Banking: Conduct of Business sourcebook

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Chapter 1

Application
1.1 General application

The general application rule

1.1.1 R This sourcebook applies to a firm with respect to the activity of accepting deposits from banking customers carried on from an establishment maintained by it in the United Kingdom and activities connected with that activity.

Application to payment services and electronic money

1.1.1A R In addition to the general application rule, Chapter 2 of BCOBS applies to a firm (other than a credit union), an electronic money institution, an EEA authorised electronic institution, a payment institution, a registered account information service provider and an EEA registered account information service provider with respect to the provision of payment services or issuance or redemption of electronic money carried on from an establishment maintained by it or its agent in the United Kingdom and activities connected with those activities. These persons are referred to collectively in Chapters 1 and 2 of BCOBS as “providers”.

Limitations on the general application rule and BCOBS

1.1.1AR R The general application rule is modified:

(1) in the chapters of this sourcebook for particular purposes; and

(2) in BCOBS Annex 1 for certain types of firm in relation to the sale of structured deposits.

1.1.3 R Except as provided for in BCOBS 1.1.4R, this sourcebook does not apply to:

(1) payment services where Parts 6 and 7 of the Payment Services Regulations apply; or

(2) a person or firm which has permission for accepting deposits but only for the purposes of, or in the course of, an activity other than accepting deposits.

1.1.4 R (1) Chapters 2, 2A, 5 and 6 of BCOBS (except for BCOBS 5.10AR to BCOBS 5.19 R) and BCOBS 4.3 apply to payment services where Parts 6 and 7 of the Payment Services Regulations apply.
(2) Chapter 3 of BCOBS applies to payment services where Parts 6 and 7 of the Payment Services Regulations apply with the modifications set out in BCOBS 3.1.2 R(2).

(3) A firm will not be subject to BCOBS to the extent that it would be contrary to the United Kingdom’s obligations under an EU instrument.

1.1.4A Guidance on the application of the Payment Services Regulations can be found in PERG 15.

1.1.5

- BCOBS 2.2A,
- BCOBS 4.1.2G(2A) to (2E), (3A), (6A) and (6B),
- BCOBS 4.1.4AG(2)(a),
- BCOBS 5.1.3AG,
- BCOBS 5.1.3BG,
- BCOBS 5.1.5AR,
- BCOBS 5.1.5BG,
- BCOBS 5.1.13R and
- BCOBS 7 (except as applied by BCOBS 7.1.4R) do not apply to a credit union.

1.1.5A BCOBS 2 (Communications and financial promotions) does not apply to the provision of payment services, the issuance of electronic money or activities connected to those activities by a credit union, except to the extent that the activity is connected to the activity of accepting deposits from banking customers.

Exclusion of liability

1.1.6 A firm or a provider must not seek to exclude or restrict, or rely on any exclusion or restriction of, any duty or liability it may have to a banking customer, a payment service customer or an electronic money customer unless it is reasonable for it to do so and the duty or liability arises other than under the regulatory system.

1.1.7 The general law, including the Unfair Terms Regulations (for contracts entered into before 1 October 2015) and the CRA, also limits the scope for a firm to exclude or restrict any duty or liability to a consumer.

Structured deposits

1.1.8 A firm that carries on the activity of accepting deposits which are structured deposits should refer to BCOBS 1 Annex 1.
Structured deposit business

Application of BCOBS to firms selling structured deposits

1.1 R The BCOBS provisions shown below do not apply to a MiFID investment firm, a third country investment firm or a MiFID optional exemption firm in relation to the sale of structured deposits subject to the rules specified in COBS 1.1.1AR(2).

<table>
<thead>
<tr>
<th>BCOBS provision</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BCOBS 2</td>
<td>Communications with banking customers and financial promotions</td>
</tr>
<tr>
<td>BCOBS 4 (other than BCOBS 4.1.4AG and BCOBS 4.3)</td>
<td>Information to be communicated to banking customers</td>
</tr>
</tbody>
</table>

1.2 G A firm to which BCOBS 1 Annex 1 paragraph 1.1R applies should read and understand the reference to the appropriate information rule in BCOBS 4.1.4AG as referring to COBS 2.2A.2R.

1.3 G A MiFID investment firm, a third country investment firm or a MiFID optional exemption firm that sells structured deposits should consider COBS 1.1.1AR to COBS 1.1.1ABR. These rules specify how certain provisions in COBS apply to a firm in relation to the sale of structured deposits.

Financial promotions relating to structured deposits

1.4 G (1) BCOBS 2 contains rules which apply to a firm when it communicates a financial promotion that is not an excluded communication or when the firm approves a financial promotion.

(2) If a financial promotion relates to a structured deposit, rules relating to past, simulated past and future performance in COBS 4.5A or COBS 4.6 will also apply.

Structured deposits as PRIIPs

1.5 G Firms are reminded that structured deposits are PRIIPs and that the provisions of the PRIIPs Regulation are also relevant to such products. The PRIIPs Regulation requires a person who advises on, or sells, a PRIIP to provide a retail investor (as defined in the PRIIPs Regulation) with the key information document for that PRIIP.

1.6 G Where a firm is required to provide information in a key information document, it will not be required to provide the same information under BCOBS 4.1.

[Note: BCOBS 1.1.4R(3) and article 13 of the PRIIPs Regulation]
Chapter 2

Communications and financial promotions
2.1 Purpose and Application: Who and what?

2.1.1 Principle 6 requires a firm to pay due regard to the interests of its customers and treat them fairly. Principle 7 requires a firm to pay due regard to the information needs of its clients and communicate information to them in a way which is clear, fair and not misleading. Principles 6 and 7 also apply to an electronic money institution, an EEA authorised electronic money institution, a payment institution, a registered account information service provider and an EEA registered account information service provider with respect to provision of payment services and the issuance of electronic money. This chapter reinforces these requirements by requiring a firm and these other providers to pay regard to the information needs of banking customers, payment service customers and electronic money customers when communicating with, or making a financial promotion or a payment service or electronic money promotion to, them and to communicate information in a way that is clear, fair and not misleading.

2.1.2 In addition to the general application rule (BCOBS 1.1.1 R), this chapter applies to the communication, or approval for communication, to a person in the United Kingdom of a financial promotion of a retail banking service unless it can lawfully be communicated by an unauthorised person without approval.

2.1.3 This chapter applies to a firm:

(1) communicating with a banking customer in relation to accepting deposits;

(2) communicating a financial promotion that is not an excluded communication; or

(3) approving a financial promotion.

2.1.3A This chapter applies to a provider:

(1) communicating with a payment service customer or an electronic money customer in relation to the provision of a payment service or the issuing of electronic money and activities connected with those activities; or

(2) communicating a payment service or electronic money promotion.
In accordance with BCBO 1 Annex 1 paragraph 1.1R, BCBO 2 does not apply to a MiFID investment firm, a third country investment firm or a MiFID optional exemption firm in relation to the sale of structured deposits. A MiFID investment firm, a third country investment firm or a MiFID optional exemption firm is subject to the rules specified in COBS 1.1.1AR(2) in relation to the sale of structured deposits.
A firm or other provider must take reasonable steps to ensure that a communication, financial promotion or payment service or electronic money promotion is fair, clear and not misleading.

The fair, clear and not misleading rule applies in a way that is appropriate and proportionate taking into account the means of communication and the information that it is intended to convey. So a communication addressed to a banking customer, a payment service customer or an electronic money customer who is not a consumer may not need to include the same information, or be presented in the same way, as a communication addressed to a consumer.

The rules in SYSC 3 (Systems and Controls) and SYSC 4 (General organisational requirements) require a firm to put in place systems and controls or policies and procedures in order to comply with the rules in COBS 4.6 (Past, simulated past and future performance), COBS 4.7.1 R (Direct offer financial promotions), COBS 4.10 (Systems and controls and approving and communicating financial promotions) and this chapter of BCOBS.

Part 7 (Offences relating to Financial Services) of the Financial Services Act 2012 create criminal offences relating to certain misleading statements and practices.

A communication, financial promotion or payment service or electronic money promotion should not describe a feature of a product or service as "guaranteed", "protected" or "secure", or use a similar term unless:

1. that term is capable of being a fair, clear and not misleading description of it; and
2. the firm or other provider communicates all of the information necessary, and presents that information with sufficient clarity and prominence, to make the use of that term fair, clear and not misleading.

A communication, or payment service or electronic money promotion relating to a currency transfer service is likely to be misleading if it presents an exchange rate in a way that is likely to give the impression that the rate
is available to a *person* or a class of *persons* if that rate is unlikely to be obtained by that *person* or class of *persons* with respect to a typical transaction.

### 2.2.5B
The inclusion of wording in a communication or *payment service* or *electronic money promotion* to the effect that an exchange rate shown is not available to particular *customers* will not necessarily prevent the presentation of the exchange rate being misleading.
2.2A Summary box for savings accounts

(1) A firm must ensure that a direct offer financial promotion in relation to a savings account includes a summary box in the form set out in BCOBS 2 Annex 1R.

(2) In the case only of a direct offer financial promotion on paper, it is sufficient for the purposes of (1) if the direct offer financial promotion is accompanied by a summary box on a separate sheet.

(3) The summary box must contain, in the sequence of rows set out in the table in BCOBS 2 Annex 1R:
   (a) the headings prescribed in the first column in the table in BCOBS 2 Annex 1R; and
   (b) the corresponding information described in the second column in the table in BCOBS 2 Annex 1R.

(4) In the case of a direct offer financial promotion communicated by voice telephony:
   (a) this rule (except for this paragraph) does not apply; and
   (b) the firm must provide each of the items of information described in the second column in the table in BCOBS 2 Annex 1R (except for the information in the row that includes the heading “What would the estimated balance be after [x] months based on a £[x] deposit?”) orally in clear, easily understandable language during the telephone communication.

(5) The firm must present the summary box in clear, easily understandable language and in a prominent way.

(6) In the case of a direct offer financial promotion communicated in an electronic medium which is constrained by space, a firm may amend the form of the summary box where to do so would make the presentation of the information clearer in that particular electronic medium.

(7) Where more than one rate of interest may apply to a savings account, the summary box must show each rate of interest with equal prominence. In particular, the lowest rate of interest that may apply to the savings account must not be given any less prominence in the summary box than the other rate or rates of interest shown in the summary box.

(8) The summary box must not include any information other than the information described in the table in BCOBS 2 Annex 1R.
(9) The summary box may relate to more than one savings account provided that the information in relation to each respective account is presented in a separate column in the summary box and is clearly distinguishable from information in relation to other accounts.

(1) The summary box should be completed in accordance with the guidance set out in the notes to the summary box in BCOBS 2 Annex 1R.

(2) The requirement under BCOBS 2.2A.1R is to include the rate or rates of interest that apply to the savings account in the summary box itself. It is not, therefore, permissible to simply refer in the summary box to a separate webpage or document where the rate or rates of interest can be found.

(3) Where the rate of interest that applies to a savings account may change depending on the period that has elapsed since it was opened or on whether certain conditions are met, a firm should incorporate the table set out in BCOBS 2 Annex 2G in the row of the summary box that includes the heading “What is the interest rate?” unless it would be misleading to do so.

(4) The effect of BCOBS 2.2A.1R(1) is that the summary box must be incorporated in the direct offer financial promotion itself. It is not sufficient, for example, to include in a direct offer financial promotion that appears on a website a link to a separate page containing the summary box. BCOBS 2.2A.1R(2) provides a limited exception to this where a direct offer financial promotion is on paper, in which case the summary box may accompany the direct offer financial promotion as a separate document.

(5) The effect of BCOBS 2.2A.1R(8) is that any additional information in relation to a savings account that a firm chooses to provide must appear outside the summary box.

(6) A firm may wish to include a statement in close proximity to the summary box that the information provided in it is a summary of the key features of the savings account and is not intended to be a substitute for reading the terms and conditions that apply to the account.
2.3 Other general requirements for communications and financial promotions

2.3.1 A firm must ensure that each communication made to a banking customer and each financial promotion communicated or approved by the firm:

(1) includes the name of the firm;

(2) is accurate and, in particular, does not emphasise any potential benefits of a retail banking service without also giving a fair and prominent indication of any relevant risks;

(3) is sufficient for, and presented in a way that is likely to be understood by, the average member of the group to whom it is directed, or by whom it is likely to be received; and

(4) does not disguise, diminish or obscure important information, statements or warnings.

2.3.1A A provider must ensure that each communication made to a payment service customer or an electronic money customer and each payment service or electronic money promotion communicated by it:

(1) includes the name of the provider;

(2) is accurate and, in particular, does not emphasise any potential benefits of a payment service or electronic money product without also giving a fair and prominent indication of any relevant risks;

(3) is sufficient for, and presented in a way that is likely to be understood by, the average member of the group to whom it is directed, or by whom it is likely to be received; and

(4) does not disguise, diminish or obscure important information, statements or warnings.

2.3.2 The name of the firm or other provider may be a trading name or shortened version of the legal name of the firm, provided the banking customer, payment service customer or electronic money customer can identify the firm or provider communicating the information.
In deciding whether, and how, to communicate information to a particular target audience, a firm or other provider should take into account the nature of the retail banking service, the payment service or electronic money product, the banking customer’s, payment service customer’s or electronic money customer’s likely or actual commitment, the likely information needs of a reasonable recipient, and the role of the communication, financial promotion or payment service or electronic money promotion in the sales process.

If a communication or a financial promotion or payment service or electronic money promotion names the FCA, PRA or both as the regulator of a firm or other provider, and refers to matters not regulated by the FCA, PRA or both, the firm or other provider should ensure that the communication, financial promotion or payment service or electronic money promotion makes clear that those matters are not regulated by the FCA, PRA or both.

When communicating information, a firm or other provider should consider whether omission of any relevant fact will result in information given to the banking customer, payment service customer or electronic money customer being insufficient, unclear, unfair or misleading.

The Depositor Protection Part of the PRA Rulebook may apply in relation to communications with a banking customer.

If a communication or a financial promotion compares a retail banking service with one or more other retail banking service (whether or not provided by the firm), the firm must ensure that the comparison is meaningful and presented in a fair and balanced way.

If a communication or a payment service or electronic money promotion compares a payment service or service in relation to electronic money with one or more other retail banking service, payment service or service in relation to electronic money (whether or not provided by the provider), the provider must ensure that the comparison is meaningful and presented in a fair and balanced way.

If a communication or a payment service or electronic money promotion compares the cost of a currency transfer service with the cost of a service provided by any other provider or providers (whether identified or not):

(1) the comparison must be meaningful and presented in a fair and balanced way; and

(2) the firm or other provider must be able to substantiate the claims made.

For the purpose of BCOBS 2.3.7BR the cost of a currency transfer service includes:

(1) any charges payable in relation to the currency conversion;
(2) any charges payable in relation to a connected payment service or electronic money issuance; and

(3) the margin between the exchange rate that would be offered to a majority of persons of the class at whom the promotion is directed and a currently applicable interbank exchange rate, calculated using an independently published interbank spot rate.

2.3.8 R

If a communication or a financial promotion in relation to a retail banking service refers to a particular tax treatment or rate of interest payable, a firm must ensure that a prominent statement that the tax treatment or the rate of interest payable:

(1) depends on the individual circumstances of each banking customer; and

(2) may be subject to change in the future;

is either included in that communication or financial promotion, or provided to the banking customer on paper or in another durable medium in good time before the banking customer is bound by the contract for that retail banking service.

