

**SUPERVISION MANUAL (REPORTING No 6)  
INSTRUMENT 2017**

**Powers exercised**

- A. The Financial Conduct Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137A (The FCA’s general rules);
  - (2) section 137T (General supplementary powers); and
  - (3) section 139A (Power of the FCA to give guidance).
- B. The rule-making powers listed above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.

**Commencement**

- C. This instrument comes into force on 20 October 2017.

**Amendments to the Handbook**

- D. The Supervision manual (SUP) is amended in accordance the Annex to this instrument.

**Citation**

- E. This instrument may be cited as the Supervision Manual (Reporting No 6) Instrument 2017.

By order of the Board  
19 October 2017

## Annex

## Amendments to the Supervision manual (SUP)

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

## 16 Reporting requirements

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### 16.3 General provisions on reporting

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#### 16.3.9 R Method of submission of reports (see SUP 16.3.8R)

Method of delivery	
1.	<u>Post or hand deliver</u> to the published address of the <i>FCA</i> for <del>postal</del> submission of reports. <u>If hand delivering mark the report for the attention of 'Central Reporting' and obtain a dated receipt.</u>
2.	<del>Leaving the report marked for the attention of "Central Reporting" at the published address of the <i>FCA</i> for hand delivery of reports and obtaining a dated receipt. [deleted]</del>
3.	Electronic mail <del>or fax</del> to the published e-mail address <del>or fax number</del> of the <i>FCA</i> 's Central Reporting team.
4.	Online submission via the appropriate systems accessible from the <i>FCA</i> website.

#### 16.3.10 G (1) The ~~current~~ published address of the *FCA* for postal submission of reports is:

Central Reporting
The Financial Conduct Authority
PO BOX 35747
London E14 5WP

#### (2) The ~~current~~ published address of the *FCA* for hand delivery of reports

is:

(a)

Central Reporting
The Financial Conduct Authority
25 The North Colonnade
Canary Wharf
London E14 5HS

if the *firm's* usual supervisory contact at the *FCA* is based in London, or:

(b)

<u>Central Reporting</u>
The Financial Conduct Authority
Quayside House
127 Fountainbridge
Edinburgh
EH3 8DJ

if the *firm's* usual supervisory contact at the *FCA* is based in Edinburgh.

- (3) The current published email address ~~and fax number~~ for the *FCA's* Central Reporting team is *regulatory.reports@fca.org.uk* ~~and 020 7066 3905~~. ~~The~~ Please note that the Central Reporting team does not handle general correspondence between *firms* and the *FCA*, and will not respond to queries. Accordingly, *firms* should not make submissions to the Central Reporting team's email address ~~or fax number~~ other than as directed in *SUP* 16.3.8R.

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## 16.12 Integrated Regulatory Reporting

### Application

- 16.12.1 G The effect of *SUP* 16.1.1R is that this section applies to every *firm* carrying on business set out in column (1) of *SUP* 16.12.4R except:

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- (5) *UK designated investment firms, which must comply with the*

reporting requirements in the PRA Rulebook.

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16.12.4 R Table of applicable rules containing *data items*, frequency and submission periods

(1)		(2)	(3)	(4)
RAG number	Regulated Activities	Provisions containing:		
		applicable data items	reporting frequency/ period	due date
...	...	...	...	...
RAG 3	<ul style="list-style-type: none"> <li>• dealing in investment as principal</li> <li>• dealing in investments as agent</li> <li>• advising on investments (except P2P agreements) (excluding retail investment activities)</li> <li>• arranging (bringing about) deals in investments (excluding retail investment activities)</li> <li>• advising on P2P agreements (when carried on exclusively with or for professional clients)</li> </ul>	<p><i>SUP</i> 16.12.10R</p> <p><i>SUP</i> 16.12.11R <del>or</del></p> <p><i>SUP</i> <del>16.12.11BR</del> for UK <i>designated investment firms</i> except FSA001 and FSA002 on consolidated basis for <i>FINREP firms</i></p>	<p><i>SUP</i> 16.12.10R</p> <p><i>SUP</i> 16.12.12R <del>or</del></p> <p><i>SUP</i> <del>16.12.12AR</del> for UK <i>designated investment firms</i></p>	<p><i>SUP</i> 16.12.10R</p> <p><i>SUP</i> 16.12.13R</p>
RAG 4	<ul style="list-style-type: none"> <li>• managing</li> </ul>	<i>SUP</i>	<i>SUP</i>	<i>SUP</i>

