

Conduct of Business Sourcebook

COBS TP 1

Transitional Provisions relating to Client Categorisation

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Handbook provisions: coming into force
1.1	COBS 3	G	<p>Overview of transitional provisions for client categorisation</p> <p>(1) <i>COBS TP 1.2</i> contains default transitional categorisation provisions in relation to the existing <i>clients</i> of a <i>firm</i> on 1 November 2007. In many cases, they allow a <i>client</i> to be automatically provided with the nearest equivalent categorisation under <i>COBS 3</i> to their previous categorisation.</p> <p>(2) <i>COBS TP 1.3</i> explains how the transitional provisions for <i>client</i> categorisation relate to the requirement for a <i>firm</i> to act if it becomes aware that an <i>elective professional client</i> no longer satisfies the initial conditions for its categorisation.</p> <p>(3) The default provisions do not prevent a <i>firm</i> categorising such a <i>client</i> differently in accordance with <i>COBS 3</i>. <i>COBS TP 1.4</i> provides guidance on how some of the procedural requirements in <i>COBS 3</i> apply in some such cases.</p> <p>(4) <i>COBS TP 1.5</i> contains transitional notification obligations, which apply if the default provisions do not allow that <i>client</i> to be provided with the nearest equivalent categorisation or a <i>firm</i> chooses not to take advantage of those provisions in relation to a <i>client</i>.</p> <p>(5) <i>COBS TP 1.6</i> contains a transitional notification obligation that applies to a <i>firm</i> that, in relation to <i>MiFID</i> or <i>equivalent third country business</i>, takes advantage of the default transitional categorisation provisions to classify a <i>client</i> as a <i>per se professional client</i>.</p> <p>(6) <i>COBS TP 1.9</i> contains transitional categorisation provisions in relation to <i>clients</i> of a <i>firm</i> that are taken on between 1 November 2007 and 30 June 2008 in relation to business that is not <i>MiFID</i> or <i>equivalent third country business</i>.</p>	From 1 November 2007 indefinitely	1 November 2007

(1)	(2)	(3)	(4)	(5)	(6)
1.2	COBS 3	R	<p>Categorisation of existing clients</p> <p>(1) An existing <i>client</i> that was correctly categorised as a <i>private customer</i> immediately before 1 November 2007 is a <i>retail client</i> unless and to the extent it is given a different categorisation by the <i>firm</i> under COBS 3.</p> <p>(2) An existing <i>client</i> that was correctly categorised as an <i>intermediate customer</i> immediately before 1 November 2007:</p> <p>(a) is an <i>elective professional client</i> if it was an expert <i>private customer</i> that had been re-classified as an <i>intermediate customer</i> on the basis of its experience and understanding; or</p> <p>(b) is otherwise a <i>per se professional client</i>;</p> <p>unless and to the extent it is given a different categorisation by the <i>firm</i> under COBS 3.</p> <p>(3) An existing <i>client</i> that was correctly categorised as a <i>market counterparty</i> immediately before 1 November 2007 is:</p> <p>(a) for <i>eligible counterparty business</i> that is not <i>MiFID</i> or <i>equivalent third country business</i>, an <i>eligible counterparty</i>; and</p> <p>(b) otherwise, a <i>per se professional client</i>;</p> <p>unless and to the extent it is given a different categorisation by the <i>firm</i> under COBS 3.</p> <p>[Note: Article 71(6) of, and third paragraph of section II.2 of Annex II to, Directive 2004/39/EC of the European Parliament and of the Council]</p>	From 1 November 2007 to 2 January 2018	1 November 2007
1.3	COBS 3	G	<p>Under COBS 3.5.9 R, if a <i>firm</i> becomes aware that a <i>client</i> no longer fulfils the initial conditions that made it eligible for categorisation as an <i>elective professional client</i>, the <i>investment firm</i> must take the appropriate action. In the case of a <i>client</i> that has been classified as an <i>elective professional client</i> under COBS TP 1.2R(2)(a), the initial conditions are those that applied to the <i>client's</i> initial categorisation as an <i>intermediate customer</i>.</p>	From 1 November 2007 to 2 January 2018	1 November 2007
1.4	COBS 3	G	<p>Former inter-professional business</p> <p>The requirement to provide notices under COBS 3.3.1 R only applies in relation to new <i>clients</i>. The requirement to obtain confirmation under COBS 3.6.4 R (2) only applies in relation to prospective counterparties. These obligations are therefore not relevant to the extent</p>	From 1 November 2007 to 2 January 2018	1 November 2007