2.3.9 G

When designing a financial promotion, a firm may find it helpful to take account of the British Bankers’ Association/Building Societies Association Code of Conduct for the Advertising of Interest Bearing Accounts.
2.4 Cash deposit ISAs and cash deposit CTFs

2.4.1 [deleted]

2.4.2 If a financial promotion relates to a cash deposit ISA, cash-only lifetime ISA or cash deposit CTF, COBS 4.7.1 R (Direct offer financial promotions) also applies.
### Form of Summary Box for Savings Accounts

This annex is referred to in BCOBS 2.2A.1R

| Summary Box |
|------------------|---------------------------------|
| **Account name** | Name of savings account         |
| **What is the interest rate?** | The rate or rates of interest that apply to the savings account (see note 1). Where different rates of interest apply to the savings account in different circumstances, an explanation of the circumstances in which each of the different rates applies (see note 2). Where an interest rate automatically tracks a reference interest rate (see note 3): -a statement that this is the case, identifying the reference interest rate; -an explanation of how the applicable interest rate is calculated on the basis of the reference interest rate; -an explanation of how the customer can access and monitor the level of the reference interest rate from time to time, including a website link to where the latest level of the reference interest rate can be found, where practicable. The times at which interest payments are calculated and credited to the savings account. |
| **Can [name of firm] change the interest rate?** | Whether or not the firm has the right to change the rate or rates of interest. Where the firm has the right to change the rate of interest, brief details of the circumstances in which that right may be exercised and how and when notice of the change will be given (see note 4). |
| **What would the estimated balance be after [x] months based on a £[x] deposit?** | One or more projections of the future balance of the savings account, which provide a representative illustration of the cash returns that the account will generate (see notes 5 to 9). A statement of the assumptions on which the projection is based. |
| **How do I open and manage my account?** | Details of any eligibility criteria that apply to the savings account (see note 10). A brief description of how to open the savings account, including a reference to any service available that enables a banking customer to switch to the savings account. Whether a minimum amount must be deposited to open the savings account and, if so, that amount. Whether a minimum amount must be deposited in the savings account on a regular basis and, if so, that amount, the frequency with which it must be paid, and any consequences of not doing so. |
### Summary Box

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether a maximum amount may be deposited in the savings account in any specified period of time and, if so, the amount and the period.</td>
<td></td>
</tr>
<tr>
<td>Whether there is a maximum amount that may be held in the savings account and, if so, that amount (see note 11).</td>
<td></td>
</tr>
<tr>
<td>A reference to the channels through which the banking customer can communicate with the firm and give instructions in relation to the savings account (see note 12).</td>
<td></td>
</tr>
<tr>
<td>Can I withdraw money?</td>
<td>An explanation of how money may be withdrawn from the savings account, including any conditions or consequences for making withdrawals (see note 13).</td>
</tr>
<tr>
<td>Additional information</td>
<td>For fixed-term savings accounts, an explanation of what happens at the end of the fixed term.</td>
</tr>
</tbody>
</table>

**Notes:**

**Note 1:** A firm may wish to use the annual equivalent rate of interest and, where it does so, it should take account of the British Bankers’ Association/Building Societies Association Code of Conduct for the Advertising of Interest Bearing Accounts.

**Note 2:** If, for example:

- an introductory, promotional, or preferential rate of interest applies to the account until a specified future date or the end of a fixed period; or

- there are ascending or descending tiers of interest rates that apply to certain increments of the balance of the account, or that are determined by reference to the total balance of the account; or

- there are graduated rates of interest, the application of which depends on certain conditions being met or on the banking customer taking or refraining from taking certain action;

the summary box should include details of this.

**Note 3:** ‘Reference interest rate’ has the same meaning as in the Payment Services Regulations.

**Note 4:** A firm may wish to direct the banking customer’s attention to the relevant clause in the terms and conditions that sets out the reasons for which the firm may change the interest rate and the procedure for doing so.

**Note 5:**

- In the case of a fixed-term savings account, the firm should include a projection of the balance of the savings account on the date on which the fixed term expires.

- Where there is to be a reduction in the rate of interest that applies to the savings account on a specified future date, or at the end of a fixed period, as the result of the expiry of an introductory, promotional or preferential rate of interest, the firm should include a projection of the balance of the savings account on the date of the expiry of that introductory, promotional or preferential rate of interest and a second projection of the balance of the savings account on the first anniversary of that date.

- In any other case, the firm should include a projection of the balance of the savings account on the first anniversary of the opening of the account.

**Note 6:** In making the projection, a firm should assume that £1000 is deposited in the account at the time it is opened and that no further deposits or withdrawals are made, unless this would make the projection misleading. This may be the case, for example, where a banking customer is required to make a minimum deposit in excess of £1000 at the time the account is opened or is not permitted to deposit that sum at that time. Where a banking customer is required to make periodic deposits at specified intervals, the projection should be based on a pattern of deposits that is representative of the terms and conditions that apply to the account.
## Summary Box

**Note 7:** If different rates of interest apply to the *savings account* in different circumstances, a *firm* should include a number of projections to illustrate the cash returns that the account will generate in those different circumstances. If, for example, there is an uplift in the rate of interest on the condition that the *banking customer* does not make a withdrawal from the *savings account*, a *firm* should include in the summary box both a projection that assumes that the condition is met and a lower projection that assumes that the condition is not met. If different bands of deposit in the *savings account* attract different tiers of interest, a *firm* should include in the summary box several projections that illustrate the cash returns that deposits up to each balance band will generate.

**Note 8:** The *firm* may wish to include in the summary box that the projection is provided for illustrative purposes only and does not take into account the individual circumstances of the *banking customer*.

**Note 9:** Where the rate of interest automatically tracks a reference interest rate, the projection may be based on the level of the reference interest rate as it stands at the time the projection is made. Where this is the case, the summary box should indicate that the projection is based on the reference interest rate as it stood on the relevant date and that it does not take into account that the level of the reference interest rate may fluctuate over the period that the projection covers.

**Note 10:** The summary should, for example, indicate if it is a requirement to open the *savings account* that the *banking customer* holds another account or product with the *firm*.

**Note 11:** If the *banking customer* is not required to deposit a minimum amount to open the *savings account*, the summary box should include a statement to this effect. Similarly, if there is no limit on the amount that may be held in the *savings account*, the *firm* should state this in the summary box.

**Note 12:** The summary box should, for example, indicate if the *banking customer* can give instructions to the *firm* about the *savings account* in branch, over the telephone, by electronic mail or through a website.

**Note 13:** The summary box should indicate if the *banking customer* is required to provide a certain period of notice of an intention to withdraw money from the *savings account*. If interest to which the *banking customer* is entitled is reduced or extinguished, or if a charge is imposed, as a result of withdrawing money from the *savings account*, details of this should be included in the summary box.

**Note 14:** Where appropriate, a *firm* may wish to include information on the tax implications for the *banking customer*, such as a brief explanation of the tax implications of an *individual savings account*. 
### Guidance on presentation of interest-rate information in savings account summary box

This annex is referred to in BCOBS 2.2A.2G(3).

<table>
<thead>
<tr>
<th>What is the interest rate?</th>
<th>Interest rate without bonus</th>
<th>X%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Interest rate with bonus (includes a bonus of X%)</td>
<td>X%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What is the interest rate?</th>
<th>Interest rate where all conditions are met</th>
<th>X%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Interest rate where one or more conditions are not met</td>
<td>X%</td>
</tr>
</tbody>
</table>
Chapter 2A

Optional additional products
2A.1 Restriction on marketing or providing an optional product for which a fee is payable

(1) A firm must not enter into an agreement with a banking customer under which a charge is, or may become, payable for an optional additional product unless the banking customer has actively elected to obtain that specific product.

(2) A firm must not impose a charge on a banking customer for an optional additional product under an agreement entered into on or after 1 April 2016 unless the banking customer actively elected to obtain that specific product before becoming bound to pay the charge.

(3) A firm must not invite or induce a banking customer to obtain an optional additional product for which a charge will be, or may become, payable if the firm knows or has reasonable cause to suspect that:
   (a) a contravention of (1) or (2) will take place with respect to the product; or
   (b) the person supplying the optional additional product will act in a way that would contravene (1) or (2) if that person were a firm.

(4) An omission by a customer is not to be regarded as an active election for the purposes of this rule.

(5) It is immaterial for the purposes of (3) whether or not the firm would or might be a party to the agreement for the optional additional product.

(6) A charge includes a financial consideration of any kind whether payable to the firm or any other person.

(7) An optional additional product is a good, service or right of any description (whether or not financial in nature) that a banking customer may obtain (or not, as the case may be) at his or her election in connection with or alongside a retail banking service.

(8) (a) Where a banking customer is required to obtain a specific additional product in order to receive the retail banking service, the product is not an optional additional product.
Section 2A.1 : Restriction on marketing or providing an optional product for which a fee is payable

(b) Where a banking customer is required to obtain a particular category of additional product (for example, a particular type of insurance) in order to receive the retail banking service, and the banking customer is given a choice as to the seller or supplier from whom to obtain the product or which specific product to obtain, the product is an optional additional product.

(9) It is immaterial for the purposes of (7) and (8) whether the optional additional product is obtained from the firm or from another person.

(10) A borrower-lender agreement enabling a borrower to overdraw on a current account, or arising where the holder of a current account overdraws on the account without a pre-arranged overdraft or exceeds a pre-arranged overdraft limit, is not an optional additional product.

(11) (a) If, under the terms and conditions of an optional additional product, there is to be an automatic renewal of the agreement on substantially the same terms, it suffices for the purposes of (1) to (3) if the banking customer actively elected before entering into the initial agreement or a preceding renewal to obtain the product.

(b) An automatic renewal of the agreement is not to be regarded as being on substantially the same terms if, following the renewal, a charge will or may become payable for the optional additional product for the first time (in which case, (1) to (3) apply at the time of the renewal).

(c) Except as set out in (b), changes in the level of charges for an optional additional product are to be disregarded in determining whether an automatic renewal of an agreement is on substantially the same terms.

(12) A banking customer may make an active election for the purposes of this rule through an intermediary in the sales process, or through a person acting on behalf of the firm.

2A.1.2 An example of an omission by a banking customer which is not to be regarded as an active election is the failure by the banking customer to change a default option such as a pre-ticked box on a website.

2A.1.3 Firms are reminded that a similar prohibition on opt-out selling of add-on products is imposed by The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 in relation to optional additional agreements where the main sale is not a financial service or product.
Section 2A.1 : Restriction on marketing or providing an optional product for which a fee is payable
Chapter 3

Distance communications
3.1 Distance marketing

Application

3.1.1 This section applies to a firm that carries on any distance marketing activity from an establishment in the United Kingdom, with or for a consumer in the United Kingdom or another EEA State.

The distance marketing disclosure rules

3.1.2 (1) Subject to (2), a firm must provide a consumer with the distance marketing information (BCOBS 3 Annex 1 R) in good time before the consumer is bound by a distance contract or offer.

(2) Where a distance contract is also a contract for payment services to which the Payment Services Regulations apply, a firm is required to provide to the consumer only the information specified in rows 7 to 12, 15, 16 and 20 of BCOBS 3 Annex 1 R.

[Note: articles 3(1) and 4(5) of the Distance Marketing Directive]

3.1.3 A firm must ensure that the distance marketing information, the commercial purpose of which must be made clear, is provided in a clear and comprehensible manner in a way appropriate to the means of distance communication used with due regard, in particular, to the principles of good faith in commercial transactions and the legal principles governing the protection of those who are unable to give their consent, such as minors.

[Note: article 3(2) of the Distance Marketing Directive]

3.1.4 When a firm makes a voice telephony communication to a consumer, it must make its identity and the purposes of its call explicitly clear at the beginning of the conversation.

[Note: article 3(3)(a) of the Distance Marketing Directive]

3.1.5 A firm must ensure that information on contractual obligations to be communicated to a consumer during the pre-contractual phase is in conformity with the contractual obligations which would result from the law presumed to be applicable to the distance contract if that contract is concluded.

[Note: article 3(4) of the Distance Marketing Directive]
Terms and conditions, and form

3.1.6  A firm must communicate to the consumer all the contractual terms and conditions and the information referred to in the distance marketing disclosure rules (BCOBS 3.1.2R to 3.1.5R) in a durable medium available and accessible to the consumer in good time before the consumer is bound by any distance contract or offer.

[Note: articles 4(5) and 5 (1) of the Distance Marketing Directive]

3.1.7  A firm will provide information, or communicate contractual terms and conditions, to a consumer if another person provides the information, or communicates the terms and conditions, to the consumer on its behalf.

Commencing performance of the distance contract

3.1.8  The performance of the distance contract may only begin after the consumer has given his approval.

[Note: article 7 (1) of the Distance Marketing Directive]

Exception: successive operations

3.1.9  In the case of a distance contract comprising an initial service agreement, followed by successive operations or a series of separate operations of the same nature performed over time, the rules in this chapter only apply to the initial agreement.

[Note: article 1(2) of the Distance Marketing Directive]

3.1.10  (1) If there is no initial service agreement but the successive operations or separate operations of the same nature performed over time are performed between the same contractual parties, the distance marketing disclosure rules (BCOBS 3.1.2R to 3.1.5R) will only apply:

(a) when the first operation is performed; and

(b) if no operation of the same nature is performed for more than a year, when the next operation is performed (the next operation being deemed the first in a new series of operations).

[Note: recital 16 and article 1(2) of the Distance Marketing Directive]

(2) In this section:

(a) “initial service agreement” includes the opening of a bank account;

(b) “operations” includes the deposit or withdrawal of funds to or from a bank account; and

(c) adding new elements to an initial service agreement, such as the ability to use an electronic payment instrument together with an existing retail banking service, does not constitute an “operation” but an additional contract to which the rules in this chapter apply.

[Note: recital 17 of the Distance Marketing Directive]
Exception: voice telephony communications

3.1.11 R

In the case of voice telephony communication, and subject to the explicit consent of the consumer, only the abbreviated distance marketing information (BCOBS 3 Annex 2 R) needs to be provided during that communication. However, a firm must still provide the distance marketing information (BCOBS 3 Annex 1 R) in a durable medium available and accessible to the consumer in good time before the consumer is bound by any distance contract or offer, unless another exception applies.

[Note: articles 3(3)(b) and 5(1) of the Distance Marketing Directive]

Exception: means of distance communication not enabling disclosure

3.1.12 R

A firm may provide the distance marketing information (BCOBS 3 Annex 1 R) and the contractual terms and conditions in a durable medium immediately after the conclusion of a distance contract, if the contract has been concluded at a consumer’s request using a means of distance communication that does not enable the provision of that information in that form in good time before the consumer is bound by any distance contract or offer.

[Note: article 5(2) of the Distance Marketing Directive]

Exception: contracts for payment services

3.1.13 G

Where a distance contract covers both payment services and non-payment services, the exception in BCOBS 3.1.2R (2) applies only to the payment services aspects of the contract. A firm taking advantage of this exception will need to comply with the information requirements in Part 6 of the Payment Services Regulations.

Consumer’s right to request paper copies and change the means of communication

3.1.14 R

At any time during the contractual relationship, the consumer is entitled, at his request, to receive the contractual terms and conditions on paper. The consumer is also entitled to change the means of distance communication used unless this is incompatible with the contract concluded or the nature of the service provided.

[Note: article 5(3) of the Distance Marketing Directive]

Unsolicited services

3.1.15 R

(1) A firm must not enforce, or seek to enforce, any obligations under a distance contract against a consumer, in the event of an unsolicited supply of services, the absence of a reply not constituting consent.

(2) This rule does not apply to the tacit renewal of a distance contract.

[Note: article 9 of the Distance Marketing Directive]
Mandatory nature of a consumer’s rights

3.1.16 If a consumer purports to waive any of the consumer’s rights created or implied by the rules in this section, a firm must not accept that waiver, nor seek to rely on or enforce it against the consumer.

[Note: article 12 of the Distance Marketing Directive]

Contracts governed by law of a third party state

3.1.17 If a firm proposes to enter into a distance contract with a consumer that will be governed by the law of a country outside the EEA, the firm must ensure that the consumer will not lose the protection created by the rules in this chapter if the distance contract has a close link with the territory of one or more EEA States.

[Note: articles 12 and 16 of the Distance Marketing Directive]
3.2 E Commerce

Application

3.2.1 This section applies to a firm carrying on an electronic commerce activity from an establishment in the United Kingdom with or for a person in the United Kingdom or another EEA State.

Information about the firm and its products or services

3.2.2 A firm must make at least the following information easily, directly and permanently accessible to the recipients of the information society services it provides:

(1) its name;

(2) the geographic address at which it is established;

(3) the details of the firm including its e-mail address, which allow it to be contacted rapidly and communicated with in a direct and effective manner;

(4) an appropriate statutory status disclosure statement (GEN 4 Annex 1 R), together with a statement which explains that it is on the Financial Services Register and includes its Firm Reference Number;

(5) if it is a professional firm, or a person regulated by the equivalent of a designated professional body in another EEA State:

(a) the name of the professional body (including any designated professional body) or similar institution with which it is registered;

(b) the professional title and the EEA State where it was granted;

(c) a reference to the applicable professional rules in the EEA State of establishment and the means to access them; and

(d) where the firm undertakes an activity that is subject to VAT, its VAT number.

