

**HANDBOOK ADMINISTRATION (No 68) INSTRUMENT 2023****Powers exercised**

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

**Commencement**

- C. The parts and Annexes listed in column (1) below come into force on the dates indicated in column (2):

(1)	(2)
Part 2 of Annex A and Part 3 of Annex G	15 December 2023
Part 2 of Annex G	21 December 2023
Part 4 of Annex G	1 January 2024
Part 1 of Annex A, Annex B, Annex C, Annex D, Annex E, Annex F, Parts 1 and 5 of Annex G, Annex H and Annex I	7 February 2024

**Amendments to the Handbook**

- D. The modules of the FCA’s Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2) below:

(1)	(2)
Conduct of Business sourcebook (COBS)	Annex A
Insurance: Conduct of Business sourcebook (ICOBS)	Annex B
Mortgages and Home Finance: Conduct of Business sourcebook (MCOB)	Annex C
Banking: Conduct of Business sourcebook (BCOBS)	Annex D
Claims Management: Conduct of Business sourcebook (CMCOB)	Annex E
Funeral Plan: Conduct of Business sourcebook (FPCOB)	Annex F
Supervision manual (SUP)	Annex G
Consumer Credit sourcebook (CONC)	Annex H

**Amendments to material outside the Handbook**

- E. The Perimeter Guidance manual (PERG) is amended in accordance with Annex I to this instrument.

**Citation**

- F. This instrument may be cited as the Handbook Administration (No 68) Instrument 2023.

By order of the Board  
14 December 2023

## Annex A

## Amendments to the Conduct of Business sourcebook (COBS)

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

## Part 1: Comes into force on 7 February 2024

## 4 Communicating with clients, including financial promotions

...

## 4.10 Approving and confirming compliance of financial promotions

...

Approving financial promotions

...

4.10.1B G (1) The effect of section 55NA of the *Act* is that, ~~with effect from 7 February 2024~~, a *firm* is unable to *approve a financial promotion* unless:

...

...

...

## Part 2: Comes into force on 15 December 2023

## 4.12A Promotion of restricted mass market investments

...

Fourth condition: appropriateness

...

4.12A.3 R (1) This *rule* applies where a first and second assessment have both determined that a restricted mass market investment ~~has been assessed as not being~~ is not appropriate for a particular *retail client* ~~pursuant to two consecutive assessments.~~

2

(2) Following the second, and each and every subsequent, determination that a *restricted mass market investment* is not appropriate for a *retail client*, any further assessment of the appropriateness of that *restricted mass market investment* for that *retail client* must not be undertaken for at least 24 hours.

...

4.12A.3 G ...  
5

- (4) *A firm should consider whether the particular features of a restricted mass market investment mean that an interval of greater than 24 hours should be applied following a second assessment (and any subsequent assessment) that that investment is not appropriate for a retail client (COBS 4.12A.32R(2)).*

...

...

## Annex B

### Amendments to the Insurance: Conduct of Business sourcebook (ICOBS)

In this Annex, striking through indicates deleted text.

#### 2 General matters

...

#### 2.2 Communications to clients and financial promotions

...

Approving financial promotions

...

2.2.3A G (1) The effect of section 55NA of the *Act* is that, ~~with effect from 7 February 2024,~~ a *firm* is unable to *approve a financial promotion* unless:

...

...

...

**Annex C**

**Amendments to the Mortgages and Home Finance: Conduct of Business sourcebook  
(MCOB)**

In this Annex, striking through indicates deleted text.

**3A Financial promotions and communications with customers**

**3A.1 Application and purpose**

...

Other relevant provisions

...

3A.1.11 G (1) *Firms* are also reminded that the effect of section 55NA of the *Act* is that, ~~with effect from 7 February 2024,~~ a *firm* is unable to *approve* a *financial promotion* unless:

A

...

...

...

## Annex D

### Amendments to the Banking: Conduct of Business sourcebook (BCOBS)

In this Annex, striking through indicates deleted text.

#### **2 Communications and financial promotions**

##### **2.1 Purpose and Application: Who and what?**

...

Approving financial promotions: permission

2.1.5 G (1) The effect of section 55NA of the *Act* is that, ~~with effect from 7 February 2024,~~ a *firm* is unable to *approve a financial promotion* unless:

...

...

## Annex E

### Amendments to the Claims Management: Conduct of Business sourcebook (CMCOB)

In this Annex, striking through indicates deleted text.

#### **3 Financial promotions, and communications with customers**

...

#### **3.2 Financial promotions and communications – general standards**

The fair, clear and not misleading rule

...

3.2.1A G (1) The effect of section 55NA of the *Act* is that, ~~with effect from 7 February 2024,~~ a *firm* is unable to *approve a financial promotion* unless:

...

...

...



## Annex F

### Amendments to the Funeral Plan: Conduct of Business sourcebook (FPCOB)

In this Annex, striking through indicates deleted text.

#### **4            Communications and financial promotions**

...