	<p>investments</p> <ul style="list-style-type: none"> <li>• establishing, operating or winding up a collective investment scheme</li> <li>• establishing, operating or winding up a stakeholder pension scheme</li> <li>• establishing, operating or winding up a personal pension scheme</li> <li>• managing an <i>AIF</i></li> <li>• managing a <i>UCITS</i></li> <li>• <i>operating an electronic system in relation to lending (FCA- authorised persons only)</i></li> </ul>	<p>16.12.14R <i>SUP</i></p> <p>16.12.15R <del>or</del> <i>SUP</i></p> <p>16.12.15BR for <i>UK designated investment firms</i>, except FSA001 and FSA002 on <i>consolidated basis</i> for <i>FINREP firms</i></p>	<p>16.12.14R <i>SUP</i></p> <p>16.12.16R <del>or</del> <i>SUP</i></p> <p>16.12.16AR for <i>UK designated investment firm</i></p>	<p>16.12.14R <i>SUP</i></p> <p>16.12.17R</p>
...				
RAG 7	<ul style="list-style-type: none"> <li>• retail investment activities</li> <li>• advising on P2P agreements (except when carried on exclusively with or for professional clients)</li> <li>• advising on pensions</li> </ul>	<p><i>SUP</i></p> <p>16.12.22AR <del>or</del> <i>SUP</i></p> <p>16.12.22CR for <i>UK designated investment firms</i>, except FSA001 and FSA002 on <i>consolidated basis</i> for <i>FINREP firms</i></p>	<p><i>SUP</i></p> <p>16.12.23AR and <i>SUP</i></p> <p>16.12.23R for <i>UK designated investment firms</i></p>	<p><i>SUP</i></p> <p>16.12.24AR</p>

	transfers & opt-outs • arranging (bringing about deals) in retail investments			
RAG 8	• making arrangements with a view to transactions in investments • operating a multilateral trading facility	SUP 16.12.25AR or SUP 16.12.25CR for UK designated investment firms except FSA001 and FSA002 on consolidated basis for FINREP firms	SUP 16.12.26R	SUP 16.12.27R
...	...	...	...	...

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**16 Annex 18B Notes for Completion of the Retail Mediation Activities Return (‘RMAR’)**

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**Section G Training and competence**

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Professional Standards Data		
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		<b>Adviser Qualification</b>
		<b>Part Qualified, Fully Qualified</b>
		For each <i>retail investment adviser</i> , the <i>firm</i> should indicate whether the adviser is part or fully qualified by selecting ‘Y’ or ‘N’ from the dropdown <del>options</del> <u>menu</u> .  <b>Accredited Body</b> For each <i>retail investment adviser</i> , the <i>firm</i>

		<p>should indicate the <i>accredited body</i> from which the adviser has obtained a Statement of Professional Standing (SPS). If no SPS is held, “No SPS” should be selected from the dropdown.</p> <p>The <i>firm</i> should, in respect of each competent <i>retail investment adviser</i>, indicate the <i>accredited body</i> from which the Statement of Professional Standing (SPS) was obtained. Where the <i>retail investment adviser</i> has attained each module of an appropriate qualification (fully qualified for reporting purposes), but has not yet been assessed as competent to carry on the activities of a <i>retail investment adviser</i>, then ‘No SPS’ should be selected from the dropdown menu.</p> <p><b>Activity Start Date</b></p> <p>For each <i>retail investment adviser</i>, other than those who have attained each module of an appropriate qualification, the <i>firm</i> should provide the date at which the adviser became part or fully qualified, as applicable <i>employee</i> first began to carry on the activity of a <i>retail investment adviser</i>, even if this was for a different <i>firm</i>.</p> <p><b>SPS Start Date</b></p> <p>For each <del>fully qualified</del> competent <i>retail investment adviser</i>, please provide the date of issue for their <del>adviser’s</del> current SPS. <del>If no SPS is held,</del> Where the <i>retail investment adviser</i> has attained each module of an appropriate qualification but has not yet been assessed competent to carry on the activities of a <i>retail investment adviser</i>, this field is not required.</p>
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## 16 Annex 20G Products covered by the reporting requirement in SUP 16.11

This annex consists only of one or more forms. Forms are to be found through the following address:

*SUP Chapter 16 Annex 20 G*

This is the *guidance* referred to in SUP 16.11.6G.

SUP 16.11.3R, SUP 16.11.5R and SUP 16.11.5AR require certain *firms* to report product sales data and, in respect of *regulated mortgage contracts* other than *legacy CCA mortgage contracts*, performance data. For reporting purposes, a reportable sale applies (other than in the case of a mortgage transaction) where the contract has been made and the premium has been paid.