[Note: article 5(1) of the E-Commerce Directive]

3.2.3 If a firm refers to price, it must do so clearly and unambiguously, indicating whether the price is inclusive of tax and delivery costs.

[Note: article 5(2) of the E-Commerce Directive]
3.2.4  A firm must ensure that commercial communications which are part of, or constitute, an information society service, comply with the following conditions:

1. the commercial communication must be clearly identifiable as such;
2. the person on whose behalf the commercial communication is made must be clearly identifiable;
3. promotional offers must be clearly identifiable as such, and the conditions that must be met to qualify for them must be easily accessible and presented clearly and unambiguously; and
4. promotional competitions or games must be clearly identifiable as such, and the conditions for participation must be easily accessible and presented clearly and unambiguously.

[Note: article 6 of the E-Commerce Directive]

3.2.5  An unsolicited commercial communication sent by e-mail by a firm established in the United Kingdom must be identifiable clearly and unambiguously as an unsolicited commercial communication as soon as it is received by the recipient.

[Note: article 7(1) of the E-Commerce Directive]

Requirements relating to the placing and receipt of orders

3.2.6  A firm must (except when otherwise agreed by parties who are not consumers):

1. give an ECA recipient at least the following information, clearly, comprehensibly and unambiguously, and prior to the order being placed by the recipient of the service:
   a. the different technical steps to follow to conclude the contract;
   b. whether or not the concluded contract will be filed by the firm and whether it will be accessible;
   c. the technical means for identifying and correcting input errors prior to the placing of the order; and
   d. the languages offered for the conclusion of the contract;
2. indicate any relevant codes of conduct to which it subscribes and information on how those codes can be consulted electronically;
3. (when an ECA recipient places an order through technological means) acknowledge the receipt of the recipient’s order without undue delay and by electronic means; and
4. make available to the ECA recipient appropriate, effective and accessible technical means allowing the recipient to identify and correct input errors prior to the placing of an order.

[Note: articles 10(1) and 11(1) and (2) of the E-Commerce Directive]
3.2.7 R For the purposes of BCBO3 3.2.6R (3), an order and an acknowledgement of receipt are deemed to be received when the parties to whom they are addressed are able to access them.

3.2.8 R Contractual terms and conditions provided by a firm to an ECA recipient must be made available in a way that allows the recipient to store and reproduce them.

[Note: article 10(3) of the E-Commerce Directive]

(Exception: contract concluded by e mail)

3.2.9 R The requirements relating to the placing and receipt of orders (BCBO3 3.2.6R (3)) do not apply to contracts concluded exclusively by exchange of e-mail or by equivalent individual communications.

[Note: articles 10(4) and 11(3) of the E-Commerce Directive]
Distance marketing information

This Annex belongs to ■ BCOBS 3.1.2 R (The distance marketing disclosure rules)

Information about the firm

(1) The name and the main business of the firm, the geographical address at which it is established and any other geographical address relevant for the consumer's relations with the firm.

(2) Where the firm has a representative established in the consumer's EEA State of residence, the name of that representative and the geographical address relevant for the consumer's relations with that representative.

(3) Where the consumer's dealings are with any professional other than the firm, the identity of that professional, the capacity in which he is acting with respect to the consumer, and the geographical address relevant to the consumer's relations with that professional.

(4) The particulars of the public register in which the firm is entered, its registration number in that register and the particulars of the relevant supervisory authority, including an appropriate statutory status disclosure statement (GEN 4), a statement that the firm is on the Financial Services Register and its Firm Reference Number.

Information about the financial service

(5) A description of the main characteristics of the service the firm will provide.

(6) The total price to be paid by the consumer to the firm for the financial service, including all related fees, charges and expenses, and all taxes paid through the firm or, where an exact price cannot be indicated, the basis for the calculation of the price enabling the consumer to verify it.

(7) Where relevant, notice indicating that the service is related to instruments involving special risks related to their specific features or the operations to be executed, or whose price depends on fluctuations in the financial markets outside the firm's control and that past performance is no indicator of future performance.

(8) Notice of the possibility that other taxes or costs may exist that are not paid via the firm or imposed by it.

(9) Any limitations on the period for which the information provided is valid, including a clear explanation as to how long a firm's offer applies as it stands.

(10) The arrangements for payment and performance.

(11) Details of any specific additional cost to the consumer for using a means of distance communication.

Information about the contract

(12) The existence or absence of a right to cancel under the cancellation rules (BCOBS 6) and, where there is such a right, its duration and the conditions for exercising it, including information on the amount which the consumer may be required to pay (or which may not be returned to the consumer) in accordance with those rules, as well as the consequences of not exercising the right to cancel.

(13) The minimum duration of the contract, in the case of services to be performed permanently or recurrently.

(14) Information on any rights the parties may have to terminate the contract early or unilaterally under its terms, including any penalties imposed by the contract in such cases.

(15) Practical instructions for exercising any right to cancel, including the address to which any cancellation notice should be sent.
(16) The EEA State or States whose laws are taken by the firm as a basis for the establishment of relations with the consumer prior to the conclusion of the contract.

(17) Any contractual clause on the law applicable to the contract or on the competent court, or both.

(18) In which language, or languages, the contractual terms and conditions and the other information in this Annex will be supplied, and in which language, or languages, the firm, with the agreement of the consumer, undertakes to communicate during the duration of the contract.

Information about redress

(19) How to complain to the firm, whether complaints may subsequently be referred to the Financial Ombudsman Service and, if so, the methods for having access to that body, together with equivalent information about any other applicable named complaints scheme.

(20) Whether compensation may be available from the compensation scheme, or any other named compensation scheme, if the firm is unable to meet its liabilities.

[Note: Recitals 21 and 23 to, and article 3(1) of, the Distance Marketing Directive]
### Abbreviated distance marketing information

This Annex belongs to **BCOBS 3.1.11 R**

1. The identity of the **person** in contact with the **consumer** and his link with the **firm**.
2. A description of the main characteristics of the financial service.
3. The total price to be paid by the **consumer** to the **firm** for the financial service including all taxes paid via the **firm** or, when an exact price cannot be indicated, the basis for the calculation of the price enabling the **consumer** to verify it.
4. Notice of the possibility that other taxes and/or costs may exist that are not paid via the **firm** or imposed by him.
5. The existence or absence of a right to cancel in accordance with the cancellation rules (BCOBS 6) and, where the right to cancel exists, its duration and the conditions for exercising it, including information on the amount the **consumer** may be required to pay on the basis of the cancellation rules.
6. That other information is available on request and what the nature of that information is.

**Note:** article 3(3)(b) of the *Distance Marketing Directive*
Chapter 4

Information to be communicated to banking customers
4.1 Enabling banking customers to make informed decisions

The appropriate information rule

4.1.1 A firm must provide or make available to a banking customer appropriate information about a retail banking service and any deposit made in relation to that retail banking service:

(1) in good time;
(2) in an appropriate medium; and
(3) in easily understandable language and in a clear and comprehensible form;

so that the banking customer can make decisions on an informed basis.

4.1.2 (1) In determining:
(a) what is "in good time";
(b) the appropriate medium for communicating information; and
(c) whether it is appropriate to provide information (that is, send or give it directly to the banking customer) or make it available (that is, make it available to obtain at the banking customer's option);

a firm should consider the importance of the information to the decision-making process of the banking customer and the time at which the information may be most useful. Distance communications requirements are also relevant.

(2) For example, (unless BCOBS 3 applies) a firm should provide the terms and conditions of the contract for a retail banking service on paper or in another durable medium in good time before a banking customer is bound by them.

(2A) (a) A firm should provide a summary box in the form set out in BCOBS 2 Annex 1R on paper or in another durable medium in good time before a banking customer is bound by the terms and conditions of a savings account, except where the firm has already provided the summary box to a banking customer on a previous occasion.

(b) If the contract for the savings account has been concluded at a banking customer's request using a means of distance
communication that does not enable the provision of the summary box in that form in good time before the banking customer is bound, the firm should provide the summary box on paper or in another durable medium immediately after the conclusion of the contract.

(c) In the case of a savings account that is a cash deposit ISA, cash-only lifetime ISA or a cash deposit CTF, the firm may include the summary box in a key features document provided to the banking customer in line with the rules and guidance in COBS 13 and COBS 14.

(d) In preparing the summary box, a firm should have regard to the provisions of BCBS 2.2A.1R as if they were guidance.

(2B) A firm should ensure that the rate of interest that applies to a savings account is prominently shown alongside, or in close proximity to (or, in the case of (b), on a page accessed directly through a link that appears prominently alongside or in close proximity to) any account balance information included in:

(a) any paper or online statement of account provided or made available by the firm;

(b) where the firm provides an online banking service to the banking customer, the first personalised page of the firm’s website that the banking customer accesses when using this service;

(c) any notification of a material change to a rate of interest provided in accordance with (3)(c);

(d) any notification of the expiry of an introductory, promotional or preferential rate of interest provided in accordance with (5); and

(e) any notification of the expiry of a fixed term of a fixed term savings account provided in accordance with (6A).

(2C) For the purposes of (2B):

(a) (i) unless (ii) applies, the firm should show the rate of interest that applies to the savings account as a numerical figure (and not merely the method for determining the current figure under the terms and conditions);

(ii) where the rate of interest that applies to the savings account automatically tracks a reference interest rate (within the meaning of the Payment Services Regulations), the firm should indicate how the rate of interest is calculated and direct the banking customer to where the level of the reference interest rate may be accessed from time to time; and

(b) in the case of account balance information made available online, the firm should show the rate of interest that applies to the account at the time the banking customer accesses the information; or

(ii) in the case of account balance information provided in a durable medium, the firm should show the rate of interest that applies to the account at the time the information is sent.
(2D) A firm should inform a banking customer of the current rate of interest that applies to a savings account on the telephone or in a branch of the firm at the request of the banking customer.

(2E) A firm should publish the current rate of interest that applies to each savings account it provides on its website (whether or not the savings account is available to new customers) and ensure that this is kept continuously up to date and is easily accessible by a banking customer.

(3) Where a firm proposes to exercise a power to make:
   (a) a change to any term or condition of the agreement; or
   (b) a change to any charge; or
   (c) a material change to any rate of interest;

that applies to the retail banking service and that will be to the disadvantage of a banking customer, the firm should provide reasonable notice to the banking customer on paper or in another durable medium before the change takes effect, taking into account the period of notice required by the banking customer to terminate the contract for the retail banking service. A change to a rate of interest should always be considered ‘material’ except where the balance of the account is less than £100 at the time when the firm would provide the notice.

(3A) When providing a notice under (3)(c), (5) or (6A), a firm should ensure that the heading of the notice clearly indicates the main substance of the change to which the notification relates. When providing a notice under (3)(c) relating to a decrease in the rate of interest, for example, a firm should ensure that the heading of the notice clearly indicates that the rate of interest is decreasing.

(4) Where a firm notifies a banking customer of a material change to a rate of interest that applies to a retail banking service and that will be to the disadvantage of a banking customer, this notification should, where applicable:
   (a) refer to the fact that the firm offers a comparable retail banking service for which the banking customer is eligible;
   (b) indicate that the banking customer may move to that retail banking service or a retail banking service provided by another firm; and
   (c) indicate that the firm will assist the banking customer to move to another retail banking service if he wishes to do so.

(5) Subject to (5A), where, under a contract for a retail banking service, an introductory, promotional or preferential rate of interest applies to the retail banking service until a specified future date or the end of a fixed period, a firm should provide notice of the expiry of the application of that rate of interest to the banking customer on paper or in another durable medium within a reasonable period before that rate of interest ceases to apply.

(5A) Paragraph (5) does not apply where the balance of the account is less than £100 at the time when the firm would otherwise provide the notice.
(6A) In relation to a fixed-term savings account, a firm should provide notice of the expiry of the fixed term to the banking customer on paper or in another durable medium in good time before the end of the fixed term. This notice should explain, in easily understandable language and in a clear and comprehensible form:

(a) the consequences of the expiry of the fixed term, including whether the firm proposes to transfer the balance of the account to another fixed-term savings account if the banking customer does not provide further instructions to the firm while the customer has an opportunity to do so; and

(b) the options available to the banking customer for dealing with the balance in the fixed term savings account, including when and how these options may be exercised.

(6B) Where a notice under (3)(c), (5) or (6A) is provided by the firm more than 14 days before the change to which the notice relates takes effect, a firm should also provide a reminder to the banking customer within a period beginning 14 days before the relevant change takes effect and ending on the day before it does so. The firm may choose the medium in which the reminder is provided. In doing so, the firm should take account of any preferences expressed by the banking customer about the medium of communication between the firm and the banking customer, for example, if the banking customer has indicated a preference to receive information by mobile telephone text message.

(7) The general law, including the Unfair Terms Regulations (for contracts entered into before 1 October 2015) and the CRA, also limits the scope for a firm to use or rely on a variation clause in a contract with a consumer.

4.1.3 Where a rule in this chapter requires information to be provided on paper or in another durable medium before a banking customer is bound by the terms and conditions of the contract, a firm may instead provide that information in accordance with the distance communication timing requirements (see BCOBS 3.1.11 R and BCOBS 3.1.12 R).

4.1.4 The appropriate information rule applies before a banking customer is bound by the terms of the contract. It also applies after a banking customer has become bound by them. In order to meet the requirements of the appropriate information rule, information provided or made available by a firm to a banking customer should include information relating to:

(1) the firm;

(2) the different retail banking services offered by the firm which share the main features of the retail banking service the banking customer has enquired about, or which have the product features the banking customer has expressed an interest in, unless the banking customer has expressly indicated that he does not wish to receive that information;
(3) the terms and conditions of the contract for a retail banking service and any changes to them;

(4) the rate or rates of interest payable on any deposit, how and when such interest is calculated and applied and any changes to that rate or those rates;

(5) any charges at any time payable by or on behalf of a banking customer in relation to each retail banking service and any changes to those charges;

(5A) the time at which any funds placed with or transferred to the firm for credit to the banking customer’s account will be made available to the banking customer;

(6) a banking customer’s rights to cancel a contract for a retail banking service;

(7) how a banking customer may make a complaint (at the time and in the manner required by DISP 1.2);

(8) [deleted]

(9) basic bank accounts but only if the firm offers a basic bank account and the banking customer meets the firm’s eligibility criteria for such an account; and

(10) the timescales for each stage of the cheque clearing process.

4.1.4A This guidance applies to a firm only with respect to its communications and dealings with consumers where a firm has a right of set-off.

(1) This guidance applies to a firm only with respect to its communications and dealings with consumers where a firm has a right of set-off.

(2) To ensure compliance with the appropriate information rule, the firm should:

(a) (i) provide an explanation of the nature and extent of the firm’s right of set-off; and

(ii) if the firm considers that it is entitled to exercise a right to set off or combine a debt due solely from a consumer, or a debit balance on an account held in the sole name of a consumer, against or with a credit balance on an account held in the joint names of that consumer and another consumer, also provide an explanation of that right to the consumers in whose names the joint account is held; in good time before the consumer is bound by the contract for the retail banking service. This information may be incorporated in the terms and conditions that apply to the contract for the retail banking service;

(b) (i) on the first occasion that the firm proposes to exercise a right of set-off in its dealings with the consumer; and
(ii) where appropriate, on any subsequent occasion that the firm proposes to exercise a right of set-off in its dealings with the consumer;

provide general information in relation to the nature of the firm’s right of set-off and the generic circumstances in which the firm may rely on that right within a reasonable period before the firm seeks to exercise its right of set-off. The FCA considers that this information should be provided at least 14 days before the firm seeks to exercise its right of set-off. It may be incorporated in another communication sent by the firm to the consumer; and

(c) where it has exercised a right of set-off, provide prompt notification of this to the consumer. This notification should clearly identify the date that the firm exercised its right of set-off and the amount debited from the consumer’s account in reliance on that right.

(3) The information referred to in (2) should be provided in plain and intelligible language on paper or in another durable medium.

(4) In determining whether it is appropriate to provide general information under (2)(b)(ii), the firm should consider the period of time that has elapsed since the firm last provided that information under (2)(b)(i) or (ii).