(1)	(2)	(3)	(4)	(5)	(6)
1.5	COBS 3	R	<p>that an existing <i>client</i> with whom a <i>firm</i> conducted <i>inter-professional business</i> before 1 November 2007 is categorised as an <i>eligible counterparty</i> under COBS 3 in relation to <i>eligible counterparty business</i>.</p> <p>Transitional notification obligations</p> <p>(1) If a <i>firm</i> does not categorise a <i>client</i> that was a <i>private customer</i> immediately before 1 November 2007 as a <i>retail client</i>, it must notify that <i>client</i> of its categorisation as a <i>professional client</i> or <i>eligible counterparty</i>, as appropriate, on or before that date, or if later, before conducting any further business to which COBS applies for that <i>client</i>.</p> <p>(2) If a <i>firm</i> does not categorise a <i>client</i> that was an <i>intermediate customer</i> immediately before 1 November 2007 as a <i>professional client</i>, it must notify that <i>client</i> of its categorisation as a <i>retail client</i> or <i>eligible counterparty</i>, as appropriate, on or before that date, or if later, before conducting any further business to which COBS applies for that <i>client</i>.</p> <p>(3) If a <i>firm</i> does not categorise a <i>client</i> that was a <i>market counterparty</i> immediately before 1 November 2007 as an <i>eligible counterparty</i>, it must notify that <i>client</i> of its categorisation as a <i>retail client</i> or <i>professional client</i> on or before that date, or if later, before conducting any further business to which COBS applies for that <i>client</i>.</p> <p>[Note: article 28(1) of the <i>MiFID implementing Directive</i>]</p>	From 1 November 2007 to 2 January 2018	1 November 2007
1.6	COBS 3	R	<p>If a <i>firm</i>, in relation to <i>MiFID</i> or <i>equivalent third country business</i>, categorises a <i>client</i> who would not otherwise have been a <i>professional client</i> as a <i>professional client</i> under COBS TP 1.2(2)(b) or (3)(b), it must inform that <i>client</i> about the relevant conditions for the categorisation of <i>clients</i>. This notification must be made on or before 1 November 2007, or if later, before conducting any further business to which COBS applies for that <i>client</i>.</p> <p>[Note: article 71(6) of Directive 2004/39/EC of the European Parliament and of the Council]</p>	From 1 November 2007 to 2 January 2018	1 November 2007

(1)	(2)	(3)	(4)	(5)	(6)
1.7		G	A notice to a <i>professional client</i> under COBS TP 1.6 should inform that <i>client</i> : (a) that they have been categorised as a <i>professional client</i> ; and (b) of the main differences between the treatment of a <i>retail client</i> and a <i>professional client</i> .	From 1 November 2007 to 2 January 2018	1 November 2007
1.8		R	The record-keeping requirements under COBS 3.8.2 R apply in relation to any <i>client</i> categorisations or re-categorisations made under the transitional provisions for COBS 3. Categorisation of new clients before 30 June (business that is not MiFID or equivalent third country business)	From 1 November 2007 indefinitely	1 November 2007
1.9	COBS 3	R	Expired		

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COBS TP 2 Other Transitional Provisions

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Handbook provisions: coming into force
2.-2	COBS, with the exception of COBS 15	R	Expired		
2.-2A	COBS 2.5.1R(1) to (3)	R	<p>A <i>firm</i> need not comply with COBS 2.5.1R(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:</p> <p>(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 COBS 2.5.1 (1) (b) and (c);</p> <p>(2) on the occasion of the first automatic renewal on or after 1 April 2016, the <i>firm</i> takes reasonable steps to ensure that the <i>client</i> is informed:</p> <p>(a) that the renewal of the agreement is optional;</p> <p>(b) that the <i>client</i> may elect not to renew the agreement; and</p> <p>(c) of the effect of the non-renewal of the agreement, if any, on the <i>designated investment</i>; and</p> <p>(3) the procedure to be used by <i>clients</i> for electing not to renew the agreement pays due regard to the interests of <i>clients</i> and treats them fairly.</p>	From 1 April 2016	On 1 April 2016
2.-2B	COBS 2.3A	R	The <i>rules</i> and <i>guidance</i> on inducements in COBS 2.3A:	From 3 January 2018	3 January 2018 (and in relation to an <i>insur-</i>