In the case of mortgage transactions, the reporting requirement only applies to loans for house purchase and remortgages and (in the case of sales data only) not to further advances. In the case of sales data, a reportable mortgage transaction applies where the mortgage transaction has completed (i.e. funds have been transferred and have been applied for the purpose of the mortgage).

In the case of *high-cost short-term credit* and *home credit loan agreements*, a reportable transaction has taken place where the loan monies have been advanced to the *borrower*.

In the case of a group section 32 buy-out, the figure reported for the 'total premium amount' in form PSD002 should be the aggregate figure of all the individual members' premiums added together. Firms should not provide an average premium figure. Where form PSD002 requests individual details (e.g. customer postcode) the firm can, only for group section 32 buy-out transactions, leave the fields blank.

## Part 1 - Products

The following tables provide *guidance* on the products for which sales data is to be reported. These tables are not intended to be a complete list of relevant products; *firms* should report sales data on all products which would fall within the scope of *retail investments*, *pure protection contracts*, and *regulated mortgage contracts* and other *home finance transactions*, *high-cost short-term credit* and *home credit loan agreements*.

Table 1 – RETAIL INVESTMENTS

Relevant products include:

<i>Unit trust scheme /OEIC</i>
<i>Investment trust</i>
<i>ISA</i>
<i>Structured capital-at-risk product</i>
With profit bond
<i>Unit linked bond</i>
Distribution bond
Mortgage Endowment
With profit endowment



Endowment savings plan  
 Guaranteed income/growth/investment bond  
 Trustee investment bond  
 Life annuity  
 Pension annuity  
 Long term care insurance contract  
 Stakeholder pension  
*Self-invested personal pension*  
 Personal pension  
 Group personal pension  
*FSAVC*  
 Individual pension transfer  
*Pension opt out*  
 Section 32 buy out  
 Group section 32 buy out  
 Income drawdown  
 Executive pension  
*SSAS*  
 Group money purchase  
*AVC* final salary  
*AVC* group money purchase

#### Table 2 - PURE PROTECTION CONTRACTS

Relevant products include:

Income protection  
 Standalone critical illness  
 Critical illness sold as a rider benefit to mortgage protection and mortgage term assurances

#### Table 3 - MORTGAGES

Relevant mortgage types include:

Fixed rate mortgages  
 Discounted variable rate mortgages  
 Tracker mortgages  
 Capped rate mortgages

Standard variable rate mortgages
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## Table 4 – OTHER HOME FINANCE TRANSACTIONS

Relevant products include:

<i>Home reversion plans</i> <i>Home purchase plans</i> <i>Regulated sale and rent back agreements</i>
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## Table 5 – SHORT TERM LOANS

Relevant loan types comprise:

<i>High-cost short-term credit</i> <i>Home credit loan agreements</i>
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**Part 2: Supporting product definitions/guidance for product sales data reporting**

Part 2 contains *guidance* on the terms used in part 1 and on other relevant material.

Where products have not been defined in the *Glossary*, an explanatory description is provided.

**Retail investments**

<b>PRODUCT</b>	<b>Guidance</b>
With profit bond	<b>Includes all single premium policies where a lump sum is paid into a with profits fund made up of <i>investments</i> such as company shares, fixed interest <i>securities</i>, commercial property and <i>money</i>. Unitised with profit bonds should be reported under this category.</b>
Unit linked bond	<b>A contract where the premium buys, or is deemed to buy investment units in a selected fund. The value of the <i>policyholder's</i> fund is linked to the value of the <i>units</i> (see <i>guidance</i> relating to distribution bonds).</b>
Distribution bond	<b>A single premium <i>investment</i> policy. The funds are invested in equities and gilts and an income is paid each year to the <i>policyholder</i>, dependent on the performance of the <i>investments</i>.</b>  Only report as a distribution bond where over 50% of the fund allocation relates to the distribution fund. If less than a 50% allocation is made, the product should