(5) Nothing in (2)(a)(ii) should be considered as expressing a view on the validity, enforceability or fairness of any right of set-off in relation to a joint account that a firm considers it is entitled to exercise.

4.1.5 The information required by the appropriate information rule may vary according to matters such as:

(1) the banking customer’s likely or actual commitment;

(2) the information needs of a reasonable recipient having regard to the type of retail banking service that is proposed or provided and its overall complexity, main benefits, risks, limitations, conditions and duration;

(3) distance communication information requirements (for example, under the distance communication rules less information can be given during certain telephone sales than in a sale made purely by written correspondence (see BCOBS 3.1)); and

(4) whether the same information has been provided to the banking customer previously and, if so, when that was.

4.1.6 The existence of cancellation rights does not affect what information it is appropriate to give a banking customer in order to enable him to make an informed purchasing decision.

4.1.7 If the retail banking service is a cash deposit ISA, cash-only lifetime ISA or a cash deposit CTF, the rules in COBS 13.1 (Preparing product information) and COBS 14.2 (Providing product information to clients) also apply.
4.2 Statements of account

4.2.1 (1) A firm must provide or make available to a banking customer on paper or in another durable medium such regular statements of account as are appropriate to the type of retail banking service provided, but need not do so where:

(a) the firm has provided a banking customer with a pass book or other document in a durable medium that records transactions in relation to the retail banking service;

(b) the retail banking service is provided at a distance by means of electronic equipment where the banking customer can access his account balance, view transactions and give instructions in relation to the retail banking service at a distance by such means;

(c) a banking customer has elected not to receive periodic statements of account, and for so long as such election is in force; or

(d) it has reasonable grounds to believe that the banking customer is not resident at the address last known to it as the address of the banking customer and it is not practicable after reasonable inquiry to ascertain the banking customer’s address.

(2) A firm must not charge for providing information which is required to be provided by (1).

(3) A firm must provide a banking customer with a true copy of any statement of account provided to him under (1) on paper or in another durable medium within a reasonable period of time following a request to that effect made by or on his behalf.

(4) A firm and a banking customer may agree on a charge for:

(a) providing a copy of a statement of account under (3); or

(b) providing statements of account more frequently than required by (1);

at the request of the banking customer. Any such charge must reasonably correspond to the firm’s actual costs.

4.2.2 A firm should indicate the rate or rates of interest that apply to a retail banking service in each statement of account provided or made available to a banking customer in respect of that retail banking service in accordance with BCOBS 4.2.1R (1). Firms are also reminded of the provisions of BCOBS 4.1.2G(2B) and (2C).
4.3 Information to be provided by a non ring-fenced body to individual account holders

Application and purpose

4.3.1 Article 14 of the Financial Services and Markets Act 2000 (Ring-fenced Bodies and Core Activities) Order 2014 “the Ring-fenced Bodies and Core Activities Order 2014” places a duty on the FCA to make rules specifying the information that a non ring-fenced body must provide to certain classes of individuals. The purpose of this section is to set out those rules.

4.3.2 This section applies to a firm that is a non ring-fenced body or is to become a non ring-fenced body.

4.3.3 A non ring-fenced body is a firm which has a Part 4A permission to carry on the regulated activity of accepting deposits and which is neither a ring-fenced body nor an institution which is exempt from the definition of a ring-fenced body. Section 142A(1) of the Act defines a ring-fenced body as a UK institution which carries out one or more core activities under section 142B of the Act for which it has a Part 4A permission. Section 142A(2) of the Act and the Ring-fenced Bodies and Core Activities Order 2014 provide that a building society and certain other classes of UK institution are exempt from this definition. Further, firms do not fall within the definition unless they hold deposits in EEA accounts.

To whom must information be provided?

4.3.4 (1) A firm that is to become a non ring-fenced body must provide the information specified in BCOBS 4.3.6R to any individual from whom the firm proposes to accept, or contemplates it is likely to receive, a declaration of eligibility under article 9(1)(a) of the Ring-fenced Bodies and Core Activities Order 2014 (whether accompanied by a confirming statement or not).

(2) A firm that is a non ring-fenced body must provide the information specified in BCOBS 4.3.6R to:

(a) any individual who has applied to open an EEA account for the purpose of making one or more deposits (including a joint account) with that firm; and

(b) any individual who holds an EEA account for that purpose (including a joint account) with that firm,
A request made by an individual to switch to an EEA account with a firm is to be regarded as an application to open an EEA account with that firm (it is immaterial if the switch is from an account held with a ring-fenced body in the same group as the firm or whether the existing account will be closed when the switch is complete).

What information must be provided?

The information required to be provided by BCOBS 4.3.4R is:

(1) a summary of the purpose of the provisions of Part 9B of the Act (Ring-fencing) and of the key risks to which a non ring-fenced body may be exposed which distinguish it from a ring-fenced body;

(2) a description of any excluded activity which the firm is carrying on or (for information provided before the date on which Part 9B of the Act comes fully into force) a description of any activity the firm is carrying on which would, if carried on after that date, be an excluded activity; and

(3) a description of any prohibited action which the firm has taken or (for information provided before the date on which Part 9B of the Act comes fully into force) a description of any action the firm has taken which would, if taken after that date, be a prohibited action.

The summary described in BCOBS 4.3.6R(1) should include a brief explanation that the purpose of ring-fencing is to separate the retail banking activities, on which households and small businesses depend, from wholesale or investment banking activities which may involve a greater degree of risk and expose an entity undertaking those activities to financial problems arising elsewhere in the global financial system.

It should also indicate that certain ring-fenced bodies carrying on retail banking activities will have to comply with restrictions on the other activities they can undertake, and with rules made by the appropriate regulator intended to ensure that they are capable of carrying on the business of providing the core services related to the acceptance of deposits independently of other members in their group. They will, for example, not be able to carry on activities called ‘excluded activities’ which make them vulnerable to problems arising in the financial system or which may make it more difficult for banks to be wound down in an orderly fashion. The summary should explain that, as a non ring-fenced body, the firm is not subject to these restrictions.

It is not necessary for the information provided under BCOBS 4.3.6R(2) and (3) to contain an exhaustive list of each specific activity or action that constitutes an excluded activity or prohibited action, so long as the information about the nature of the activities and actions is sufficient to enable the individual to make an informed decision as to whether to open or continue to hold an
account with the firm in the light of its status as a non ring-fenced body.

When must the information be provided?

4.3.8 (1) The information required to be provided under BCOBS 4.3.4R(1) must be provided in good time before the individual becomes an eligible individual in relation to the firm.

(2) The information required to be provided under BCOBS 4.3.4R(2)(a) must be provided in good time before the individual opens an account with the firm.

(3) The information required to be provided under BCOBS 4.3.4R(2)(b) must be provided as soon as practicable after the firm has become a non ring-fenced body.

4.3.9 In determining what is “in good time” under BCOBS 4.3.8R, the firm should consider the time at which the information may be most useful to the individual in making a decision as to whether to continue to hold or to open an account with the firm.

How must the information be provided?

4.3.10 The information required under BCOBS 4.3.4R must be provided:

(1) in writing;

(2) in a prominent manner and in a medium that is calculated to bring the information to the attention of the individual to whom it is addressed; and

(3) in easily understandable language and in a clear and comprehensible form,

so that the individual can make a decision as to whether to continue to hold or to open an account with the firm on an informed basis.

4.3.11 A firm must not charge for providing the information required to be provided by BCOBS 4.3.4R.

Requirement to publish the information on a website

4.3.12 A firm must, on or before the first date it is required to provide information under BCOBS 4.3.4R, make the information in BCOBS 4.3.6R accessible continuously on its website and keep such information up to date.
Section 4.3: Information to be provided by a non ring-fenced body to individual account holders

BCOBS 4: Information to be communicated to banking customers
Chapter 5

Post sale
5.1 Post sale requirements

Service

5.1.1 R A firm must provide a service in relation to a retail banking service which is prompt, efficient and fair to a banking customer and which has regard to any communications or financial promotion made by the firm to the banking customer from time to time.

5.1.2 G In determining the order in which to process payment instructions in relation to the retail banking service, a firm must have regard to its obligation to treat banking customers fairly.

5.1.3 G [deleted]

Set-off

5.1.3A G To ensure compliance with its obligations under BCOBS 5.1.1 R and Principle 6, on any occasion where it proposes to exercise a right of set-off, a firm (other than a credit union) should, with respect to its dealings with consumers:

(1) review the information available and accessible to the firm relating to the consumer’s account, on an individual basis, and estimate the amount of any subsistence balance;

(2) refrain from seeking to set off or combine:

(a) any debt due from, or a debit balance on an account held by, a consumer against or with that subsistence balance;

(b) any debt due from, or a debit balance on an account held by, a consumer in a personal capacity against or with any sum of money payable by the firm to the consumer or standing to the credit of the consumer in an account held with the firm, where the firm knows or reasonably ought to know that:

(i) a third party is beneficially entitled to that money or that the consumer is a fiduciary in respect of that money; or

(ii) the consumer has received that money from a government department, local authority or NHS direct payment body for a specific purpose or is under a legal obligation to a third party to retain and deal with that money in a particular way.
**BCOBS 5 : Post sale**

Section 5.1 : Post sale requirements

5.1.3

(1) If it becomes apparent to a *firm* after it has exercised a *right of set-off* that it has set off or combined a debt due from, or a debit balance on an account held by, a *consumer* against or with:

(a) the consumer’s subsistence balance; or

(b) money payable by the *firm* to the *consumer*, or standing to the credit of the *consumer* in an account held with the *firm*, that falls within [BCOBS 5.1.3AG (2)(b)(i) or (ii)];

the *firm* should refund to the *consumer* the sum debited from the account of the *consumer* in exercise of the *right of set-off* unless it is fair not to do so.

(2) If, in the circumstances referred to in (1), the *firm* does not provide a refund of the sum debited from the account in exercise of the *right of set-off*, the *firm* should be able to justify that it is fair not to do so and should consider taking other remedial action having regard to its obligations under [BCOBS 5.1.1 R and Principle 6].

**Dealings with customers in financial difficulty**

5.1.4

*Principle 6* requires a *firm* to pay due regard to the interests of its customers and to treat them fairly. In particular, a *firm* should deal fairly with a *banking customer* whom it has reason to believe is in financial difficulty.

**Moving a retail banking service**

5.1.5

A *firm* must provide a prompt and efficient service to enable a *banking customer* to move to a *retail banking service* (including a *payment service*) provided by another *firm*.

5.1.5A

A *firm* must provide a prompt and efficient service to enable a *banking customer* to move to another *retail banking service* (including a *payment service*) provided by that *firm*.

5.1.5B

(1) In taking steps to ensure a service is prompt and efficient, in line with [BCOBS 5.1.5AR], a *firm* should make appropriate use of the information and documents it already holds in relation to a *banking customer*.

(2) Where, for example, an existing customer wishes to move to another account with the same *firm* and the *firm* already holds data and documents in relation to customer due diligence measures, including data and documents to verify the identity of that customer that are suitable for the purposes of anti-money laundering requirements, the *firm* should consider whether it would be unnecessarily duplicative to apply the same account opening procedures in that case as would apply to a new customer (although a *firm* should ensure its policies and procedures are consistent with the requirements of the *Money Laundering Regulations* and other legislation in relation to financial crime).

(3) Where a *firm* provides an online or mobile telephone banking facility to a *banking customer*, the *firm* may wish to consider how the
A 

Where a banking customer wishes to move a retail banking service and there are no arrangements between the firm the banking customer wishes to move from and the firm that the banking customer wishes to move to, the service provided by the former firm will extend only to providing a prompt and efficient service in respect of termination of the retail banking service, for example by closing an account and returning any deposit (with interest as appropriate) to the banking customer.

Where a banking customer wishes to move a retail banking service and there are arrangements between the firm the banking customer wishes to move from and the firm that the banking customer wishes to move to, the service provided by the former firm will include providing a prompt and efficient service in respect of termination of the retail banking service, for example by closing an account, transferring any account balance and making arrangements in respect of any direct debits or standing orders.

■ BCOBS 5.1.6G and ■ 5.1.7G do not apply to a firm with respect to a switching service that the firm is required to offer under Part 3 of the Payment Account Regulations.

A firm may find it helpful to take account of the Cash ISA to Cash ISA Transfer Industry Guidelines.

Lost and dormant accounts

A firm must make appropriate arrangements to enable a banking customer, so far as is possible, to trace and, if appropriate, to have access to a deposit held (or formerly held) in a retail banking service provided by the firm. This applies even if:

(1) the banking customer may not be able to provide the firm with information which is sufficient to identify the retail banking service concerned; or

(2) the banking customer may not have carried out any transactions in relation to that retail banking service for an extended period of time.

If a firm participates in the scheme under the Dormant Bank and Building Society Accounts Act 2008, it must inform a banking customer of this fact and provide appropriate information regarding the terms of the scheme on entering into communications with a banking customer regarding a dormant account.

Security of electronic payments

A firm that allows a banking customer to make electronic payments must consider the risk of fraud and put in place appropriate procedures and technical safeguards to ensure that such payments can be carried out in a safe and secure manner.
Such procedures should include authentication procedures for the verification of the identity of the banking customer or the validity of the use of a particular payment instrument, proportionate to the risks involved. Where appropriate, firms may wish to consider the adoption of ‘strong customer authentication’, as defined in the Payment Services Regulations, and specified in the SCA RTS. The FCA gives guidance on strong customer authentication in Chapter 20 of the FCA’s Approach Document.


Firm’s liability for unauthorised payments

5.1.11 (1) Where a banking customer denies having authorised a payment, it is for the firm to prove that the payment was authorised.

(2) Where a payment from a banking customer’s account was not authorised by the banking customer, a firm must, within a reasonable period, refund the amount of the unauthorised payment to the banking customer and, where applicable, restore the banking customer’s account to the state it would have been in had the unauthorised payment not taken place.

Banking customer’s liability for unauthorised payments

5.1.12 (1) Subject to (2) and (3), a firm may, in an agreement for a retail banking service, provide for a banking customer to be liable for an amount up to a maximum of £35 for losses in respect of unauthorised payments arising:

(a) from the use of a lost or stolen payment instrument; or

(b) from the misappropriation of the payment instrument.

(1A) Paragraph (1) does not apply where:

(a) the loss, theft or misappropriation of the payment instrument was not detectable by the banking customer prior to the payment; or

(b) the loss was caused by acts or omissions of an employee or branch of the firm or of an entity which carried out activities on behalf of the firm.

(2) A firm may, in an agreement for a retail banking service, provide for a banking customer to be liable for all losses in respect of unauthorised payments:

(a) where a banking customer has acted fraudulently; or

(b) (subject to (3)) where a banking customer has intentionally, or with gross negligence, failed to comply with his or her obligations under the agreement for the retail banking service in relation to the issue or use of the payment instrument or to take all reasonable steps to keep its personalised security features safe.

(3) Except where a banking customer has acted fraudulently, a firm must not, in an agreement for a retail banking service, seek to make a banking customer liable for any losses in respect of unauthorised payments where:
(a) the unauthorised payment arises after the banking customer has notified the firm of the loss, theft, misappropriation or unauthorised use of the payment instrument;

(b) the firm has failed to ensure that appropriate means are available at all times to enable the banking customer to notify it of the loss, theft, misappropriation or unauthorised use of a payment instrument; or

(c) the payment instrument has been used in connection with
   (i) a distance contract; or
   (ii) a distance selling contract other than an excepted contract.

(4) Except as provided in (1) to (3), a firm must not, in an agreement for a retail banking service, seek to make a banking customer liable for any consequential loss in respect of an unauthorised payment.

Value date

5.1.13 R

(1) The reference date used by a firm for the purpose of calculating interest on funds credited to an account of a banking customer held with it must be no later than:
   (a) the business day on which the funds are credited to the account of the firm; or
   (b) in the case of cash placed with a firm for credit to a banking customer's account in the same currency as that account, immediately after the firm receives the funds.

(2) Paragraph (1) does not apply to funds credited to a banking customer's account by means of a paper cheque.

Non-execution or defective execution of payments

5.1.14 R

(1) Where a banking customer claims that a payment has not been correctly executed, it is for the firm to prove that the payment was authenticated, accurately recorded, entered in the firm's accounts and not affected by a technical breakdown or some other deficiency.

