

Chapter 1

Application and purpose

1.1 Application

Application

- 1.1.1 **G** The Claims Management: Conduct of Business sourcebook (*CMCOB*) is the specialist sourcebook for *regulated claims management activities*.
- CMCOB* applies as described in this chapter, unless the application of a chapter, section or a *rule* is described differently in the chapters, sections or *rules* in *CMCOB*.

Purpose

- 1.1.2 **G** The purpose of *CMCOB* is to set out the detailed obligations that are specific to *regulated claims management activities* and activities connected to those activities carried on by *firms*. These build on and add to the high-level obligations, for example, in *PRIN*, *GEN* and *SYSC*.
- 1.1.3 **G** Other parts of the *FCA Handbook* also apply to *regulated claims management activities*. For example, the arrangements for supervising *firms*, including applicable reporting obligations, are described in the Supervision manual (*SUP*) and the detailed requirements for handling complaints are set out in the Dispute Resolution: Complaints sourcebook (*DISP*). The Client Assets sourcebook (*CASS*) also contains *rules* about *client money* that apply in certain circumstances.
- 1.1.4 **G** *Firms* are reminded that they may require permissions to carry on *regulated activities* other than *regulated claims management activities*: for example, *credit broking*, *entering into a regulated credit agreement as lender* or *insurance distribution activity*.



1.2 Who? What? Where?

1.2.1 **R** *CMCOB applies to a firm with respect to carrying on regulated claims management activities and ancillary activities, unless otherwise stated in, or in relation to, a rule.*

1.2.2 **G** *For an activity to amount to a regulated claims management activity it must be carried on in Great Britain. Firms should note that regulated claims management activities (and activities ancillary to regulated claims management activities) can be carried on in Great Britain whether or not they are carried on from an establishment maintained in the United Kingdom (see ■ PERG 2.4A).*

1.2.3 **R** *A firm must:*

- (1) *ensure that its employees and agents comply with CMCOB; and*
- (2) *take reasonable steps to ensure that other persons acting on its behalf comply with CMCOB.*