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Handbook provisions: coming into force
					<i>ance-based investment product, 1 October 2018)</i>
			(1) apply to fees, commission, monetary and non-monetary benefits which are paid, provided or received by a <i>firm</i> in respect of: <ul style="list-style-type: none"> (a) (unless (b) applies) services that are provided to a <i>client</i> on or after 3 January 2018; (b) (in relation to an <i>insurance-based investment product</i>) services that are provided to a <i>client</i> on or after 1 October 2018; and (2) do not apply to fees, commission, monetary or non-monetary benefits which are paid, provided or received in respect of: <ul style="list-style-type: none"> (a) (unless (b) applies) services that are provided to a <i>client</i> before 3 January 2018; (b) (in relation to an <i>insurance-based investment product</i>) services that are provided to a <i>client</i> on or after 1 October 2018 		
2.-1	COBS 4	R	Expired		
2.-1A	COBS 4.7.7 R to COBS 4.7.10 R	R	Expired		
2.1	COBS 6.1	G	(1) If a <i>firm</i> provides services of an ongoing nature to an existing <i>client</i> it need not provide information to that <i>client</i> that it would be required to provide under COBS to a new <i>client</i> but which it was not required to provide under COB. (2) Services of an ongoing nature include <i>safe-keeping and administration investments</i> and <i>managing investments</i> ,	From 1 November 2007 indefinitely	1 November 2007
2.2	COBS 6.1	G	(1) If a <i>firm</i> provides a service for an existing <i>client</i> that is not of an ongoing nature and which relates to the same particular type of <i>designated investment</i> as a previous service, the <i>firm</i> need not provide information to that <i>client</i>	From 1 November 2007 indefinitely	1 November 2007

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Handbook provisions: coming into force
			that it would be required to provide under COBS 6.1 to a new <i>client</i> but which it was not required to provide under <i>COB</i> . (2) But a <i>firm</i> should ensure that the <i>client</i> has received all relevant information in relation to a subsequent transaction, such as details of product charges that differ from those described in respect of a previous transaction.		
[deleted]					
2.2A	COBS 6.1E	R	[expired]		
2.2AA	COBS 6.1E	G	[expired]		
2.2AB	COBS 6.1E	G	[expired]		
2.2AC	COBS 6.1E	G	[expired]		
[deleted]					
2.2B	COBS 6.3	R	Expired		
2.2C	COBS 6.3	G	Expired		
2.2D	COBS 6.3	R	Expired		
2.2E	COBS 6.3.7 G	R	Expired		
2.3	COBS 10.1.2 R	R	Expired		
2.4	COBS 10.1.2 R	G	Expired		
2.4-A	COBS 10.1.2 R	R	Expired		
2.4A	COBS 11.2	R	Expired		
2.4B	COBS 11.2	G	Expired		
2.4C	COBS 11.2	R	Expired		
2.4D	COBS 11.2	R	Expired		
2.4E	COBS 12.2 and	R	Expired		

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Handbook provisions: coming into force
	COBS 12.3				
2.4F	COBS 12.2 and COBS 12.3	G	Expired		
2.4G	COBS 12.2 and COBS 12.3	R	Expired		
2.5	COBS 13	R	Expired		
2.5-A	COBS 13.4.1 R	R	Expired		
2.5A	COBS 13.4.2 R	R	Expired		
2.5AA	COBS 13.5.1 R	R	Expired		
2.5AB	COBS 13.5.2 R	R	Expired		
2.5-B	COBS 13 Annex 2	R	Expired		
2.5B	COBS 13 Annex 2 2.3	R	Expired		
2.5C	COBS 13 Annex 2 2.4	R	Expired		
2.5D	COBS 13 Annex 3	R	Expired		
2.5E	COBS 13 Annex 4	R	Expired		
2.6	COBS 14.1 and COBS 14.2	R	Expired		
2.6A	COBS 14.2 and COBS 14.3		Expired		
2.7	Expired COBS 15	R	Expired		