(2) In paragraph (1) "authenticated" means the use of any procedure by which a firm is able to verify the use of a specific payment instrument, including its personalised security features.

5.1.15 R

(1) Where a payment from an account of a banking customer is executed in accordance with the payment routing information provided in respect of that payment, it shall be treated as correctly executed by each firm involved in executing the payment.

(2) Where incorrect payment routing information has been provided to a firm in respect of a payment:
   (a) BCOBS 5.1.16R and BCOBS 5.1.17R do not apply in relation to that payment;
   (b) the firm must make reasonable efforts to recover the funds involved in the transaction; and
(c) if the firm is unable to recover the funds it must, on receipt of a written request, provide to the banking customer all available relevant information in order for the banking customer to claim repayment of the funds.

(2A) A firm that is in receipt of funds as the result of the provision of incorrect payment routing information by a banking customer must co-operate with the firm that is seeking to recover the funds, in particular by providing all relevant information for the collection of the funds.

(3) A firm and a banking customer may agree on a charge for taking the steps referred to in (2)(b). Any such charge must reasonably correspond to the firm’s actual costs.

5.1.15A For the purposes of BCOBS 5.1.15R ‘relevant information’ will include the name of the account holder into whose account the funds have been paid, and an address at which documents can be effectively serviced on that person.

5.1.15B BCOBS 5.1.15R (2) (c) and BCOBS 5.1.15R (2A) may require a firm to disclose personal data about a customer to whom it provides a bank account where funds have been transferred to that account as a result of incorrect payment routing information. When providing information to the customer to ensure the fair and transparent processing of personal data as required by applicable data protection legislation a firm should take account of its potential obligations under BCOBS 5.1.15R(2)(c) and BCOBS 5.1.15R(2A).

5.1.16 (1) Where a banking customer instructs or requests a firm to make a payment from his or her account and the payment is not correctly executed, the firm must, without undue delay:

   (a) refund to the banking customer the amount of the non-executed or defective payment; and

   (b) where applicable, restore the banking customer’s account to the state in which it would have been had the defective payment not taken place;

   unless:

   (c) the firm can prove that the amount of the payment was received by another firm (referred to in this rule as “firm B”) with which the relevant account of the intended recipient is held.

(2) Where (1)(c) applies, firm B must:

   (a) immediately make available the amount of the payment to the intended recipient; and

   (b) where applicable, credit the corresponding amount to the intended recipient’s account.
Where:

(1) an instruction or request for a payment to be made from a banking customer's account is given by the intended recipient of that payment to a firm;

(2) that firm can prove that it correctly transmitted the instruction or request to the firm with which the relevant account of the banking customer is held (in this rule referred to as "firm A"); and

(3) the payment is not correctly executed;

firm A must, as appropriate and without undue delay:

(4) refund to that banking customer the amount of the payment; and

(5) restore that banking customer's account to the state in which it would have been had the defective payment not taken place.

Where a firm is required to give a refund or take other remedial action under § BCBO5 5.1.16R or § BCBO5 5.1.17R, it must also refund:

(1) any charges for which a banking customer is responsible; and

(2) any interest which a banking customer must pay;

as a consequence of the non-execution or defective execution of the payment.

Where the non-execution or defective execution of a payment by a firm is due to abnormal and unforeseeable circumstances beyond the firm's control, the consequences of which would have been unavoidable despite all efforts to the contrary, § BCBO5 5.1.16R to § BCBO5 5.1.18R shall not apply with respect to that incorrectly executed payment.
Chapter 6

Cancellation
6.1 The right to cancel

Introduction

6.1.1 Except as provided for in [BCOBS 6.1.2 R], a banking customer has a right to cancel a contract for a retail banking service (including a cash deposit ISA but excluding a cash-only lifetime ISA) without penalty and without giving any reason, within 14 calendar days.

[Note: article 6(1) of the Distance Marketing Directive in relation to distance contracts]

6.1.2 There is no right to cancel:

1. a contract (other than a cash deposit ISA) where the rate or rates of interest payable on the deposit are fixed for a period of time following conclusion of the contract;

2. a contract whose price depends on fluctuations in the financial market outside the firm’s control that may occur during the cancellation period; or

3. a cash deposit CTF (other than a distance contract).

6.1.3 A firm may provide longer or additional cancellation rights voluntarily but, if it does, these should be on terms at least as favourable to the banking customer as those in this chapter, unless the differences are clearly explained.

6.1.3A Firms are reminded that the cancellation rules in [COBS 15] apply to the cancellation by a banking customer of a cash-only lifetime ISA.

Beginning of cancellation period

6.1.4 The cancellation period begins:

1. either from the day of the conclusion of the contract for the retail banking service; or

2. from the day on which the banking customer receives the contractual terms and conditions of the retail banking service and any other pre-contractual information required under this sourcebook, if that is later than the date referred to in (1) above.

[Note: article 6(1) of the Distance Marketing Directive in relation to distance contracts]
Disclosing the right to cancel

(1) The firm must disclose to a banking customer in good time or, if that is not possible, immediately after the banking customer is bound by a contract for a retail banking service, and in a durable medium, the existence of the right to cancel, its duration and the conditions for exercising it including information on the amount which the banking customer may be required to pay, the consequences of not exercising it and practical instructions for exercising it, indicating the address to which the notification of cancellation should be sent.

(2) This rule applies only where a banking customer would not otherwise receive the information referred to in (1) under a rule in this sourcebook from the firm (such as under BCOBS 3.1.2 R to 3.1.5 R (the distance marketing disclosure rules)).
6.2 Exercising the right to cancel

6.2.1 If a banking customer exercises his right to cancel he must, before the expiry of the cancellation period, notify this following the practical instructions given to him. The deadline shall be deemed to have been observed if the notification, if in a durable medium available and accessible to the recipient, is dispatched before the cancellation period expires.

[Note: article 6(6) of the Distance Marketing Directive for distance contracts]

6.2.2 The firm should accept any indication that the banking customer wishes to cancel as long as it satisfies the conditions for notification. In the event of any dispute, unless there is clear written evidence to the contrary, the firm should treat the date cited by the banking customer as the date when the notification was dispatched.

Record keeping

6.2.3 The firm must make adequate records concerning the exercise of a right to cancel and retain them for at least three years.
6.3 Effects of cancellation

6.3.1 By exercising a right to cancel, a banking customer withdraws from the contract and the contract is terminated.

Payment for the service provided before cancellation

6.3.2 (1) This rule applies in relation to a contract for a retail banking service that is not a cash deposit ISA or a cash deposit CTF.

(2) When a banking customer exercises the right to cancel he may only be required to pay, without any undue delay, for the service actually provided by the firm in accordance with the contract. The amount payable must not:

(a) exceed an amount which is in proportion to the extent of the service already provided in comparison with the full coverage of the contract;

(b) in any case be such that it could be construed as a penalty.

[Note: article 7(1), (2) and (3) of the Distance Marketing Directive in relation to distance contracts]

(3) The firm may not require a banking customer to pay any amount on the basis of this rule unless it can prove that the banking customer was duly informed about the amount payable and, in the case of a contract which is a distance contract, in conformity with the distance marketing disclosure rules. However, in no case may the firm require such payment if it has commenced the performance of the contract before expiry of the cancellation period without the banking customer's prior request.

[Note: article 7(1), (2) and (3) of the Distance Marketing Directive in relation to distance contracts]
6.4 Obligations on cancellation

Firm's obligation

6.4.1 The firm must, without undue delay and within 30 calendar days, return to the banking customer any sums it has received from him except for any amount that the banking customer may be required to pay under BCOBS 6.3.2 R. This period begins from the day on which the firm receives the notification of cancellation.

[Note: article 7(1), (2) and (3) of the Distance Marketing Directive in relation to distance contracts]

Banking customer's obligation

6.4.2 The firm is entitled to receive from the banking customer any sums or property he has received from the firm without any undue delay and no later than within 30 calendar days. This period begins from the day on which the banking customer dispatches the notification of cancellation.

[Note: article 7(5) of the Distance Marketing Directive in relation to distance contracts]

6.4.3 Any sums payable under this section on cancellation of a contract are owed as simple contract debts and may be set off against each other.
This chapter applies as modified to the extent necessary for it to be compatible with any enactment, including legislation relating to child trust funds.
Chapter 7

Information about current account services
7.1 Application

What?

7.1.1  

(1) This chapter requires a firm to publish information about its provision of personal current accounts and business current accounts.

(2) In this chapter:

(a) a “personal current account” means an account, other than a current account mortgage or a premium service account, which is a payment account within the meaning of the Payment Accounts Regulations (see ※BCOBS 7.1.3G(2));

(b) a “business current account” means an account which would be a personal current account if the banking customer were a consumer (with the definition of “personal current account” in (2)(a) applying for the purposes of this sub-paragraph as if the words “or a premium service account” were omitted) (see ※BCOBS 7.1.3G(3));

(c) each of the following is a “premium service account“:

(i) an account of a type:

(A) in respect of which banking customers receive better or faster service, assessed by reference to any of the information which the firm must publish under this chapter, than that provided in respect of one or more other types of personal current account held with the firm under the relevant trading name;

(B) which requires the banking customer to do either or both of the following:

(B) maintain a credit balance in the account, exceeding an amount specified by the firm, and

(B) make deposits into the account each month, exceeding an amount specified by the firm; and

(C) which is held by fewer than 20% of the holders of personal current accounts held with the firm under the relevant trading name (with the definition of “personal current account” in (2)(a) applying for the purposes of this sub-paragraph as if the words “or a premium service account” were omitted); and

(ii) an account:

(A) held by a banking customer who receives better or faster service, assessed by reference to any of the information which the firm must publish under this chapter, than the
service provided to other banking customers holding the same type of personal current account with the firm under the relevant trading name (a “premium customer”);

(B) where the firm’s treatment of the banking customer as a premium customer is dependent on the banking customer doing either or both of the following:

(8) maintaining a credit balance in the account, exceeding an amount determined by the firm, and

(8) making deposits into the account each month, exceeding an amount determined by the firm; and

(C) of a type of which the premium customers constitute fewer than 20% of the holders of personal current accounts of that type (with the definition of “personal current account” in (2)(a) applying, for the purposes of this sub-paragraph, as if the words “or a premium service account” were omitted); and

(d) a “private bank” is a bank or building society, or an operationally distinct brand of such a firm, 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:

(i) net assets do not include:

(A) the value of the banking customer’s primary residence or any loan secured on that residence;

(B) any rights of the banking customer under a qualifying contract of insurance within the meaning of the Regulated Activities Order; and

(C) any benefits (in the form of pensions or otherwise) which are payable on the termination of the service of the banking customer or on their retirement and to which the banking customer (or the banking customer’s dependents are), or may be, entitled.

(ii) “previous financial year” means the most recent period of one year ending on 31 March.

Who?

(1) This chapter applies to a firm in relation to a current account measurement period (see BCOBS 7.7.1R):

(a) in respect of personal current accounts held with the firm under a trading name of the firm, if:

(i) at the start of the current account measurement period, 70,000 or more personal current accounts are held with the firm under that trading name; and

(ii) 70,000 or more personal current accounts were held with the firm under that trading name throughout the previous two current account measurement periods; and

(b) in respect of business current accounts held with the firm under a trading name of the firm, if:
(i) at the start of the current account measurement period, 15,000 or more business current accounts are held with the firm under that trading name; and

(ii) 15,000 or more business current accounts were held with the firm under that trading name throughout the previous two current account measurement periods.

(2) This chapter does not apply in relation to:

(a) an account held by a banking customer in respect of whom the main correspondence address held by the firm is outside the United Kingdom;

(b) an account held by a banking customer aged under 18 at the start of the relevant current account measurement period (see §BCOBS 7.7.1R(1)); or

(c) an account which may be used for a currency other than a currency of the United Kingdom.

(3) This chapter does not apply to a credit union.

(4) This chapter does not apply to a private bank.

(5) But this rule is subject to §BCOBS 7.1.4.R.

7.1.3

(1) This chapter applies to a firm separately in relation to personal current accounts and business current accounts, for each of its trading names as notified to the FCA in accordance with §SUP 16 Annex 16AR. For example, a firm which only has 50,000 personal current accounts and no business current accounts will not be subject to the requirements of this chapter (except where §BCOBS 7.1.4R applies). If a firm has two trading names, with 150,000 personal current accounts held with the firm under the first name and 50,000 personal current accounts under the second name, and only 10,000 business current accounts, the requirements of this chapter will apply to the firm only in respect of the first trading name and only in respect of personal current accounts (except where §BCOBS 7.1.4R applies). The numbers in §BCOBS 7.1.1R and §7.1.2R apply to the number of accounts, rather than the number of account holders.

(2) The definitions of “personal current account” and “business current account” both refer to the definition of a “payment account” under the Payment Accounts Regulations, that is: “an account held in the name of one or more consumers through which consumers are able to place funds, withdraw cash and execute and receive payment transactions to and from third parties, including the execution of credit transfers, but does not include any of the following types of account provided that the account is not used for day-today payment transactions: savings accounts; credit card accounts where funds are usually paid in for the sole purpose of repaying a credit card debt; current account mortgages or e-money accounts”. The FCA has issued guidance on that definition: see FG16/6 – Payment Accounts Regulations 2015

(3) A payment account under the Payment Accounts Regulations is one which is held by a consumer, namely a natural person acting for purposes which are outside that person’s trade, business, craft or
profession. A business current account (defined in § BCOBS 7.1.1R(2)(b)) is not a payment account because it is not held by a consumer, but is one which would be a payment account if the account holder were a consumer. The exclusion of “premium service accounts” (see (7)) does not apply to business current accounts.

(4) Accounts held by banking customers whose main correspondence address is outside the United Kingdom are excluded both from the number of accounts and from the requirements of § BCOBS 7.3 to § 7.6. Accounts held by persons under the age of 18, or which can only be used for foreign currency, are also excluded; but a joint account should be included if one of the account holders is aged 18 or older.

(5) BCOBS applies only to the activity of accepting deposits from banking customers carried on from an establishment maintained by it in the United Kingdom (see § BCOBS 1.1.1R). Therefore, this chapter only applies to accounts operated and activities carried out from United Kingdom branches and not, where a firm also has branches outside the United Kingdom, from non-United Kingdom branches.

(6) § BCOBS 7.1.2R also makes provision for firms whose current account businesses are growing or contracting. For example, a firm which passes the 70,000 threshold for the first time on 29 March, and then stays above it, will have to measure the time it takes to do those things which § BCOBS 7.3 to § 7.6 require to be measured starting from 1 October, and to publish its first statistics (relating to the period from 1 October to 31 December) on or before 15 February of the following year. It will also have to publish the other information required by § BCOBS 7.3 to § 7.6 from 1 October. (See § BCOBS 7.7.1R.)

(7) Premium service accounts are excluded from § BCOBS 7.3 to § 7.6. Premium service accounts are those personal current accounts which have eligibility criteria relating to minimum balances or minimum monthly deposits (or both), and whose holders receive better service than non-premium service accounts, based on any of the information or data which this chapter requires a firm to publish. For example, an account which has staff available to respond to relevant queries through telephone banking for more hours of the day than other accounts, or whose account holders can replace a lost debit card more quickly than other accounts, would be a premium service account. An account may be premium on the basis either that it is of a type only made available to eligible banking customers, or because the banking customer is treated as premium compared to other holders of accounts of that type. But an account is not a premium service account for this purpose if accounts of that type of account are held by 20% or more of the firm’s personal current account banking customers, or, where the type of account is held by both premium and non-premium banking customers, the premium banking customers constitute 20% or more of the holders of that type of account. All accounts are treated as non-premium for the purposes of the 20% calculation.

(1) This rule applies to a firm to which this chapter does not otherwise apply in respect of either or both of personal current accounts and business current accounts held under a particular trading name.
(2) This rule applies to information which covers the same subject matter as that to which any of the following rules apply (“regulated information”):

(a) BCOBS 7.3.5R(1) (information about the speed of the account opening process);
(b) BCOBS 7.4.1.R(1) (information about the time taken to replace a lost, stolen or stopped debit card);
(c) BCOBS 7.6.1R(1) (information about operational and security resilience); and
(d) BCOBS 7.6.3R(1) (complaints).

