 1 April 2016 | On 1 April 2016 |
| 1A | CONC chapters 3, 7 and 8 | G | A <i>firm</i> may choose to comply with CONC chapters 3, 7 and 8 as if the changes to it made by the Money and Pensions Service (Consequential Amendments) Instrument 2021 had not been made. | 26 November 2021 to 25 November 2022 | 26 November 2021 |
| 2 | CONC 6.7.16B | R | A <i>firm</i> need not comply with CONC 6.7.16BR in respect of drawdowns of <i>credit</i> made on or before 12 November 2019. | From 12 November 2019 | 12 November 2019 |

| (1) | (2) Material to which the transitional provision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|-----|--|-----|--|--|---|
| 3 | CONC 6.7.16B | G | The effect of TP 2 is that where an agreement allows for multiple drawdowns, a <i>firm</i> must comply with CONC 6.7.16BR in respect of drawdowns of <i>credit</i> made after 12 November 2019, but need not do so for drawdowns made on or before this date. | From 12 November 2019 | 12 November 2019 |
| 4 | CONC 5D.1.1R(2) | R | <p>The expressions in CONC 5D.1.1R(2) have the following meaning:</p> <p>(1) An “arranged overdraft” is the running-account facility provided for in an <i>authorised non-business overdraft agreement</i> that is a <i>regulated credit agreement</i>.</p> <p>(2) An “excluded account” is a personal current account that is offered on terms that:</p> <p>(a) an agreement which provides authorisation in advance for the <i>customer</i> to overdraw on the account cannot arise; and</p> <p>(b) either:</p> <p>(i) the account cannot become overdrawn without prior arrangement; or</p> <p>(ii) no charge is payable (by way of interest or otherwise) if the account becomes overdrawn without prior arrangement; and</p> <p>(c) no charge is payable where the <i>firm</i> refuses a payment due to lack of funds.</p> <p>(3) A “personal current account” means an account, other than a current account mortgage, which is a payment account within the meaning of the <i>Payment Accounts Regulations</i>.</p> <p>(4) A “private bank” is a <i>bank</i> or <i>building society</i>, or an operationally distinct brand of such a <i>firm</i>, over half of whose personal current account customers each had throughout the previous financial year net assets with a total value of not less than £250,000. For this purpose:</p> <p>(a) net assets do not include:</p> <p>(i) the value of the <i>customer’s</i> primary residence or any loan secured on that residence;</p> <p>(ii) any rights of the <i>customer</i> under a qualifying contract of insurance within the meaning of the <i>Regulated Activities Order</i>; and</p> <p>(iii) any benefits (in the form of pensions or otherwise) which are payable on the termination of the service of the <i>customer</i> or</p> | 18 December 2019 to 6 April 2020 | 18 December 2019 |

| (1) | (2) Material to which the transitional provision applies | (3) | (4) Transitional provision | (5) Transitional provision: dates in force | (6) Handbook provision: coming into force |
|-----|--|-----|---|--|---|
| | | | <p>on retirement, and to which the <i>customer</i> (or the <i>customer's</i> dependents) are, or may be, entitled; and</p> <p>(b) "previous financial year" means the most recent period of one year ending with 31 March.</p> <p>(5) An "unarranged overdraft" is a <i>regulated credit agreement</i> that arises as a result of:</p> <p>(a) a personal current account becoming overdrawn in the absence of an arranged overdraft; or</p> <p>(b) the <i>firm</i> making available to the <i>customer</i> funds which exceed the limit of an arranged overdraft.</p> | | |
| 5 | CONC 5D.1.1R(2) | G | <p>CONC 5D.1.1R(2) provides that the expressions referred to in that <i>rule</i> are to have the meaning set out at CONC 5C. Since CONC 5D comes into force before CONC 5C comes into force, CONCTP 8.4 provides that the expressions are to have the meaning set out in that transitional provision (which are identical to the meaning given to the expressions in CONC 5C) until CONC 5C comes into force.</p> | 18 December 2019 to 6 April 2020 | 18 December 2019 |
| 6 | CONC 8.3.11R | R | <p>(a) A <i>firm</i> which is carrying out activity described in CONC 8.3.9R immediately before 2 June 2023 may comply with CONC as if CONC 8.3.11R had not been made, until (but not including) 3 October 2023.</p> <p>(b) CONCTP 8(6)(a) does not affect the application of CONC 8.3.16R to a <i>firm</i> in respect of an <i>appointed representative</i> in circumstances where the appointed representative was appointed after 1 June 2023 or did not carry out activity described in CONC 8.3.9R immediately before 2 June 2023.</p> | 2 June 2023 until (but not including) 3 October 2023 | 2 June 2023 |
| 7 | CONC 8.3.11R | G | <p>The effect of CONCTP 8(6) is to provide a transitional period to all existing debt packager <i>firms</i> and their existing <i>appointed representatives</i>, where such <i>firms</i> or <i>appointed representatives</i> are carrying on debt packager business immediately before the prohibition in CONC 8.3.11R comes into force.</p> | 2 June 2023 until (but not including) 3 October 2023 | 2 June 2023 |