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Hand-book provisions: coming into force
2.8	COBS 16.3 (Periodic statements)	G	This transitional <i>rule</i> applies in relation to a periodic reporting period for a <i>periodic statement</i> that includes 1 November 2007. A <i>firm</i> may choose to comply with either COBS 16.3 or COB 8.2 in providing any <i>periodic statement</i> in relation to which this <i>rule</i> applies.	From 1 November 2007 indefinitely	1 November 2007
2.8A	COBS 18	R	Expired		
2.8B	COBS 18	G	Expired		
2.8C	COBS 18	R	Expired		
2.8D	COBS 18	G	[deleted]		
2.8E	COBS 18	R	Expired		
2.8F	COBS 19.4.3 R	R	[expired]		
2.9	COBS 20.2.1 G to COBS 20.2.23 R; COBS 20.2.26 R to COBS 20.2.41 G	R	The provisions listed in column (2) do not apply to a <i>firm</i> if, and to the extent that, they are inconsistent with an arrangement that was formally approved by the <i>appropriate regulator</i> , a <i>previous regulator</i> or a court of competent jurisdiction, on or before 20 January 2005.	From 1 November 2007 indefinitely	1 November 2007
2.9A	COBS 20.2.24 R to COBS 20.2.25A R (Charging payments of compensation and redress to a with-profits fund)	R	The provisions listed in column (2) do not apply to a <i>firm</i> if, and to the extent that, they are inconsistent with an arrangement that was formally approved by the <i>appropriate regulator</i> , a <i>previous regulator</i> or a court of competent jurisdiction, on or before 31 July 2009.	From 31 July 2009 indefinitely	31 July 2009
2.10	COBS 20.2.42R (3) (Policyholder advocate: appointment and role)	R	Expired		

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Handbook provisions: coming into force
2.11	COBS TP 2.9	G	<p>The <i>rules</i> and <i>guidance</i> on treating with-profits policyholders fairly (COBS 20.2.1 G – COBS 20.2.41 G;) may be contrary to, or inconsistent with, some arrangements that were formally approved by the <i>appropriate regulator</i>, a <i>previous regulator</i> or a court of competent jurisdiction, on or before 20 January 2005. The effect of TP 2.9 is that these <i>rules</i> do not apply to such arrangements if, and to the extent that, it is inconsistent with them.</p> <p>A <i>firm</i> should be mindful, however, that, even if some or all of these <i>rules</i> are disapplied, the <i>firm</i> is still subject to the <i>rules</i> in the rest of the <i>Handbook</i>, including <i>Principle 6</i>.</p>	From 1 November 2007 indefinitely	1 November 2007
2.12	COBS	R	[deleted]		
2.13	COBS	R	[deleted]		

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Hand-book provisions: coming into force
2.14	COBS 20.2.24 R to COBS 20.2.25A R	R	<p>(1) COBS 20.2.24 R to COBS 20.2.25A R have effect in relation to payments of compensation and redress arising out of events occurring on or after 31 July 2009.</p> <p>(2) For payments of compensation and redress arising out of events occurring before 31 July 2009, COBS 20.2.23 R to COBS 20.2.25 R apply as they were in force on 30 July 2009.</p>	From 31 July 2009 indefinitely	31 July 2009
	[deleted]		[deleted]	[deleted]	
2.16	COBS 9.4.10 G; COBS 13 Annex 2; COBS 13 Annex 3; COBS 14.2.1 R	R	Expired		
2.17	COBS 9.4.10 G; COBS 13 Annex 2; COBS 13 Annex 3; COBS 14.2.1 R	G	Expired		
2.18	COBS 20.2.53 R to COBS 20.2.60 G, SUP App 2.15G	R	<p>(1) Unless (2) applies, and subject to (3), a <i>firm</i> that has ceased to effect new <i>contracts of insurance</i> in a <i>with-profits fund</i> must submit to the FCA a run-off plan of the type described in COBS 20.2.53R (2); COBS 20.2.56 R, and COBS 20.2.57 G, if it has not done so already, by 31 December 2012, regardless of when it closed to new business.</p> <p>(2) Paragraph (1) does not apply to a <i>firm</i> if, and to the extent that, to comply would be contrary to or inconsistent with an arrangement that was formally approved by a court of competent jurisdiction, on or before 1 April 2012.</p> <p>(3) A <i>firm</i> required by (1) above to produce a run-off plan:</p> <p>(a) should consider the guidance in SUP App 2.15.6 G, 2.15.7G (11), 2.15.13 G, 2.15.14 G and 2.15.15 G to continue to apply to it, as appropriate;</p> <p>(b) may demonstrate compliance with the guidance in SUP App 2.15.2 G, 2.15.3 G, 2.15.4 G and 2.15.5 G by reference to existing documents cre-</p>	From 1 April 2012 indefinitely	1 November 2007 and 1 April 2012