(3) The firm must not publish any regulated information or include any regulated information in a communication or financial promotion addressed to a banking customer or a potential banking customer, unless the firm publishes information that:

(a) would meet the requirements of BCOBS 7.3.5R, BCOBS 7.4.1R, BCOBS 7.6.1R or BCOBS 7.6.3R as the case may be,
(b) has been calculated in accordance with the requirements of this chapter, and
(c) is published in the format and order required by this chapter as if the firm were a firm to which this chapter (apart from this rule) applied in respect of that information in relation to that trading name.

(4) The requirement in (3)(c) to publish information in the order required by this chapter does not require a firm to publish information which, but for this rule, the firm would not be required to publish.

7.1.5

(1) If a firm does not have 70,000 personal current accounts, or 15,000 business current accounts, under a particular brand (i.e. trading name), this chapter does not require the firm to publish information about its personal current account service or its business current account service (as relevant) for that brand. However, if a firm chooses to publish information about that brand which is within the scope of any of the rules in his chapter, relating to speed of service, operational and security resilience or complaints (‘regulated information’), the firm must comply with the relevant rule in full as if this chapter did apply to that brand. This means that the firm must measure and calculate the information to be published, and publish it, as required by this chapter.

(2) The same applies to a credit union or private bank that publishes any regulated information.

(3) Where a firm is required to publish information under BCOBS 7.1.4R, it should publish it in the order and format required by this chapter. But the requirement to follow a particular order of presenting information does not require the firm to publish information under a rule not specified in BCOBS 7.1.4R(3) that it not would otherwise be required to publish.
7.2 What information is to be published and how is it to be measured?

Publication of information about personal current accounts and business current accounts

7.2.1

(1) A firm to which this chapter applies must publish the information and statements specified in BCOBS 7.3 to 7.6:

(a) separately, in relation to each trading name in respect of which the firm has 70,000 or more personal current accounts;

(b) separately, in relation to each trading name in respect of which the firm has 15,000 or more business current accounts; and

(c) subject to (2), separately for personal current accounts and business current accounts in relation to each of those trading names.

(2) Where any of the information or statements which a rule in (3) requires a firm to publish is the same for both personal current accounts and business current accounts, the firm may publish a single set of information or a single statement for both personal current accounts and business current accounts.

(3) The rules are:

(a) BCOBS 7.3.1R (information needed to open a current account); and

(b) BCOBS 7.3.3R (information about how an account may be opened).

(4) But this rule does not oblige a firm to separate any data to which it provides a link under BCOBS 7.6.3R (complaints) between personal current accounts and business current accounts.

7.2.2

(1) Where a firm is subject to this chapter in respect of more than one trading name, BCOBS 7.2.1R requires the firm to publish separate information for each of its trading names. And where a firm is subject to this chapter in respect of both personal current accounts and business current accounts, BCOBS 7.2.1R requires the firm to publish separate information for personal current accounts and business current accounts, for each trading name. (BCOBS 7.2.1R(3) provides for an exception, where standing information about personal current accounts and business current accounts is the same: in that case, the firm may publish a single set of information required by the rules listed in BCOBS 7.2.1R(3) but should indicate that it applies to both personal current accounts and business current accounts.)
(2) But the following rules apply to personal current accounts and business current accounts separately: firms should not publish a single set of information covering both categories. These rules apply to the category as a whole and not to different types of product or account within those two categories. If a firm offers more than one type of current account within either or both of those two categories under the same trading name, the information in relation to all those types of account is to be aggregated within the relevant category. The rules are:

(a) ■ BCOBS 7.3.5R(1) (information about the speed of the account opening process);
(b) ■ BCOBS 7.4.1R(1) (information about the time taken to replace a lost, stolen or stopped debit card); and
(c) ■ BCOBS 7.6.1 (information about operational or security resilience).

(3) ■ BCOBS 7.6.3R requires a firm to provide links to complaints data. ■ BCOBS 7.2.1R does not require the firm to separate that complaints data between personal current accounts and business current accounts; accordingly, the firm may provide the same links under ■ BCOBS 7.6.3R in respect of both personal current accounts and business current accounts.

7.2.3 For the purposes of ■ BCOBS 7.3 to ■ 7.6:

(1) a working account number is to be treated as generated for a banking customer only when the account number has been issued to the banking customer and the banking customer is able to make deposits into the account;

(2) when a firm issues a debit card, personal identification number, item of information or any other thing to a banking customer, it is be treated as issued:
(a) on the same day, if the banking customer receives it that day; else
(b) on the day on which the banking customer would ordinarily be expected to receive it, in accordance with the delivery method by which the firm sent it;

(3) a reference to an average number of days is a reference to the mean, expressed as a whole number of days;

(4) “telephone banking” means a facility provided by the firm, other than mobile banking, which enables a banking customer to use voice telephony to ascertain the balance on an account and initiate a payment transaction on the account;

(5) “mobile banking” means a software application provided by the firm which enables a banking customer, by use of an electronic device (including a smartphone, a tablet computer and a desktop computer) on which that application is installed, to ascertain the balance on an account and initiate a payment transaction on the account;
(6) “internet banking” means a facility provided by the firm, other than mobile banking, which enables a banking customer to use the internet to ascertain the balance on an account and initiate a payment transaction on the account; and

(7) internet banking is to be treated as enabled only when the firm has issued all information, and any devices specific to the firm (for example, a card reader), necessary for the banking customer to use internet banking.

7.2.4 G

(1) BCOBS 7.2.3R(2) specifies that, when a firm issues a debit card, personal identification number, item of information or any other thing to a person, it is to be treated for the purposes of BCOBS 7.3 to 7.6 as having been issued to a banking customer only when the banking customer would ordinarily be expected to have received it. For example, if a debit card is sent to a customer by first class post, it will be treated under BCOBS 7.2.3R(2) as issued on the day after the day on which it was posted (or, if posted on a Saturday, as issued on the Monday); and if sent by second class post, as issued on the third day after the day on which it was posted (or, if posted on a Thursday, as issued on the Monday).

(2) When counting the number of days taken:

(a) firms should count each part of a day after the day from which the firm starts counting as a whole day;

(aa) something done on the same day as the day from which the firm starts counting should be counted as done within zero day; and

(b) something done on the day following the day from which the firm starts counting should be counted as done within one day.

(3) Where BCOBS 7.3 to 7.5 require a percentage or an average to be published, the percentage is to be expressed as an integer and the average is to be expressed as a whole number of days, with a fractional part of a figure which is 0.5 or over being rounded up and a fractional part of less than 0.5 being rounded down.
7.3 Account opening information

Information needed to open a current account

7.3.1  
(1) In relation to each type of personal current account and each type of business current account that it offers, a firm must publish either:

(a) a statement that the firm has published a list of the information and documents which, as a minimum, the firm requires to open an account for a banking customer who is not currently a customer of the firm; or

(b) a statement that the firm does not publish such a list.

(2) The statement must be in the form specified in the first row of Table 1 in BCOBS 7 Annex 1R.

(3) A firm must not publish a statement as in (1)(a) unless the statement either includes the list or indicates where the list is available.

(4) For the purposes of (3), a list is not to be treated as available unless it has been published in the same manner as the statement in (1).

7.3.2  
(1) BCOBS 7.3.1R requires a firm to publish a statement indicating whether or not a list of the minimum information and documents necessary to open each type of account that it offers is available. That list must itself be published on the firm’s website: this is the effect of BCOBS 7.3.1R(3) and BCOBS 7.7.2R. The statement must either include the list or provide a link to it.

(2) The list should set out the minimum information and documents that the firm needs to open each type of account that it offers for a new customer. For example, the list might specify what types of proof of identity or proof of address the firm requires, whether they must be original copies or certified copies, etc.

(3) Firms have discretion about how to present the list. If the list is the same for all, or most, of their accounts, they may choose to publish a single list and indicate any exceptions or differences that relate to particular accounts.

(4) In individual cases, the firm’s obligations under the Money Laundering Regulations, or its other anti-fraud procedures, might mean that the firm requires additional or more particular information or documents to open an account: BCOBS 7.3.1R does not affect a firm’s responsibility for discharging those obligations or carrying out
those procedures fully and properly. Firms are reminded of their obligations under SYSC 6.1.1R and 6.3.

(5) Firms may wish to include a comment in their list of documents that additional information or documents may be required on a case-by-case basis. But BCBOBS 7.3.1R does not prevent a firm from publishing a more comprehensive list if it wishes to do so.

Information about how an account may be opened

7.3.3

(1) In relation to each type of personal current account and each type of business current account that it offers, a firm must publish information about whether it is possible to open the account:

(a) without visiting a branch;

(b) where a visit to a branch is required, without an appointment;

(c) on the basis of documents and information supplied in electronic form; and

(d) by post.

(2) Unless the information is true in all cases, the information must include a statement to the effect that, although the information may be true in some cases, it may not be true in all cases.

(3) The statement must be in the form specified in the second row of Table 1 in BCBOBS 7 Annex 1R, and must appear immediately below the information published under BCBOBS 7.3.1R and on the same webpage.

(4) The firm must include, in the format and using the language specified in Table 6 of BCBOBS 7 Annex 1R, on the same webpage as, and immediately below, the information it publishes under BCBOBS 7.6.3R, either:

(a) a link to the information it has published under BCBOBS 7.3.1R and 7.3.3R(1) to (3), or

(b) a statement that it does not publish information about how a banking customer may open an account or what information and documents the firm requires to open an account.

7.3.4

(1) BCBOBS 7.3.3R(1) to (3) requires a firm to publish information about the manner in which each of its types of account may be opened. If the information is the same for all the firm’s personal current accounts or, as the case may be, business current accounts, the firm may publish a single statement covering all of those accounts.

(2) The firm may publish the information required by BCBOBS 7.3.1R and BCBOBS 7.3.3R(1) to (3) on the same webpage as it publishes other information about the accounts in question; however, the information must be easily accessible (see BCBOBS 7.7.2R(1)(b) and 7.7.3G(1)) and the firm must include a link to that information, in the format of Table 6 of BCBOBS 7 Annex 1R, on the same webpage as the firm publishes information in the format of the other Tables in Part 2 of that Annex.
(3) If the firm publishes the information required by § BCObS 7.3.3R(1) to (3) on the same webpage as the other information which this chapter requires it to publish, the information required by § BCObS 7.3.3R(1) to (3) should appear below that other information (that is, below Tables 2 to 8 of Part 2 of § BCObS 7 Annex 1R).

Information about the speed of the account opening process

(1) This rule applies to information about the speed with which a firm can open an account.

(2) A firm must publish the information in (3) about each of the following actions completed in a current account measurement period (see § BCObS 7.7.1R):

(a) generating a working account number for a banking customer who is not already a customer of the firm;

(b) issuing a debit card to a banking customer who requests one as part their application to open the account or for whom issue of a debit card is a term or condition of the account contract;

(c) enabling internet banking for a banking customer who requests it as part their application to open the account or for whom provision of internet banking is a term or condition of the account contract; and

(d) providing credit under an authorised non-business overdraft agreement or an authorised business overdraft agreement where the banking customer has requested such credit as part of their application to open the account.

(3) The information is:

(a) the percentage of banking customers for whom the firm completed the relevant action on the same day;

(b) the average number of days the firm took to complete that action; and

(c) the number of days within which the firm completed that action for 99% of banking customers for whom that action was completed.

(4) The firm must publish the information in the format specified in Table 7 of § BCObS 7 Annex 1R.

(5) That Table must appear on the same webpage as, and immediately below, the information the firm publishes under § BCObS 7.3.3R(4).

(6) For the purposes of (2)(a) and (3):

(a) where the firm has published a list under § BCObS 7.3.1R in relation to that type of account:

(i) the firm need only publish information about those cases where the firm does not require any information or documents additional to those specified on that list; and

(ii) the number of days taken to generate a working account number is to be counted from receipt of a complete
(b) where the firm has not published a list under BCOBS 7.3.1R in relation to that type of account, the number of days taken to generate a working account number is to be counted from receipt of an application (irrespective of whether the application is complete, or the firm requires information or documents not included in or submitted with the application).

(7) For the purposes of (2)(b), (2)(c), (2)(d) and (3), the number of days taken is to be counted from the day on which the firm generates a working account number for the banking customer.

(8) When calculating the information required by this rule to be published a firm may include data relating to a banking customer who is already a customer of the firm if the firm does not distinguish between such a banking customer and a banking customer who is not already a customer of the firm when completing each of the actions listed in BCOBS 7.3.5R(2).

(1) Firms must publish information under BCOBS 7.3.5R(3) separately for each of their trading names, and separately for personal current accounts and business current accounts for each of their trading names. (See BCOBS 7.2.1R(1).)

(2) Firms must publish the information in the format of Table 7 of BCOBS 7 Annex 1R, on the same webpage as the other Tables in Part 2 of that Annex and in the order set out in that Part of that Annex.

(3) Each of the actions mentioned in BCOBS 7.3.5R(2) should be measured and published in relation to the current account measurement period in which that action is completed, irrespective of the current account measurement period in which each of those other actions is completed and irrespective of the current account measurement period in which the banking customer submitted the application for the account.

(4) If the firm has published a list of the minimum information and documents it needs to open the account under BCOBS 7.3.1R, it need only measure the time taken to generate a working account number for those straightforward cases where it does not need to request additional information or documents from the banking customer. If the firm has not published such a list, it should measure the time taken to generate a working account number from receipt of an application, irrespective of whether the application is complete or the firm requires additional information or documents not included in the application.

(5) The firm should only treat credit as having been provided, for the purposes of BCOBS 7.3.5R(2)(d), when the funds under an arranged overdraft granted at the time of account opening are available for the banking customer to withdraw. An arranged overdraft with a limit other than that requested should be counted; if no overdraft is granted, the account should not be counted for the purposes of BCOBS 7.3.5R(2)(d).
(6) Firms are reminded of their obligations under CONC 5.2 (Responsible lending) to carry out a creditworthiness assessment before entering into an agreement for an arranged overdraft. Firms are also reminded of their obligations under the Money Laundering Regulations. Firms should discharge those obligations, and carry out any other appropriate affordability and anti-fraud checks, fully and properly without curtailing or omitting them for the purposes of the information to be published under BCOBS 7. Firms are also reminded of their obligations under SYSC 6.1.1R and 6.3.
7.4 Replacing a debit card

Time taken to replace a stolen, lost or stopped debit card

7.4.1

(1) This rule applies to information about the time it takes a firm to replace a debit card which has been lost, stolen or stopped.

(2) The firm must publish the following information about debit cards replaced in the relevant current account measurement period (see BCOBS 7.7.1R):
   (a) the percentage of debit cards which the firm replaced on the same day;
   (b) the average number of days the firm took to replace a debit card; and
   (c) the number of days within which the firm replaced 99% of the debit cards it replaced.

(3) The firm must publish the information:
   (a) in the format specified in Table 8 of BCOBS 7 Annex 1R; and
   (b) on the same webpage as, and immediately below, the information published under BCOBS 7.3.5R.

(4) For the purposes of this rule:
   (a) the time taken is to be counted from the earlier of the day on which:
      (i) the debit card is reported to the firm as lost or stolen; and
      (ii) the firm stopped the debit card for any other reason; and
   (b) a debit card is to be treated as replaced only when both the card and (where relevant) personal identification number have been issued to the banking customer.

7.4.2

(1) The time taken to issue a replacement debit card need not include activation of the card. Firms are not required to measure the time taken to replace a card on expiry of the card.

(2) Firms are reminded that regulation 71(6) of the Payment Services Regulations requires a payment service provider to allow the use of the payment instrument or replace it with a new payment instrument “as soon as practicable” after the reasons for stopping its use cease to exist.
7.5 Availability of certain services and helplines

(1) A firm must publish information about the days on which and the times at which a banking customer may, by each of the methods specified in BCOBS 7.5.3R(2) to (4), carry out each of the actions specified in BCOBS 7.5.4R.

(2) The firm must publish the information:

   in the format specified in Table 3 of BCOBS 7 Annex 1R; and

   on the same webpage as, and immediately below, the information published under BCOBS 7.5.2R.

7.5.2

A firm must publish information indicating whether or not it is possible, twenty four hours a day and every day of the year, for a banking customer and, in relation to BCOBS 7.5.5R(j) and (k), a potential banking customer to discuss with the firm:

(a) each of the actions specified in BCOBS 7.5.4R; and

(b) each of the matters specified in BCOBS 7.5.5R.

