

Appropriateness (for non-advised services) (MiFID provisions)

Chapter 10A

Appropriateness (for non-advised services) (MiFID and insurance-based investment products provisions)



10A.1 Application

[Note: ESMA has also issued guidelines under article 16(3) of the ESMA Regulation on complex debt instruments and structured deposits, 4 February 2016/ESMA/2015/1787 (EN).

Application

10A.1.1 R

This chapter applies to a *firm* which:

- (1) provides *investment services* in the course of *MiFID* or *equivalent third country business*; or
- (2) carries on *insurance distribution* in relation to *insurance-based investment product*,

other than when the *firm* makes a *personal recommendation* or carries out *portfolio management*.

10A.1.2 R

This chapter applies to a *firm* which assesses appropriateness on behalf of a *MiFID investment firm* so that the other *firm* may rely on the assessment under ■ COBS 2.4.4R (Reliance on other investment firms: *MiFID* and equivalent business).

Effect of provisions marked “UK”

10A.1.3 R

The effect of ■ GEN 2.2.22AR is that provisions in this chapter marked “UK” and including a Note (‘Note:’) referring to the *MiFID Org Regulation* also apply in relation to the *equivalent business of a third country investment firm* as if they were *rules*.

10A.1.4 R

Provisions in this chapter marked “UK” and including a Note (‘Note:’) referring to the *IDD Regulation* apply as if they were *rules* to *firms*, to whom the *IDD Regulation* does not apply, when doing *insurance distribution*.