(1)	(2)	(3)	(4)	(5)	(6)
			Transitional provision	Transitional provision: dates in force	Handbook provisions: coming into force
2.19	COBS 20.2.53 R to COBS 20.2.60 G	G	<p>ated by or for the <i>firm</i>, provided that it submits copies of relevant extracts to the <i>FCA</i>;</p> <p>(c) may disregard the remaining provisions in SUP App 2.15G if to do so would be consistent with meeting the requirements of COBS 20.2.56R (1); and</p> <p>(d) may otherwise tailor the run-off plan to reflect the fact that the fund in question has already been closed.</p> <p>The effect of COBS TP 2.18 is that <i>firms</i> which were not required to submit a run-off plan to the <i>FCA</i> because they ceased to effect new <i>contracts of insurance</i> before 1 November 2007 or because of previous transitional provisions in COBS, will need to submit a version of a run-off plan to the <i>FCA</i>, taking into account the fact that the fund has already closed, by 31 December 2012. However, this will not apply to the extent that it would be inconsistent with a formally approved court scheme.</p>	From 1 April 2012 indefinitely	1 November 2007 and 1 April 2012
2.20	COBS 20.2.28 R	R	Expired		
2.21	COBS 20.2.36 R to COBS 20.2.36A R	R	Expired		
2.22	COBS 20.5.1 R to COBS 20.5.5 R	R	Expired		
2.23	The changes to COBS set out in Annex K of the Alternative Investment Fund Managers Directive Instru	R	Expired		

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Handbook provisions: coming into force
2.24	ment 2013 COBS 13 Annex 2		A <i>firm</i> will comply with the provisions listed in column (2) if it chooses to comply with the following amendments made to those provisions by the Conduct of Business (Pension Supplementary Rules) Instrument 2016 as if those amendments were already in force: COBS 13 Annex 2 2.4R (3); COBS 13 Annex 2 3.3R; COBS 13 Annex 2 3.4G; COBS 13 Annex 2 5.1R(2)(g)	25 April 2016 to 5 April 2017	6 April 2017
2.25	COBS 19.6A.5R	R	COBS 19.6A.5R does not apply where the instruction for the action giving rise to the <i>early exit charge</i> was received by the <i>firm</i> before 31 March 2017.	From 31 March 2017 indefinitely	31 March 2017
2.26	COBS 17.1.7R	R	An <i>insurer</i> need not comply with COBS 17.1.7R for contracts entered into or variations agreed before 1 August 2017.	From 1 August 2017	On 1 August 2017
2.27	The rules and guidance in COBS that relate to a NURS-KII document	R	Where the <i>authorised fund manager</i> of a <i>non-UCITS retail scheme</i> , or an <i>ICVC</i> that is a <i>non-UCITS retail scheme</i> , complies with the <i>rules and guidance</i> in <i>COLL</i> that relate to a <i>NURS-KII document</i> , in accordance with COLL TP 1.1.46R, by using a <i>key investor information document</i> (as modified by a general direction from the <i>FCA</i>), the <i>rules and guidance</i> in column (2) apply in relation to that <i>document</i> as if a reference to a " <i>NURS-KII document</i> " were a reference to that <i>document</i> .	From 1 January 2018 until 19 February 2018	1 January 2018
2.28	COBS TP 2.27R	G	The effect of COBS TP 2.27R is that where a modified form of a <i>key investor information document</i> has been produced for a <i>non-UCITS retail scheme</i> prior to 1 January 2018, <i>firms</i> may continue to use that <i>document</i> for a short period until the <i>AFM</i> of the <i>KII-compliant NURS</i> has had time to produce a replacement <i>NURS-KII document</i> that complies with COLL Appendix 2R.	From 1 January 2018 until 19 February 2018	1 January 2018
2.29	COBS 19.1.2R to COBS 19.1.4BR		A <i>firm</i> will comply with the provisions in column (2) if it chooses to comply with the following amendments made by Part 2 of the Conduct of Business Sourcebook (Pension Transfers) Instrument 2018 as if those amendments were already in force: COBS 19.1.1-A; COBS 19.1.2BR; COBS 19.1.2CR; COBS 19.1.2DG; COBS 19.1.2EG; COBS 19.1.3AR; COBS 19.1.3BG; COBS 19 Annex 4A; COBS 19 Annex 4B; COBS 19 Annex 4C; COBS 19 Annex 5. If a <i>firm</i> does so, the reference to " <i>comparison</i> " in COBS 19.1.7BG must be read as a reference to " <i>appropriate pension transfer analysis</i> ".	1 April 2018 to 30 September 2018	1 October 2018

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Schedule 1 Record keeping requirements

Sch 1

Sch 1.1 G

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

Sch 1.2 G

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

Sch 1.2A G

- (1) A *MiFID investment firm*, *third country investment firm* or *MiFID optional exemption firm* should refer to the requirements on record keeping in the *MiFID Org Regulation* and ■ SYSC 9. In particular, Annex I to the *MiFID Org Regulation* contains a minimum list of records to be kept by those *firms* to which it applies.