(2) A firm may publish information indicating that it is so possible only if it is possible to discuss those actions and those matters, by one or more of the methods specified in BCOBS 7.5.3R(1), (3) and (4), with a member of staff of the firm who has been trained to discuss the relevant action or matter.

(3) If it is so possible, the firm must publish:

   (a) by which of those methods it is possible; and

   (b) the contact details for the firm for each method.

(4) If it is not so possible by all of the methods specified in BCOBS 7.5.3R(1), (3) and (4), the firm must publish information about the days on which and the times at which a banking customer and, in relation to BCOBS 7.5.5R(j) and (k), a potential banking customer may, by each of the methods specified in BCOBS 7.5.3R(1), (3) and (4), discuss with the firm:

   (a) each of the actions specified in BCOBS 7.5.4R; and

   (b) each of the matters specified in BCOBS 7.5.5R.

(5) In the information published under (4), the firm may only indicate days on which and times at which the banking customer or potential banking customer may discuss the action or matter with a member of
staff of the firm who has been trained to discuss the relevant action or matter.

(6) The firm must publish the information required by this rule:
(a) in the format specified in Table 2 of BCOBS 7 Annex 1R, using the descriptions in the right hand column in each of BCOBS 7.5.4R and BCOBS 7.5.5R to refer to the actions and the matters; and
(b) on the same webpage as, and immediately below, the statement published in accordance with BCOBS 7.7.2R(2).

7.5.3 The methods are:
(1) telephone (other than telephone banking);
(2) telephone banking;
(3) internet banking; and
(4) mobile banking.

7.5.4 The actions are:

<table>
<thead>
<tr>
<th>Action</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) ascertain the balance on the account</td>
<td>checking the balance</td>
</tr>
<tr>
<td>(b) access a transaction history covering at least the previous 90 days</td>
<td>accessing a transaction history</td>
</tr>
<tr>
<td>(c) initiate a payment transaction to a payee in the United Kingdom</td>
<td>sending money within the UK</td>
</tr>
<tr>
<td>(d) set up a standing order to a payee in the United Kingdom</td>
<td>setting up a standing order</td>
</tr>
<tr>
<td>(e) initiate a payment in a currency other than a currency of the United Kingdom to a payee outside the United Kingdom</td>
<td>sending money outside the UK</td>
</tr>
<tr>
<td>(f) make a deposit by cheque</td>
<td>paying in a cheque</td>
</tr>
<tr>
<td>(g) cancel a cheque</td>
<td>cancelling a cheque</td>
</tr>
</tbody>
</table>

7.5.5 The matters are:

<table>
<thead>
<tr>
<th>Matter</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) use of a debit card to withdraw money in a currency other than a currency of the United Kingdom from a machine or at an establishment outside the United Kingdom</td>
<td>cash withdrawal in a foreign currency outside the UK</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
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</tr>
<tr>
<td>(b)</td>
<td>overdrawing without a pre-arranged overdraft or exceeding a pre-arranged overdraft limit</td>
</tr>
<tr>
<td>(c)</td>
<td>a payment made from the account although the result of the payment is that the banking customer overdraws without a pre-arranged overdraft or exceeds a pre-arranged overdraft</td>
</tr>
<tr>
<td>(d)</td>
<td>a payment not made from the account where the result of the payment would be that the banking customer overdraws without a pre-arranged overdraft or exceeds a pre-arranged overdraft</td>
</tr>
<tr>
<td>(e)</td>
<td>a direct debit within the meaning of the Payment Services Regulations</td>
</tr>
<tr>
<td>(f)</td>
<td>an attorney obtaining access to the account</td>
</tr>
<tr>
<td>(g)</td>
<td>inability of a banking customer to access or use: (i) internet banking; or (ii) mobile banking</td>
</tr>
<tr>
<td>(h)</td>
<td>a suspicion of fraud on the account or a fraudulent transaction</td>
</tr>
<tr>
<td>(i)</td>
<td>the stopping of a debit card, and the suspension of transactions on the account</td>
</tr>
<tr>
<td>(j)</td>
<td>opening an account</td>
</tr>
<tr>
<td>(k)</td>
<td>eligibility for an arranged overdraft</td>
</tr>
</tbody>
</table>

### 7.5.6

(1) This section requires firms to publish various types of information:

(a) information about how and when banking customers can carry out certain actions on their account;

(b) information indicating whether or not 24-hour help is available for banking customers to raise queries about carrying out the actions on their account specified in BCOBS 7.5.4R or about the matters specified in BCOBS 7.5.5R, and for prospective banking customers to raise queries about account opening and overdraft availability;

(c) where 24-hour help is not available under one or more of the methods specified in BCOBS 7.5.3R, information about how and when banking customers can raise queries about carrying out certain actions on their account and various other matters; and
how and when prospective banking customers can raise queries about account opening and overdraft availability; and

(d) contact details for the firm for each method: for example, the telephone number for the relevant helpline or for telephone banking, the website address for internet banking, or the name of the application for mobile banking or a link to the place where the banking customer can download it.

(2) A firm should only indicate that help is available (i.e. an action or matter may be discussed) where the banking customer or prospective banking customer is able to discuss the action or matter with a member of staff who has been appropriately trained to respond to such queries. This might mean, for example, a customer call centre responding to telephone queries or live webchat for internet banking, operated by appropriately trained staff. Automated responses, an FAQ list which filters out queries, or a messaging or mailbox system would not be sufficient; the discussion must involve real-time interaction.

(3) In respect of BCOBS 7.5.1R and BCOBS 7.5.2R, firms should complete Tables 2 and 3 in Part 2 of BCOBS 7 Annex 1R by: stating “24 hours” in the relevant cell; or setting out in the relevant cell the days and the times at which banking customers can carry out the relevant actions, and discuss the relevant actions and the relevant matters, by the relevant methods; or stating “not possible” in that cell if an action cannot be done or a matter cannot be discussed by a particular method. Firms may annotate the Table to indicate whether different times apply to bank holidays.

(4) In Tables 2 and 3, if contact details or opening hours differ between types of account or between categories of customer, firms should either annotate the Table accordingly, or produce different copies of the Table for different types of account or categories of customer. And in Table 2, if the contact details for a particular matter differ from those given at the top of the relevant column for a particular method, firms should include the correct contact details for the relevant matter in the relevant row of that column.

(5) In relation to the matter in BCOBS 7.5.5R(h), i.e. suspicion of fraud, firms are reminded that regulation 73(1)(c) of the Payment Services Regulations requires payment service providers to “ensure that appropriate means are available at all times” to enable payment service users to notify the payment service provider of the loss or unauthorised use of a payment instrument.
7.6 Publication of information about major operational or security incidents, and complaints information

Major operational or security incidents

(1) This rule applies to information about the firm’s operational or security resilience.

(2) The firm must publish the information in (3) about the major operational or security incidents in respect of which the firm has submitted an initial report to the FCA under regulation 99 of the Payment Services Regulations in a current account measurement period (see § BCOBS 7.7.1R).

(3) The information is:

(a) the total number of major operational or security incidents reported in the relevant current account measurement period (see § BCOBS 7.7.1R);

(b) the number of major operational or security incidents reported in that period, affecting each of:
   (i) telephone banking;
   (ii) mobile banking; and
   (iii) internet banking;

(c) the total number of major operational or security incidents reported in that period aggregated with those reported in the preceding three current account measurement periods; and

(d) the number of major operational or security incidents reported in that period aggregated with those reported in the preceding three current account measurement periods, affecting each of:
   telephone banking;
   mobile banking; and
   internet banking.

(4) The firm must publish the information required by this rule:

(a) in the format specified in Table 4 of § BCOBS 7 Annex 1R; and

(b) on the same webpage as, and immediately below, the information published under § BCOBS 7.5.1R.
BCOBS 7 : Information about current account services

Section 7.6 : Publication of information about major operational or security incidents, and complaints information

7.6.2 [G] BCOBS 7.6.1R requires firms to publish information about the number of initial reports about major operational or security incidents that it makes to the FCA under regulation 99 of the Payment Services Regulations. The published numbers relate to: the total number of initial reports in the last current account measurement period, and in the last four current account measurement periods; and the number of incidents affecting each of telephone banking, mobile banking and internet banking, again in the last current account measurement period, and in the last four current account measurement periods. Firms are not required to publish separate numbers for commercial channels affected by a major operational or security incident other than telephone banking, mobile banking and internet banking.

Information about complaints

7.6.3 [R] (1) This rule applies to information about complaints made to or about a firm.

(2) The firm must publish:

(a) either:

(i) an indication of where the firm has published a complaints data summary under DISP 1.10A.1R in respect of the most recent reporting period under DISP 1.10.4R, or

(ii) a statement that the firm was not required to publish such a summary; and

(b) either:

(i) if Financial Ombudsman Service Limited has published complaints data on its website relating to the firm in its most recent publication of complaints data, a link to that data, or

(ii) a statement that Financial Ombudsman Service Limited has not published complaints data on its website relating to the firm in its most recent publication of complaints data.

(3) The firm must publish the information required by this rule:

(a) in the format specified in Table 5 of BCOBS 7 Annex 1R; and

(b) on the same webpage as, and immediately below, the information published under BCOBS 7.6.1R.
7.7 Publication of information about current accounts

How frequently must information be published?

(1) The information published under the rules specified in (2) must be published in respect of each current account measurement period on or before the publication date immediately following the end of that current account measurement period as set out in the table below.

<table>
<thead>
<tr>
<th>Current account measurement period</th>
<th>Publication date</th>
</tr>
</thead>
<tbody>
<tr>
<td>the period beginning on 1 January and ending on 31 March</td>
<td>15 May</td>
</tr>
<tr>
<td>the period beginning on 1 April and ending on 30 June</td>
<td>15 August</td>
</tr>
<tr>
<td>the period beginning on 1 July and ending on 30 September</td>
<td>15 November</td>
</tr>
<tr>
<td>the period beginning on 1 October and ending on 31 December</td>
<td>15 February</td>
</tr>
</tbody>
</table>

(2) The rules are:

(a) BCOBS 7.3.5R (information about the speed of the account opening process);
(b) BCOBS 7.4.1R (information about the time taken to replace a lost, stolen or stopped debit card);
(c) BCOBS 7.6.1R (information about operational and security resilience); and
(d) BCOBS 7.6.3R (complaints).

(3) The information and statements published under the rules specified in (4) must be published and kept up-to-date.

(4) The rules are:

(a) BCOBS 7.3.1R (information needed to open a current account);
(b) BCOBS 7.3.3R (information about how an account may be opened); and
(c) BCOBS 7.5.1R and 7.5.2R (information about the availability of certain services and helplines).


How must information be published?

(1) A firm to which this chapter applies must:
   (a) publish on its website the information and statements which this chapter requires it to publish;
   (b) ensure that the information and statements are easily accessible by a banking customer or a potential banking customer; and
   (c) notify the FCA of the website location where the information and statements are published, no later than the day of their publication.

(2) A firm to which this chapter applies must include the following statement at the head of the webpage on which it publishes information and statements under the rules specified in BCOBS 7.7.1R(2) and BCOBS 7.7.1R(4)(c): "The Financial Conduct Authority requires us to publish the following information about our [personal/business] current accounts:"

(3) A firm must make the information and statements published in accordance with this chapter publicly available free of charge by means of an application programming interface, if it is a firm:
   (a) to which this chapter applies;
   (b) which is subject to the provisions of either or both of:
      (i) article 13 (release of service quality indicators) of the Retail Banking Market Investigation Order 2017; and
      (ii) regulations 69(2)(a) and 70(2)(a) of the Payment Services Regulations; and
   (c) which uses an application programming interface for the purposes of a provision specified in (b).

(4) A firm to which (3) applies must:
   (a) ensure that the application programming interface it uses for the purposes of (3) is itself made publicly available free of charge; and
   (b) if it is a firm which is subject to article 13 (release of service quality indicators) of the Retail Banking Market Investigation Order 2017, use the Open Banking FCA Service Metrics API Specification v.1.0.0, or a substantially similar API, to make information and statements available for the purposes of (3).

(5) A firm which is subject to article 13 (release of service quality indicators) of the Retail Banking Market Investigation Order 2017 must:
   (a) on the webpage on which it publishes information under that article, include a link to information which it is required to publish under the rules specified in BCOBS 7.7.1R(2) and BCOBS 7.7.1R(4)(c); and
   (b) on the webpage on which it publishes information under the rules specified in BCOBS 7.7.1R(2) and BCOBS 7.7.1R(4)(c), include a link to information which it is required to publish under that article.
7.7.3

(1) **Firms** should publish information and statements under this chapter on their websites. The FCA would view the information and statements as “easily accessible” if the information and statements, or a link to the webpage(s) on which the information and statements are published, are prominently displayed on the firm’s or the brand’s homepage for personal current accounts or, as the case may be, business current accounts.

(2) A **firm** may publish the information required by BCOBS 7.3.1R and BCOBS 7.3.3R(1) to (3) on the same webpage as it publishes other information about the accounts in question (see BCOBS 7.3.4G(2)). But the information which is to be published in the format of the other Tables in Part 2 of BCOBS 7 Annex 1R should appear on one webpage (that is, one webpage for personal current accounts, and one for business current accounts) and in the order set out in that Part of that Annex.

(3) **Firms** may notify the FCA of the webpages on which they publish information under this chapter by sending a link to the relevant webpages to retailbanking@fca.org.uk.

(4) A **firm** which is required to publish information under article 13 of the Retail Banking Market Investigation Order 2017 (that is, the service quality indicators required by the Competition and Markets Authority) may wish to publish information under this chapter alongside information published under that Order. If so, the firm should ensure that a reader of the relevant webpage would not infer from the wording or position of the statement required by BCOBS 7.7.2R(2) that the FCA has required the firm to publish the information which that Order requires the firm to publish.

(5) Article 13 of the Retail Banking Market Investigation Order 2017 requires certain **firms** to use an application programming interface (“API”) to publish the service quality indicators specified by the Competition and Markets Authority. Regulations 69 and 70 of the Payment Services Regulations require payment service providers to “communicate securely” with payment initiation service providers and account information service providers in accordance with the regulatory technical standards adopted under Article 98 of the Payment Services Directive; **firms** might use an API for that purpose.

(6) Where a **firm** uses an API for the purposes of article 13 of that Order or, if article 13 of that Order does not apply to it, for the purposes of regulations 69 and 70 of the Payment Services Regulations, BCOBS 7.7.2R requires the firm to make information and statements published under this chapter also available through an API; both the API and the information and statements made available through it should be publicly available and free of charge. **Firms** that are not subject to the Order or to those provisions of the Payment Services Regulations are, however, free to choose to make the information or statements published under this chapter available by API.
Publication of information in a specified format

Part 1 Information about how to open a current account

Table 1: account opening information published under BCOBS 7.3.1R and BCOBS 7.3.3R(1) and (3)

To open [this account OR any of our accounts], a new customer will need to provide us with the [following documents and information OR the documents and information set out [link to webpage on which the list is published]]. We may request additional information or documents in individual cases.

OR

We do not publish a list of the documents and information which all new customers will need to give us in order to open [this OR an] account.

You can open [this OR an] account:

• without visiting a branch
• where a visit to a branch is required, without an appointment
• by sending us documents and information electronically
• by post

Part 2 Information about current account services

BCOBS 7 requires firms to publish the following tables in the following order, on one webpage, and preceded by the statement “The Financial Conduct Authority requires us to publish the following information about our [personal/business] current accounts:”.

