

Chapter 9A

Suitability (MiFID and insurance-based investment products provisions)

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| | | <div><div></div><div>9A.4</div><div>Record keeping and retention periods for suitability records</div></div> |
| | | <div>Record keeping: MiFID business and insurance-based investment products</div> <div></div> |
| 9A.4.1 | G | <p>A <i>firm</i> to which ■ SYSC 9 applies is required to keep orderly records of its business and internal organisation (see ■ SYSC 9 (General rules on record-keeping)). The records may be expected to reflect the different effect of the requirements in this chapter depending on whether the <i>client</i> is a <i>retail client</i> or a <i>professional client</i>; for example, in respect of information about the <i>client</i> which the <i>firm</i> must obtain and whether the <i>firm</i> is required to provide a <i>suitability report</i>.</p> |
| 9A.4.2 | G | <p>A <i>firm</i> should refer to ■ SYSC 3.2 and ■ SYSC 3.3 (for insurers and managing agents) and ■ SYSC 9 (for other <i>firms</i>) for its obligations in relation to record keeping.</p> <p>[Note: article 16(7) of <i>MiFID</i>]</p> |
| | | <div>Retention of records: insurance-based investment products</div> <div></div> |
| 9A.4.3 | UK | <p>19(1)Without prejudice to the application of Regulation (EU) 2016/679 of the European Parliament and of the Council, insurance intermediaries and insurance undertakings shall maintain records of the assessment of suitability or appropriateness undertaken in accordance with [■ COBS 9A.2.1R, ■ COBS 9A.2.16R, ■ COBS 10A.2.1R and ■ COBS 10A.2.2R]. The records shall include the information obtained from the customer and any documents agreed with the customer, including documents that set out the rights of the parties and the other terms on which the insurance intermediary or insurance undertaking will provide services to the customer. Such records shall be retained for at least the duration of the relationship between the insurance intermediary or insurance undertaking and the customer.</p> <p>[Note: article 19(1) of the <i>IDD Regulation</i>]</p> |
| | | <div>Record-keeping obligations for the assessment of suitability: insurance-based investment products</div> <div></div> |
| 9A.4.4 | UK | <p>19(2)In the case of an assessment of suitability undertaken in accordance with [■ COBS 9A.2.1R and ■ COBS 9A.2.16R], the record shall further include the following:</p> <p>(a)the result of the suitability assessment;</p> |

(b)the recommendation made to the customer and the statement provided in accordance with Article 14(1) of this Regulation;

(c)any changes made by the insurance intermediary or insurance undertaking with regard to the suitability assessment, in particular any change to the customer's risk tolerance;

(d)any changes to the underlying investment assets.

[Note: article 19(2) of the *IDD Regulation*]