[Note: article 72 of the *MiFID Org Regulation*]

- (2) An *insurance distributor* should refer to the requirements on record keeping in the *IDD Regulation* and in ■ SYSC 3 (for *insurers* and *managing agents*) or ■ SYSC 9 (for other *firms*).

[Note: article 19 of the *IDD Regulation*]

Sch 1.3 G

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
COBS 2.3.17R (1)	Information disclosed to the <i>client</i> in accordance with COBS 2.3.1R (2)(b)	The information disclosed	When information is disclosed	5 years from date information is given
COBS 2.3.17R (2)	Each benefit given to another <i>firm</i> which does not have to be disclosed to the <i>client</i> in accordance with COBS 2.3.1R (2)(b)(ii)	Each benefit given	When benefit is given	5 years from date of benefit

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
COBS 2.3A.19R (5)(f)(iv)	Trial periods of research received in accordance with COBS 2.3A.19R (5)(f).	Dates of any trial periods, and sufficient records to demonstrate compliance with the conditions in COBS 2.3A.19R(5)(f)(i) to (iii).	When the trial period is received	
COBS 2.3A.32R	Evidence that any fees, commissions and non-monetary benefits paid or received are designed to enhance the quality of the relevant service to the <i>client</i>	(1) List of all fees, commissions and non-monetary benefits received; and (2) record of how any fees, commissions or non-monetary benefits enhance the quality of the services provided and the steps taken in order not to impair compliance with the duty to act honestly, fairly and professionally in the best interests of the <i>client</i>	When the relevant fee, commission or non-monetary benefit is paid or received	Not specified
COBS 2.3B.11R	Audit trail in relation to the operation of any <i>research</i> payment accounts	(1) Payments made to <i>research</i> providers; and (2) how the amounts paid were determined	When a payment for <i>research</i> is made	Not specified
COBS 2.3B.20R	Summary details in relation to the operation of a <i>research</i> payment account	A summary of: (1) the providers paid from the account; (2) the total amount paid over a defined period; (3) the benefits and services received; and (4) how the total amount spent compares to the budget	From when the <i>research</i> payment account is established	Not specified

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
COBS 3.8.2 R (1)	Standard form notice to <i>clients</i> and agreements under COBS 3	Each standard form notice and agreement	When standard form is first used	Relevant period from when the <i>firm</i> ceases to carry on business with clients under that standard form (see COBS 3.8.2 R (3))
COBS 3.8.2 R (2)	<i>Client</i> categorisation	<i>Client</i> categorisation and supporting information, evidence of dispatch to client of any notice (the notice itself where this differs from standard form) and a copy of any agreement entered into	From time of categorisation	Relevant period from when the <i>firm</i> ceases to carry on business with or for that client (see COBS 3.8.2 R (3))
COBS 4.11.1R (1)	<i>Financial promotion</i>	<i>A financial promotion communicated or approved</i> (subject to exemptions)	When <i>communicated or approved</i>	See COBS 4.11.1R (3)
COBS 4.11.1R (2)	Telemarketing scripts	Copy of any script used	Date script used	See COBS 4.11.1R (3)
COBS 4.11.1R (2A)	<i>Non-mainstream pooled investments</i> : certification of compliance	(1) Certification by the <i>person</i> allocated the <i>compliance oversight function</i> or <i>employees</i> of the <i>firm</i> reporting to and supervised by that <i>person</i> confirming that the <i>financial promotion</i> is compliant with the restrictions in section 238 of the <i>Act</i> and COBS 4.12.3 R, as applicable. (2) Which exemption applies and the reason why that exemption applies. Where the exemption requires a certificate, investor statement,	(1) Date of certification (2) Date the invitation or inducement is communicated or approved	