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Schedule 1 Record keeping requirements

Sch 1

| | | |
|-----|---|---|
| 1.1 | G | The aim of the <i>guidance</i> in the following table is to give the reader a quick overall view of the relevant record keeping requirements in <i>CONC</i> . |
| 1.2 | G | It is not a complete statement of those requirements and should not be relied on as if it were. |

| Handbook reference | Subject of record | Contents of record | When record must be made | Retention period |
|--------------------|---|--|---|--|
| 4.4.3R(6)(a) | Information notice | A copy of the notice, and details of the date on which and the manner by which it was sent | When the notice is sent | 18 months from the date on which the notice is sent |
| 4.4.3R(6)(b) | Customer confirmation | A copy of the confirmation, and details of the date on which and the manner by which it was received | When the confirmation is received | 18 months from the date on which the confirmation is received |
| 6.6.3R | Actions concerning articles taken in <i>pawn</i> . | Specified details concerning taking articles in <i>pawn</i> , redemption and sale of articles in <i>pawn</i> . | Date of event referred to in section. | At least the longer of 5 years from the date on which an article is taken in <i>pawn</i> or 3 years from date of sale under section 121(1) of the CCA or the redemption of the article as the case may be. |
| 7.13.2R | An <i>individual</i> who is, or is treated as, a <i>borrower</i> under a <i>credit agree-</i> | Accurate and adequate data (including in respect of debt and repayment | When a <i>firm</i> is notified in relation to an <i>individual</i> whom it is to pursue for | Not specified. |

| Handbook reference | Subject of record | Contents of record | When record must be made | Retention period |
|--------------------|--|--|--|--|
| | <i>ment or consumer hire agreement.</i> | history) in relation to <i>individuals</i> owing, or treated as owing, money under <i>credit agreements</i> or <i>consumer hire agreements</i> . | recovery of a debt. | |
| 7.13.7R | An <i>individual</i> not being the <i>borrower</i> under a <i>credit agreement</i> or <i>consumer hire agreement</i> . | Record that the <i>individual</i> is not the <i>borrower</i> and should not be pursued for debt. | Date on which the <i>firm</i> is aware of true state of affairs. | Not specified. |
| 8.3.4AR(2) | The grounds for being satisfied that the <i>firm</i> is unlikely to enter into a contract with a <i>customer</i> . | The grounds for being satisfied that the <i>firm</i> is unlikely to enter into a contract with a <i>customer</i> . | When the <i>firm</i> becomes satisfied that it is unlikely to enter into a contract with the <i>customer</i> . | Not specified. |
| 8.8.1R(9) | Record of <i>debt management plans</i> entered into with <i>customers</i> . | An adequate record. | When the <i>firm</i> enters into <i>debt management plan</i> . | Until the contract between the <i>customer</i> and the <i>firm</i> is completed or terminated. |
| 11.1.9R | Exercise of right to cancel under CONC 11.1.1 R. | Adequate record of use of right to cancel by <i>consumer</i> . | Date of exercise. | 3 years. |