Table 2: availability of help and support in relation to certain services published under BCOBS 7.5.2R

<table>
<thead>
<tr>
<th>How and when you can contact us to ask about the following things:</th>
<th>24 hour help?</th>
<th>Telephone</th>
<th>Internet banking</th>
<th>Mobile banking</th>
</tr>
</thead>
<tbody>
<tr>
<td>contact details</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
</tr>
<tr>
<td>checking the balance and accessing a transaction history</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
</tr>
<tr>
<td>sending money within the UK, including setting up a standing order</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
</tr>
<tr>
<td>sending money outside the UK</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
</tr>
<tr>
<td>paying in a cheque</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
</tr>
<tr>
<td>cancelling a cheque</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
<td>[✔/yes OR X/no OR in some cases]</td>
</tr>
<tr>
<td>How and when you can contact us to ask about the following things:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>cash withdrawal in a foreign currency outside the UK</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a lack of funds: including unarranged overdrafts, payments we allow despite lack of funds and payments we refuse due to lack of funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a direct debit, or allowing someone to collect one or more payments from your account using your debit card number</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>third party access to an account, for example under a power of attorney</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>problems using internet banking or mobile banking</td>
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<td></td>
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</tr>
<tr>
<td>reporting a suspected fraudulent incident or transaction</td>
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<tr>
<td>progress following an account suspension or card cancellation, e.g. following a fraud incident</td>
<td></td>
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</tr>
<tr>
<td>account opening: including eligibility for an arranged overdraft, what is required to open an account and an indication of what arranged over</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[&amp;#10004;/yes OR X/no]
How and when you can contact us to ask about the following things:

- How and when you can use your bank account to do the following things:

  - Checking the balance
  - Accessing a transaction history
  - Sending money within the UK
  - Setting up a standing order
  - Sending money outside the UK
  - Paying in a cheque
  - Cancelling a cheque

  **Note:** This is a list of common actions. It does not represent the full list of actions you can take in relation to your account (or actions you can take in one of our branches).

Table 3: availability of certain services published under BCOBS 7.5.1R

<table>
<thead>
<tr>
<th>Services</th>
<th>Telephone banking</th>
<th>Internet banking</th>
<th>Mobile banking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking the balance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accessing a transaction history</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sending money within the UK</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Setting up a standing order</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Sending money outside the UK</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paying in a cheque</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cancelling a cheque</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** This is a list of common queries. It does not represent the full list of queries you can raise in relation to your account (or queries you can raise in one of our branches).

Table 4: information about operational and security incidents published under BCOBS 7.6.1R

**Information about operational and security incidents**

We are obliged to notify the Financial Conduct Authority if we become aware of a major operational or security incident which prevents our customers from using our payment services.

<table>
<thead>
<tr>
<th>Period</th>
<th>Incidents affecting telephone banking</th>
<th>Incidents affecting mobile banking</th>
<th>Incidents affecting internet banking</th>
</tr>
</thead>
<tbody>
<tr>
<td>In the 3 months between [e.g. 1 April 2018 and 30 June 2018]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In the 12 months between [e.g. 1 April 2018 and 31 March 2019]</td>
<td></td>
<td></td>
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</tbody>
</table>

**Note:** This is a list of common actions. It does not represent the full list of actions you can take in relation to your account (or actions you can take in one of our branches).

Table 5: complaints data published under BCOBS 7.6.3R

**Complaints data**

Financial Conduct Authority rules require us to provide them with a report of our complaints data every six months. In certain circumstances, we are also required to publish a summary of our complaints data.

The most recent summary is available [indicate where e.g. website address]. OR We are not required to publish a summary of our complaints data for the most recent six month period.

The Financial Ombudsman Service publishes its complaints data every six months. You can see their complaints data about us at [http://www.ombudsman-complaints-data.org.uk/].
Complaints data

OR
The Financial Ombudsman Service publishes its complaints data every six months. Its most recent publication does not contain any data relating to us.

Table 6: account opening information published under [BCOBS 7.3.3(4)R

<table>
<thead>
<tr>
<th>Opening a current account with us</th>
</tr>
</thead>
<tbody>
<tr>
<td>[insert link(s) to the information published under BCOBS 7.3.1R and BCOBS 7.3.3R(3)] to find out how you can open an account, and what information and documents you need to give us to open an account.</td>
</tr>
</tbody>
</table>

OR
We do not publish information about how you can open an account or what information and documents you need to give us to open an account.

Table 7: account opening information published under [BCOBS 7.3.5R

<table>
<thead>
<tr>
<th>How quickly do we open [personal/business] current accounts?</th>
</tr>
</thead>
<tbody>
<tr>
<td>We give customers an account number and enable them to start paying into the account:</td>
</tr>
<tr>
<td>• the same day, for [x]% of customers;</td>
</tr>
<tr>
<td>• on average, in [x] days; and</td>
</tr>
<tr>
<td>• within [x] days for 99% of customers.</td>
</tr>
</tbody>
</table>

(for firms that publish a list under BCOBS 7.3.1R) These figures are based on the time taken from our receiving all the information and documents we ask for at [insert link(s) to the information published under BCOBS 7.3.1R], in a case where we don’t need any further information or documents to open the account.

OR
(for firms that do not publish a list under BCOBS 7.3.1R) These figures are based on the time taken from when we first receive an application to open the account.

How quickly do we give customers a debit card?
Once an account is open, we give customers a debit card:
• the same day, for [x]% of customers;
• on average, in [x] days; and
• within [x] days for 99% of customers.

How quickly do customers get internet banking?
Once an account is open, customers have internet banking:
• the same day, for [x]% of customers;
• on average, in [x] days; and
• within [x] days for 99% of customers.

How quickly is an overdraft available?
Once an account is open, the overdraft is available:
• the same day, for [x]% of customers;
• on average, in [x] days; and
• within [x] days for 99% of customers.

Table 8: time taken to replace a lost, stolen or stopped debit card published under [BCOBS 7.4.1R
Replacing a debit card

<table>
<thead>
<tr>
<th>How quickly do we replace debit cards which have been lost, stolen or stopped?</th>
</tr>
</thead>
<tbody>
<tr>
<td>We replace debit cards:</td>
</tr>
<tr>
<td>• the same day, for [x]% of customers;</td>
</tr>
<tr>
<td>• on average, in [x] days; and</td>
</tr>
<tr>
<td>• within [x] days for 99% of customers.</td>
</tr>
</tbody>
</table>
## BCOBS TP 1
### Transitional Provisions

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
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<td>Transi-</td>
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<td>force</td>
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</tbody>
</table>

### 1

**BCOBS R** Expired

**1A**

BCOBS R

**2A.1.1R(1) to (3)**

A *firm* need not comply with BCOBS 2A.1.1R(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:

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 BCOBS 2A.1.1R(11)(b) and (c);

2. on the occasion of the first automatic renewal on or after 1 April 2016, the *firm* takes reasonable steps to ensure that the *banking customer* is informed:
   - (a) that the renewal of the agreement is optional;
   - (b) that the *banking customer* may elect not to renew the agreement; and
   - (c) of the effect of the non-renewal of the agreement, if any, on the *retail banking service*;

3. the procedure to be used by *banking customers* for electing not to renew the agreement pays due regard to the interests of those *banking customers* and treats them fairly.

### 1B

**BCOBS R**

**2.2A,**

**BCOBS 2**

**Annex 1R**

and,

**BCOBS 4.1.2G(2A)**

This provision applies where a *firm* has in its possession, as at the date the Banking: Conduct of Business Sourcebook (Amendment No 4) Instrument 2015 is made, a stock of *direct offer financial promotions* on paper or a stock of pre-sale material on paper that incorporate a summary box that meets the standards in the ‘Industry Guidance for FCA Banking Conduct of Business Sourcebook’ of September 2013, confirmed by the FCA in accordance with PS07/16, as it stood as at 3 December 2015.
<table>
<thead>
<tr>
<th></th>
<th>BCOBS</th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1C</td>
<td>BCOBS 2.2A, BCOBS 2 Annex 1R and BCOBS 4.1.2G(2A)</td>
<td>R</td>
<td>Where BCOBS TP 1B applies, until 31 May 2017, the direct offer financial promotion or pre-sale material referred to in 1B may be treated by the firm as including a summary box in the form set out in BCOBS 2 Annex 1R that complies with the rules in BCOBS 2.2A.</td>
<td>1 December 2016 to 31 May 2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>BCOBS 4.1.1 R</td>
<td>R</td>
<td>Expired</td>
<td></td>
<td>13 January 2018</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>BCOBS 4.1.1 R</td>
<td>G</td>
<td>Expired</td>
<td></td>
<td>13 January 2018</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>BCOBS 4.1.1 R</td>
<td>R</td>
<td>Expired</td>
<td></td>
<td>13 January 2018</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>BCOBS 5.1.13 R</td>
<td>R</td>
<td>Expired</td>
<td></td>
<td>13 January 2018</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>BCOBS 4.1.1 R</td>
<td>R</td>
<td>Expired</td>
<td></td>
<td>13 January 2018</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>BCOBS 4.2.2 G</td>
<td>R</td>
<td>Expired</td>
<td></td>
<td>13 January 2018</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>BCOBS 5.1.10BG</td>
<td>R</td>
<td>A firm need not have regard to the guidance referred to in column (2) in interpreting and applying BCOBS 5.1.10AR until 18 months after the date on which the regulatory technical standards adopted under article 98 of the Payment Services Directive come into force.</td>
<td>13 January 2018 until the date specified in column (4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>BCOBS 7.1.2R</td>
<td>R</td>
<td>For the purposes of BCOBS 7.1.2R(1): (i) the current account period in which 15 August 2018 falls is to be treated as starting on 15 August 2018; and (ii) a reference to the two current account measurement periods which precede that current account period should be read as a reference to the period beginning on 1 February 2018 and ending on 14 August 2018.</td>
<td>From 15 August 2018 to 30 September 2018</td>
<td>15 August 2018</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>BCOBS 7.1.2R</td>
<td>G</td>
<td>The effect of TP 9 is that a firm that on 15 August 2018 has 70,000 or more personal current accounts, or 15,000 or more business current accounts, under one of its trading names, and which has had the requisite number of accounts since 1 February 2018, must comply with BCOBS 7 from 15 August 2018. That means publishing, on 15 August 2018, the standing information required by BCOBS 7.3.1R and 7.3.3R(1) and (3) (account opening information), BCOBS 7.5.1R and 7.5.2R (information about the availability of certain services and helplines), BCOBS 7.6.1R (major operational or security incidents) and 7.6.3R (complaints). Providing the firm continues to have the requisite number of accounts, it will also have to publish its first information under BCOBS 7.3.5R and 7.4.1R no later than 15 February 2019.</td>
<td>From 15 August 2018 to 30 September 2018</td>
<td>15 August 2018</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>BCOBS 7.1.2R</td>
<td>R</td>
<td>For the purposes of BCOBS 7.1.2R(1)(a)(ii) and BCOBS 7.1.2R(1)(b)(ii), references to preceding current account measurement periods should be read as including periods which, or part of which, occurred before 15 August 2018.</td>
<td>From 1 October 2018 to 31 March 2019</td>
<td>15 August 2018</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BCOBS 7</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>12</td>
<td>G</td>
<td>BCOBS 7.1.2R</td>
<td>In determining, before 1 April 2019, whether a firm has had the requisite number of accounts “throughout the previous two current account measurement periods”, periods which occurred wholly or partially before 15 August 2018 are to be counted.</td>
<td>From 1 October 2018 to 31 March 2019</td>
<td>15 August 2018</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>R</td>
<td>BCOBS 7.3.5R and 7.4.1R and BCOBS 7 Annex 1R</td>
<td>Firms are not obliged to publish information that relates to a current account measurement period ending before 1 October 2018. Accordingly, firms may omit Tables 7 and 8 of BCOBS 7 Annex 1R from the information they publish in respect of current account measurement periods ending before 1 October 2018.</td>
<td>From 15 August 2018 to 14 February 2019</td>
<td>15 August 2018</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>G</td>
<td>BCOBS 7.3.5R and 7.4.1R and BCOBS 7 Annex 1R</td>
<td>The rules to which TP 13 applies require firms to publish information about the speed of the account opening process and the speed of replacing a debit card. TP 13 permits firms not to publish information that relates to a current account measurement period ending on or before 30 September 2018. Firms must, however, collect information relating to the current account measurement period beginning on 1 October 2018 and publish it no later than 15 February 2019.</td>
<td>From 15 August 2018 to 14 February 2019</td>
<td>15 August 2018</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>R</td>
<td>BCOBS 7.6.1 and BCOBS 7 Annex 1R</td>
<td>Firms may disregard current account measurement periods ending before 1 April 2018.</td>
<td>From 15 August 2018 to 14 May 2019</td>
<td>15 August 2018</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>R</td>
<td>BCOBS 7.6.1 and BCOBS 7 Annex 1R</td>
<td>Firms may: (a) in respect of the current account measurement period ending on 30 June 2018, omit the right hand column of Table 4 of BCOBS 7 Annex 1R; (b) in respect of the current account measurement period ending on 30 September 2018, refer to “6 months” instead of “12 months” in the heading of the right hand column of Table 4 of BCOBS 7 Annex 1R; and (c) in respect of the current account measurement period ending on 31 December 2018, refer to “9 months” instead of “12 months” in the heading of the right hand column of Table 4 of BCOBS 7 Annex 1R.</td>
<td>From 15 August 2018 to 14 May 2019</td>
<td>15 August 2018</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>G</td>
<td>BCOBS 7.6.1R(3)(c) and (d) require firms to publish information about the number of operational and security incidents reported in a current account measurement period aggregated with those reported in the previous three periods (i.e. a 12 month total). TP 15 means that firms do not have to include periods which end before 1 April 2018. TP 16 allows firms to omit the relevant column in Table 4 of Part 2 of BCOBS 7 Annex 1R, or to amend the heading of that column so that it is clear that the aggregated figures apply to a 6 or 9 month period (as relevant), until such time as there is a 12 month period to aggregate.</td>
<td>From 15 August 2018 to 14 May 2019</td>
<td>15 August 2018</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Banking: Conduct of Business sourcebook

Schedule 1
Record-keeping requirements

Notes:
1 The aim of the guidance in the following table is to give the reader a quick overall view of the relevant record-keeping requirements.

2 It is not a complete statement of those requirements and should not be relied on as if it were.

<table>
<thead>
<tr>
<th>Handbook reference</th>
<th>Subject of record</th>
<th>When record must be made</th>
<th>Contents of record</th>
<th>Retention period</th>
</tr>
</thead>
<tbody>
<tr>
<td>BCOBS 6.2.3 R</td>
<td>Cancellation: exercise of right</td>
<td>Exercise of the right to cancel</td>
<td>Date of exercise</td>
<td>At least three years</td>
</tr>
</tbody>
</table>
Banking: Conduct of Business sourcebook

Schedule 2
Notification requirements

Sch 2

<table>
<thead>
<tr>
<th>Handbook reference</th>
<th>Matter to be notified</th>
<th>Contents of notification</th>
<th>Trigger event</th>
<th>Time allowed</th>
</tr>
</thead>
<tbody>
<tr>
<td>BCOBS 7.7.2R(1)(c)</td>
<td>The website location(s) where information and statements published under BCOBS 7 are available</td>
<td>The website location(s) where information and statements published under BCOBS 7 are available</td>
<td>The publication of information and statements under BCOBS 7</td>
<td>No later than the date of publication</td>
</tr>
</tbody>
</table>
There are no requirements for fees or other payments in BCOBS.
Banking: Conduct of Business sourcebook

Schedule 4
Powers exercised

Sch 4.1 G
[deleted]

Sch 4.2 G
[deleted]
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## Schedule 5

**Rights of action for damages**

The table below sets out the rules in **BCOBS** contravention of which by an **authorised person** may be actionable under Section 138D of the **Act (Actions for damages)** by a person who suffers loss as a result of the contravention.

If a "Yes" appears in the column headed "For private person?", the rule may be actionable by a **private person** 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 **FCA** has removed the right of action under Section 138D(3) of the Act. If so, a reference to the rule in which it is removed is also given.

The column headed "For other person?" indicates whether the rule may be actionable by a **person** other than a **private person** (or his fiduciary or representative) under article 6(2) and (3) of those Regulations. If so, an indication of the type of **person** by whom the rule may be actionable is given.

### Schedule 5

<table>
<thead>
<tr>
<th>Rule</th>
<th>Right of action under section 150</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>For private person?</td>
</tr>
<tr>
<td>Any rule in <strong>BCOBS</strong> which prohibits an authorised person from seeking to make provision excluding or restricting any duty or liability</td>
<td>Yes</td>
</tr>
<tr>
<td>All other rules in <strong>BCOBS</strong></td>
<td>Yes</td>
</tr>
</tbody>
</table>
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sourcebook

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), section 248 (Scheme particular rules), section 261I (Contractual scheme rules) or section 261J (Contractual scheme particulars rules) of the Act. However, if the rules incorporate requirements laid down in European directives, it will not be possible for the FCA to grant a waiver that would be incompatible with the United Kingdom’s responsibilities under those directives.