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
COBS 4.11.2 G	Compliance of <i>financial promotions</i>	warning or indication, a copy of that certificate, investment statement, warning or indication. <i>Firms</i> encouraged to consider recording why a <i>financial promotion</i> is considered compliant.	Date of assessment of compliance	
COBS 6.1A.5AR (2)(e)(vi)(D)	Trial periods of research received in accordance with COBS 6.1A.5AR(2)(e)(vi)	Dates of any trial periods, and sufficient records to demonstrate compliance with the conditions in COBS 6.1A.5AR(2)(e)(vi)(A) to (C)	When the trial period is received	
COBS 6.1A.27 R	Adviser charging and remuneration	(1) the <i>firm's</i> charging structure; (2) the total adviser charge payable by each retail client; (3) if the total <i>adviser charge</i> paid by a <i>retail client</i> has varied materially from the charge indicated for that service in the <i>firm's</i> charging structure, the reasons for that difference.	(1) when the charging structure is first used; (2) from the date of disclosure; (3) from the date of disclosure;	See COBS 6.1A.27R (1) to (3)
COBS 6.1C.21 R	Consultancy charging and remuneration	(1) the <i>firm's</i> charging structure; (2) the total <i>consultancy charge</i> payable by each employer. (3) if the total <i>consultancy charge</i> for a particular service has varied materially from that indicated	(1) when the charging structure is first used; (2) from the date of disclosure;	See COBS 6.1C.21 R

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
		in the <i>firm's</i> charging structure, the reasons for that difference.		
COBS 8.1.4 R	Client agreements (non-MiFID provisions)	Documents setting out rights and obligations of the <i>firm</i> and the <i>client</i>	From date of agreement	At least the duration of the relationship with the <i>client</i> unless the record relates to a <i>pension transfer, pension conversion, pension opt-out</i> or <i>FSAVC</i> in which case it must be retained indefinitely
COBS 8A.1.9R	Client agreements (MiFID provisions)	Documents setting out rights and obligations of the <i>firm</i> and the <i>client</i>	From date of agreement	At least the duration of the relationship with the <i>client</i>
COBS 9.2.9 R	Recommendations on <i>friendly society life policies</i> .	Why the recommendation is considered suitable	Date of recommendation.	5 years.
COBS 9.5.1 G	Suitability (non-MiFID provisions)	<i>Client</i> information for <i>suitability report</i>	From date of <i>suitability report</i>	See COBS 9.5.2 R.
COBS 9.6.19 R	<i>Basic advice</i>	Decision to give <i>basic advice, range</i> used and <i>basic advice</i> summary prepared for <i>retail client</i>	Date on which <i>basic advice</i> given	5 years
COBS 9.6.20 R	<i>Scope of basic advice (stakeholder products)</i>	<i>Scope of basic advice</i> and its <i>range (or ranges)</i> of <i>stakeholder products</i>	Date on which the <i>scope and range</i> becomes relevant	5 years from the date replaced by more up-to-date record
COBS 9A.4.1G	Suitability (MiFID provisions)	<i>Client</i> information for <i>suitability report</i>	From date of <i>suitability report</i>	At least 5 years
COBS 9A.4.3EU	Suitability (insurance-based investment products)	<i>Client</i> information for <i>suitability report</i> - details in COBS 9A.4.3EU and COBS 9A.4.4EU	From date of <i>suitability report</i>	For whichever is the longer of 5 years or the duration of the relationship with the <i>client</i>

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
COBS 10.7.1 G	Appropriateness (non-MiFID provisions)	<i>Client</i> information obtained in making assessment of appropriateness and the appropriateness assessment	Date of assessment	At least 5 years
COBS 10A.7.2EU	Appropriateness (MiFID provisions)	Records of appropriateness assessments including the results of such assessments and any warnings given to <i>clients</i>	Date of assessment	At least 5 years
COBS 10A.7.2AEU	Appropriateness (insurance-based investment products)	Records of appropriateness assessments including the results of such assessments and any warnings given to <i>clients</i> - details in COBS 10A.7.2A	Date of assessment	For whichever is the longer of 5 years or the duration of the relationship with the <i>client</i>
COBS 11.5A.4EU	<i>Client</i> orders	Initial orders from <i>clients</i> and decisions to deal	Immediately	At least 5 years
COBS 11.5A.5EU	<i>Client</i> orders	Transactions and order processing	Immediately	At least 5 years
COBS 11.7.4 R	Personal account dealing	Notifications by outsourcing provider and authorisation or prohibition.	Date of notification or decision.	5 years
COBS 11.7A.5EU	Personal account dealing (MiFID provisions)	A record of any personal transaction notified or identified, including any authorisation or prohibition	Date of notification, identification or decision	At least 5 years
COBS 11A.1.4BR(3)(c)	The <i>firm's</i> assessment under COBS 11A.1.4BR(3)(a)	1) The <i>firm's</i> process for conducting the assessment and reaching the opinion under COBS 11A.1.4BR (3)(a);	Once the <i>firm</i> has formed its opinion under COBS 11A.1.4BR (3)(a)	5 years