	be reported as a unit linked bond.
<b>Guaranteed income/growth/investment bond</b>	This includes income and growth bonds which include guaranteed income and guaranteed equity bonds that include guarantees and pay a percentage of the movement of more one or more index.
<b><i>Structured capital-at-risk product</i></b>	Defined in the Handbook <i>Glossary</i> .
Life/pension annuity	An arrangement by which a life company pays someone a regular income, usually for life, in return for a lump sum premium. This would include <ul style="list-style-type: none"> <li>• deferred and immediate annuities</li> <li>• compulsory purchase annuities</li> <li>• home income plans; and</li> <li>• all other types of life annuities</li> </ul>
<i>Unit trust scheme</i>	Defined in the Handbook <i>Glossary</i> .
<b><i>Investment trust</i></b>	Defined in the Handbook <i>Glossary</i> .
<b>ISA</b>	Defined in the Handbook <i>Glossary</i> . Cash and insurance ISAs should not be reported
<b>Endowment savings plan</b>	An endowment plan with a fixed term with benefits paid on death within the term or on maturity
<b>Mortgage endowment</b>	This should include any regular premium low cost endowments plus unitised with profit endowments
<b>Long-term care insurance contract</b>	[The FSA consulted in CP 200 on the definition of long-term care insurance contract that will apply from 14 January 2005. The guidance here will cross-refer to the finalised definition.]
<b>Stakeholder Pension</b>	See Handbook <i>Glossary</i> for definition of ' <i>stakeholder pension scheme</i> '.
<b>Self-invested personal pension</b>	See Handbook <i>Glossary</i> for definition of ' <i>self-invested personal pension</i> '.
<b>Personal pension</b>	See Handbook <i>Glossary</i> for definition of ' <i>personal pension scheme</i> '. For reporting purposes do not include Rebate Only Pension business.
<b>Group personal pension</b>	See Handbook <i>Glossary</i> for definition of ' <i>group personal pension scheme</i> '.

	<p>Phased retirement should include transfer plans that permit staggered annuities to subsequently be purchased.</p> <p>Deferred transfer plans should be excluded.</p> <p>Report each individual policy as a separate case.</p>
<b>FSAVC</b>	<p>Defined in the Handbook <i>Glossary</i>.</p> <p>Do not include Rebate Only Pension business.</p>
<b>Individual pension transfer</b>	<p>See Handbook <i>Glossary</i> for definition of '<i>pension transfer</i>'.</p>
<b>Pension opt out</b>	<p>Defined in the Handbook <i>Glossary</i>.</p>
<b>Section 32 buy out/ Group section 32 buy out</b>	<p>An arrangement where trustees accept capital from employees who have left <i>occupational pension scheme</i> service and the transfer value is reinvested in an attempt to provide better benefits when the employee retires.</p>
<b>Income drawdown</b>	<p>See Handbook <i>Glossary</i> for definition of '<i>income withdrawal</i>'.</p> <p>This should include transfer plans that allow income from a pension plan in advance of an annuity being purchased</p>
Executive pension scheme	<p>An arrangement where each premium paid is identifiable to an individual employee and where an employer has discretion as to whether a pension arrangement is made for a particular employee and to the level of contribution or target benefit under the policy.</p> <p>Report each individual policy as a separate case.</p> <p>Pension premiums should be reported gross.</p>
<b>SSAS</b>	<p>Defined in the Handbook <i>Glossary</i>.</p> <p>Pension premiums should be reported gross.</p> <p>SSAS business should not be reported if you only provide an administration service.</p> <p>Report each individual policy as a separate case.</p>
Trustee investment bond	<p>A lump sum <i>investment</i> vehicle designed for use by <i>pension scheme</i> trustees. Includes SSAS Trustee Investment Bonds and SIPP Trustee Investment Bonds</p>
Group money purchase	<p>An <i>occupational pension scheme</i> which provides <i>money-purchase benefits</i> which is available to</p>

	employees of the same employer or of employers within a group.
AVC Final salary	Pension premiums should be reported gross.
AVC Group money purchase	Pension premiums should be reported gross.

### Mortgages

#### (a) Types of interest or reversion rate

Types of interest or reversion rate	Description
<b>Fixed rate</b>	where the interest rate is fixed for a stated period.
<b>Discounted variable rate</b>	where a discount is applied to a variable rate, usually for a limited period of time.
<b>Bank of England Base Rate tracker</b>	where the interest rate is guaranteed to move in line with the Bank of England Base (or Repo) Rate.
<b>LIBOR tracker</b>	where the interest rate is guaranteed to move in line with LIBOR (the London InterBank Offered Rate).
<b>Other tracker</b>	where the interest rate is guaranteed to move in line with an index other than the Bank of England Base (or Repo) Rate or LIBOR.
<b>Capped (and collared) rate mortgage</b>	where the interest rate is guaranteed not to exceed a stated maximum rate (the 'capped' rate) for specific period of time, but where the standard variable interest rate applies when the rate is lower than the capped rate. Also includes products where the interest rate is subject to a minimum rate (the 'collared' rate).
<b>Standard variable rate</b>	the lender's underlying interest rate.