#### **4.2          Communications and financial promotions: the obligations**

...

Approving financial promotions

...

4.2.9A    G    (1)    The effect of section 55NA of the *Act* is that, ~~with effect from 7 February 2024,~~ a *firm* is unable to *approve a financial promotion* unless:

...

...

...

## Annex G

### Amendments to the Supervision manual (SUP)

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

#### Part 1: Comes into force on 7 February 2024

##### 6A Permission to approve financial promotions

##### 6A.1 Application and purpose

...

Purpose

6A.1.3 G Under sections 21(2A) and 55NA of the *Act*, ~~with effect from 7 February 2024~~, a *firm* is unable to *approve* a *financial promotion* for the purposes of section 21 of the *Act* unless:

...

...

#### Part 2: Comes into force on 21 December 2023

##### 10C FCA senior managers regime for approved persons in SMCR firms

...

##### 10C Annex 5R Form C: Notice of ceasing to perform controlled functions including senior management functions

Form C: Notice of ceasing to perform controlled functions including senior management functions



Bank of England  
Prudential Regulation Authority

Application number  
(for FCA/PRA use only)

**Form C - Notice of ceasing to perform *controlled functions* including *senior management functions***

...

**List of Senior management functions** **Section 3A**

...

**3A.03** If the *firm* is making a notification under question **3.02** based on any breach(es) of the individual or senior manager conduct rules set out in the *FCA's COCON* or *PRA's Conduct Rules, Insurance – Conduct Standards, Non-Solvency II Firms – Conduct Standards and Large Non-Solvency II Firms – Conduct Standards*, please complete the relevant boxes below.

	Tick the rule(s) relevant to this notification
<b>Individual Conduct Rules</b>	
...	
Rule 5: You must observe proper standards of market conduct.	<input type="checkbox"/>
<u>Rule 6: You must act to deliver good outcomes for retail customers.</u>	<input type="checkbox"/>
...	

...

**10C** **Form D: Notification: Changes to personal information/application details**  
**Annex** **and conduct breaches/disciplinary action related to conduct**  
**6R**

Form D – Notification: Changes to personal information/application details and conduct breaches/disciplinary action related to conduct



Application number (for FCA/PRA use only)

**Form D Notification - Changes to personal information/application details and conduct breaches/disciplinary action related to conduct**

...

**Fitness and Propriety – Notifications under section 64C of the Financial Services and Markets Act 2000** **Section 6**

...

**6.02.1** Please include details in the relevant boxes below of the individual or senior manager conduct rules set out in the *FCA's COCON* or *PRA* Conduct Rules, relevant to this notification.

	Tick the rule(s) relevant to this notification
<b>Individual Conduct Rules</b>	
...	
Rule 5: You must observe proper standards of market conduct.	<input type="checkbox"/>
<u>Rule 6: You must act to deliver good outcomes for retail customers.</u>	<input type="checkbox"/>
...	

...

**Part 3: Comes into force on 15 December 2023**

**12 Appointed representatives**

...

**12 On-going reporting by principal firms on their appointed representatives**  
**Annex 6R**

[*Editor's note:* the form can be found at this address:  
[https://www.fca.org.uk/publication/forms/SUP\\_12\\_Annex\\_6.docx](https://www.fca.org.uk/publication/forms/SUP_12_Annex_6.docx)] On-going reporting by principal firms on their appointed representatives

[*Editor's note:* insert link to the form]

# On-going reporting by principal firms on their appointed representatives

**Reporting under SUP 12.7.9DR (i.e. the form in SUP 12 Ann 6)**

...

E-mail [iva@fca.org.uk](mailto:iva@fca.org.uk) [firm.queries@fca.org.uk](mailto:firm.queries@fca.org.uk)

...

**Appointed representatives' revenue** **Section C**

Complete the table below for each of your appointed representatives, including introducer appointed representatives, for the relevant period.

#	Name of the appointed representative <sup>§†</sup>	Appointed representative FRN <sup>§†</sup>	Total regulated business revenue <sup>§†</sup>	Revenue generated by financial non-regulated activities <sup>1,2,3,4,§†</sup>	Revenue generated by financial non-regulated activities <sup>2,4,§†</sup>	If no regulated business revenue is reported for the appointed representative, provide a brief explanation <sup>§†</sup>	Total remuneration or financial benefit received from the principal <sup>§†</sup>	Total remuneration or financial benefit received from the appointed representative <sup>§†</sup>	
				<input type="checkbox"/> =£0 <input type="checkbox"/> ≥£0 £1 and <£100k <input type="checkbox"/> ≥£100k and <£250k <input type="checkbox"/> ≥£250k and <£1m <input type="checkbox"/> ≥£1m and <£10m <input type="checkbox"/> ≥£10m and <£50m <input type="checkbox"/> ≥£50m and <£100m					

<sup>1</sup> Figure to be provided to the nearest £5,000.

<sup>2</sup> In this form, 'non-regulated activity' means activity that is not a *regulated activity*.

