

APPOINTED REPRESENTATIVES (NETWORKS) INSTRUMENT 2005

Powers exercised

- A. The Financial Services Authority makes this instrument in the exercise of the powers and related provisions in:
- (1) the following sections of the Financial Services and Markets Act 2000 (“the Act”):
 - (a) section 138 (General rule-making powers);
 - (b) section 156 (General supplementary powers); and
 - (c) section 157(1) (Guidance); and
 - (2) the other powers referred to in Schedule 4 of the General Provisions.
- B. The rule-making powers listed above are specified for the purpose of section 153(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 1 November 2005.

Amendments to the Handbook

- D. The Glossary of definitions is amended in accordance with Annex A to this instrument.
- E. The Interim Prudential sourcebook for Investment Businesses is amended in accordance with Annex B to this instrument.
- F. The Supervision manual is amended in accordance with Annex C to this instrument.

Citation

- G. This instrument may be cited as the Appointed Representatives (Networks) Instrument 2005.

By order of the Board
19 October 2005

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text.

network

a *firm*:

- (a) which has five or more *appointed representatives* (not counting introducer appointed representatives); or
- (b) whose *appointed representatives*, not counting introducer appointed representatives (and being fewer than five) have, between them, 26 or more *representatives*;

...

Annex B

Amendments to the Interim Prudential sourcebook for Investment Businesses

In this Annex, striking through indicates deleted text.

Delete the following definition in IPRU(INV) 13, Appendix 13(1).

network ~~an independent intermediary:~~

- ~~(a) which has five or more appointed representatives; or~~
- ~~(b) whose appointed representatives (being fewer than five) have, between them, 26 or more financial advisers.~~

Annex C

Amendments to the Supervision manual

In this Annex underlining indicates new text and striking through indicates deleted text.

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What is a "network"?

- 12.2.6 G A *firm* is referred to as a '*network*' if it appoints five or more *appointed representatives* (not counting *introducer appointed representatives*) or if it appoints ~~fewer~~ less than five *appointed representatives* (again, not counting *introducer appointed representatives*) which have, between them, twenty-six or more *representatives*. However, a *network* does not include:

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