#### (b) Features

Data Item	Description
<b>Flexible mortgage</b>	A mortgage where you can change the monthly payments and pay off part or all of the loan whenever you like. It is normally linked to any interest rate

	<p>type.</p> <p>Details vary from one mortgage to another, but for reporting purposes, to be reported as a flexible mortgage, the mortgage should have the following features:</p> <ul style="list-style-type: none"> <li>• interest must be calculated monthly or daily; and</li> <li>• must have an overpayment facility</li> </ul>
<b>Cashback</b>	a cash amount paid by a <i>mortgage lender</i> to a <i>customer</i> (typically at the beginning of a contract) as an inducement to enter into a <i>regulated mortgage contract</i> with the <i>mortgage lender</i> .
<b>Offset mortgage – positive and/or negative offset</b>	An offset mortgage will typically have similar facilities to a flexible mortgage, but will also allow the borrower to offset positive (savings and/or current account) and/or negative balances (credit card and/or personal loans) against their outstanding mortgage balance.
<b>Mortgage with a shared equity loan attached</b>	where the lender is aware that the <i>customer</i> will also have a shared equity loan secured on the property.
<b>Mortgage with indemnity insurance attached</b>	where a mortgage has attached indemnity insurance to protect the lender in the case of default, whether arranged by the lender privately or through a government scheme.

#### Pure protection contracts

<b>Policy Type</b>	<b>Description</b>
<b>Standalone critical illness</b>	These policies are ‘pure’ critical illness policies i.e. there is no life cover sold alongside them. Under these policies the <i>insurer</i> provides the sum insured to the <i>policyholder</i> in the event of diagnosis of a life threatening condition.
<b>Critical illness sold as a rider benefit to term assurance</b>	For reporting purposes, this applies where critical illness is offered as a rider benefit to either a mortgage protection policy (a <i>life policy</i> that provides by means of decreasing term

	assurance for a mortgage to be paid off in the event of the borrower's death) or a protection term assurance contract.
<b>Income protection</b>	Insurance contracts arranged by an individual to provide for payment of income during a period of incapacity, due to ill health or accident.

#### Other home finance transactions

Finance Type	Description
<i>Home reversion plan</i>	Defined in the Handbook <i>Glossary</i>
<i>Home purchase plan</i>	Defined in the Handbook <i>Glossary</i>
<i>Regulated sale and rent back agreement</i>	Defined in the Handbook <i>Glossary</i>

#### Short-term loans

Loan Type	Description
<i>High-cost short-term credit</i>	Defined in the Handbook <i>Glossary</i>
<i>Home credit loan agreements</i>	Defined in the Handbook <i>Glossary</i>

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### 16 Annex 34BG Guidance notes for data items in SUP 16 Annex 34AR

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#### (8) Specific guidance on data fields

Field		Guidance
...	...	...
<b>Business Areas</b>		
...	...	...
11A – 18 14H	Fixed Total fixed remunerat ion Variable	<del>Deferred</del> If applicable, <u>deferred fixed and variable remuneration</u> should <del>not</del> be included in these fields. <u>Variable remuneration</u> should not be included in these fields.

	remunerat ion	
<u>15A – 18A</u>	<u>Total variable remunerat ion</u>	<u>Include all variable remuneration including both variable remuneration awards that have been made upfront and variable remuneration awards that are deferred. Fixed remuneration should not be included in these fields.</u>
19A – 22H	Deferred variable remunerat ion	<del>Includes</del> <u>Include deferred variable remuneration only, i.e. this data item should be a subset of the figures provided in row 15 ‘Total variable remuneration’.</u>
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## 16 Annex 42BG Guidance notes for completion of the Annual Financial Crime Report

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### Data Elements

Group reporting		
1A	...	...
2A	If yes, list the FRNs of all additional <i>firms</i> included in this report.	Where a report is submitted on behalf of a number of <i>firms</i> , the submitting <i>firm</i> should report all of the FRNs of the firms included.  <u><i>Firms</i> included in A <i>firm</i> listed in response to this question will need to report a separate nil return for the entity via by another <i>firm</i> within its group will see the requirement marked as ‘satisfied for group’ in the appropriate systems accessible from the FCA website. <i>Firms</i> to whom this applies do not need to report a separate nil return.</u>
...		