<sup>3</sup> In this form, 'non-regulated financial services activities' refers to any activity of a financial nature but that does not involve the *person* carrying on *regulated activity*. This includes, but is not limited to, activities relating to investment services; insurance; pensions; banking; lending (including consumer credit, mortgages, factoring, financing of commercial transactions); financial leasing; money transmission; payments; guarantees and commitments; foreign exchange; the issuance of securities and other service of a corporate finance nature; custodial, depositary and trust services; and financial information and data services.

<sup>4</sup> Where the appointed representative has more than one principal, to be completed by the 'lead-principal' (see SUP 12.4.5DG).

				<input type="checkbox"/> ≥£100m and <£500m <input type="checkbox"/> ≥£500m							
				<input type="checkbox"/> =£0 <input type="checkbox"/> ≥£0 £1 and <£100k <input type="checkbox"/> ≥£100k and <£250k <input type="checkbox"/> ≥£250k and <£1m <input type="checkbox"/> ≥£1m and <£10m <input type="checkbox"/> ≥£10m and <£50m <input type="checkbox"/> ≥£50m and <£100m <input type="checkbox"/> ≥£100m and <£500m <input type="checkbox"/> ≥£500m							
				<input type="checkbox"/> =£0 <input type="checkbox"/> ≥£0 £1 and <£100k <input type="checkbox"/> ≥£100k and <£250k <input type="checkbox"/> ≥£250k and <£1m <input type="checkbox"/> ≥£1m and <£10m <input type="checkbox"/> ≥£10m and <£50m							

				<input type="checkbox"/> ≥£50m and <£100m						
				<input type="checkbox"/> ≥£100m and <£500m						
				<input type="checkbox"/> ≥£500m						

...

**Part 4: Comes into force on 1 January 2024**

**16 Reporting requirements**

**16.1 Application**

...

16.1.3 R Application of different sections of SUP 16 (excluding SUP 16.13, SUP 16.15, SUP 16.22 and SUP 16.26)

(1) Section(s)	(2) Categories of firm to which section applies		(3) Applicable rules and guidance
...			
SUP 16.30	[to follow] <u>A person who is:</u>		<u>Entire section</u>
	(1)	<u>a firm except as specified in SUP 16.30.1R;</u>	
	(2)	<u>an authorised electronic money institution;</u>	
	(3)	<u>an authorised payment institution;</u>	
	(4)	<u>a registered account information service provider;</u>	
	(5)	<u>a small electronic money institution;</u>	
	(6)	<u>a small payment institution;</u>	
	(7)	<u>a UK RIE.</u>	
...			



...

### 16.3 General provisions on reporting

...

Structure of the chapter

16.3.2 G This chapter has been split into the following sections, covering:

...

(24) MIFIDPRU remuneration reporting (*SUP 16.29*); ~~and~~

(25) ~~{to follow}~~ the Baseline Financial Resilience Report (*SUP 16.30*); and

...

...

### Part 5: Comes into force on 7 February 2024

#### 16.31 Financial promotion approval reporting

...

Purpose

16.31.4 G (1) The effect of section 55NA of the *Act* is that, ~~with effect from 7 February 2024~~, a *firm* is unable to *approve a financial promotion* unless:

...

...

...

## Annex H

### Amendments to the Consumer Credit sourcebook (CONC)

In this Annex, striking through indicates deleted text.

#### **3 Financial promotions and communications with customers**

...

#### **3.2 Financial promotion general guidance**

...

Approving financial promotions: permission

- 3.2.4 G (1) The effect of section 55NA of the *Act* is that, ~~with effect from 7 February 2024,~~ a *firm* is unable to *approve a financial promotion* unless:

...

...

## Annex I

### Amendments to the Perimeter Guidance manual (PERG)

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

#### 8 Financial promotion and related activities

...

##### 8.2 Introduction

8.2.1 G ...

- (2) By virtue of section 21(2A) of the *Act*, ~~with effect from 7 February 2024~~, an *authorised person* is unable to *approve* the content of a communication for the purposes of section 21 of the *Act* unless:

...

- (3) ~~With effect from 7 February 2024, references~~ References in this chapter to *financial promotions* being *approved* by an *authorised person* should be read as referring to *approval* by an *authorised person* who is either a *permitted approver* in relation to that *financial promotion* or where the *approval* falls within the scope of an *approver permission exemption*.

...

...

##### 8.3 Financial promotion

...

8.3.1A G The effect of section 21(2A) of the *Act* is that, ~~with effect from 7 February 2024~~, an *authorised person* is unable to *approve* the content of a communication for the purposes of section 21 unless:

...

...

##### 8.9 Circumstances where the restriction in section 21 does not apply

...

8.9.1A G (1) Section 21(2A) of the *Act* specifies that ~~(with effect from 7 February 2024)~~ the content of a *financial promotion* can only be *approved* for the purposes of section 21 by an *authorised person*:

...

...

...