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Schedule 2 Notification and reporting requirements (if any)

Sch 2

| | Handbook reference | Matter to be notified | Contents of notification | Trigger event | Time allowed |
|---|--------------------|--|--|--|--|
| G | CONC 10.2.14 R | Any change in a <i>firm's</i> prudential resources requirement | The changed prudential resources requirement | The change in the <i>firm's</i> prudential resources requirement | Within 14 <i>days</i> of the trigger event |

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Schedule 3 Fees and other required payment

Sch 3
Not used

Consumer Credit sourcebook

Schedule 4 Not used

Sch 4
Not used

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Schedule 5 Rights of action for damages

Sch 5

| | | |
|---------|---|---|
| Sch 5.1 | G | The table below sets out the <i>rules</i> in <i>CONC</i> contravention of which by an <i>authorised person</i> may be actionable under section 138D of the Act (Actions for damages) by a <i>person</i> who suffers loss as a result of the contravention. |
| Sch 5.2 | G | If a "Yes" appears in the column headed "For private person?", the <i>rule</i> may be actionable by a " <i>private person</i> " under section 138D (or, in certain circumstances, his fiduciary or representative; see article 6(2) and (3)(c) of the Financial Services and Markets Act 2000 (Rights of Action) Regulations 2001 (SI 2001/2256)). A "Yes" in the column headed "Removed" indicates that the <i>FCA</i> has removed the right of action under section 138D(2) of the Act. If so, a reference to the <i>rule</i> in which it is removed is also given. |
| Sch 5.3 | G | The column headed "For other person?" indicates whether the <i>rule</i> may be actionable by a <i>person</i> other than a <i>private person</i> (or his fiduciary or representative) under article 6(2) and (3) of those Regulations. If so, an indication of the type of <i>person</i> by whom the rule may be actionable is given. |

| Chapter/ Appendix | Section/ Annex | Paragraph | Right of action under section 138D | | |
|----------------------|--|--|------------------------------------|------------------------------------|-------------------|
| | | | For private person? | Removed? | For other person? |
| | | The clear, fair and not misleading <i>rule</i> in CONC 3.3.1 R | Yes (Notes 2 & 3) | In part (Note 1) | No |
| | | The prudential <i>rules</i> for <i>debt management firms</i> and <i>not-for-profit debt advice bodies</i> in CONC 10 | No | Yes, CONC 10.1.6 R | No |
| | | All other <i>rules</i> in <i>CONC</i> | Yes (Notes 2 & 3) | No | No |
| Notes | | | | | |
| (1) | CONC 3.3.1 R (2) provides that if, in relation to a particular communication or <i>financial promotion</i> , a <i>firm</i> takes reasonable steps to ensure it complies with the clear, fair and not misleading <i>rule</i> , a contravention of that rule does not give rise to a right of action under section 138D of the Act. | | | | |
| (2) | The definition of private person includes a "relevant recipient of credit" which is defined on article 60L of the <i>Regulated Activities Order</i> as "a partnership consisting of two or three persons not all of whom are bodies corporate, or an unincorporated body of persons which does not consist entirely of bodies corporate and is not a partnership". | | | | |

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- (3) The definition of private person includes a person who is, by virtue of article 36J of that Order, to be regarded as a person who uses, may use, has or may have used or has or may have contemplated using, services provided by authorised persons in carrying on a *regulated activity* of the kind specified by article 36H of that Order or article 64 of that Order so far as relevant to that activity.

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Schedule 6 Rules that can be waived

Sch 6

- 6.1 As a result of section 138A of the *Act* (Modification or waiver of rules) the *FCA* has power to waive all its *rules*, other than *rules* made under section 137O (Threshold condition code), section 247 (Trust scheme rules) or section 248 (Scheme particulars rules) of the *Act*.