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
		(2) the <i>firm's</i> staff that were involved in reaching that opinion; and (3) an explanation of the <i>firm's</i> consideration of the number and expertise of the unconnected analysts included in the range.		
COBS 11A.1.4CR	Restrictions on unconnected analysts	Any restrictions that would be imposed on each unconnected analyst that accepts the opportunity under COBS 11A.1.4BR(2)	When the opportunity is communicated to the range of unconnected analysts	5 years
COBS 11A.1.4ER	Information given by the <i>issuer</i> team during the relevant period under COBS 11A.1.4BR(2)(b)(iv)	(1) The information on the <i>issuer</i> or the relevant securities that is given by the <i>issuer</i> team to the <i>firm's</i> analysts during the relevant period under COBS 11A.1.4BR(2)(b)(iv); and (2) the information on the <i>issuer</i> or the relevant securities that is given by the <i>issuer</i> team to each of the range of unconnected analysts during the same period.	At the end of the relevant period under COBS 11A.1.4BR(2)(b)(iv)	5 years
COBS 11A.1.9EU	Underwriting and placing	Content and timing of instructions received from <i>clients</i> and allocation decisions	Date of receipt of instructions or of allocation decision	5 years

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
COBS 15.3.4 R	Cancellation: exercise of right	Exercise of the right to cancel or withdraw	Date of exercise	As specified in COBS 15.3.4 R(1), (2) and (3)
COBS 16.2.7 R	Confirmation to <i>clients</i> (non-MiFID provisions)	Copy of a confirmation	From date of despatch to <i>client</i>	At least 3 years
COBS 16.3.11 R	<i>Periodic statements</i> (non-MiFID provisions)	A copy of a <i>periodic statement</i> sent to a <i>client</i>	From date of despatch to <i>client</i>	At least 3 years
COBS 16A.3.1EU	Confirmation to <i>clients</i> (MiFID provisions)	A copy of a confirmation	From date of despatch to <i>client</i>	At least 5 years
COBS 16A.4.1EU	<i>Periodic statements</i> (MiFID provisions)	A copy of a <i>periodic statement</i> sent to a <i>client</i>	From date of despatch to <i>client</i>	At least 5 years
COBS 16A.4.2EU	<i>Periodic statements</i> (insurance-based investment products)	A copy of a <i>periodic statement</i> sent to a <i>client</i>	From date of despatch to <i>client</i>	At least 5 years
COBS 16.6.6 R	Life insurance contracts	Information to be provided during the terms of the contract	When information is given	5 years after information given
COBS 18.5.14 R	<i>Residual CIS operators</i> and small authorised UK AIFMs of an unauthorised AIF	<i>Periodic statement</i> to be provided to <i>participants</i>	When provided	3 years
COBS 18 Annex 2 2.1R	<i>Client orders</i> and decisions to deal in <i>portfolio management</i>	Orders received from <i>clients</i> and decisions taken - details in COBS 18 Annex 2 2.1R(2)	Immediately	5 years
COBS 18 Annex 2 3.1R	<i>Client orders</i>	Execution of orders	Immediately after executing a <i>client order</i> , or, in the case of <i>firms</i> that transmit orders to another <i>person</i> for execution, immediately after receiving confirmation that an order has been executed	5 years
COBS 18 Annex 2 3.2R	<i>Client orders</i>	Transmission details (see COBS 18 Annex 2 3.2R)	Immediately on transmitting an order to another <i>person</i> for execution	5 years

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
COBS 19.1.7CR	Execution only pension transfer or opt out	That no <i>personal recommendation</i> was given to the <i>client</i>	Date of transaction	Indefinitely
COBS 19.2.3 R	Promotion of personal pension scheme	Why the promotion was justified	When promoted	5 years
COBS 20.2.34AR (1)(a)(i)	Support assets outside the <i>with-profits fund</i>	Precise terms and conditions on which support assets operate and are available including whether and when they are repayable	When a <i>firm</i> first has support assets outside the <i>with-profits fund</i>	Until the <i>firm</i> ceases to use support assets outside the <i>with-profits fund</i>
COBS 20.2.36A R	<i>strategic investments</i>	A description of the strategic purpose for which a <i>strategic investment</i> has been purchased or retained	Before making a <i>strategic investment</i> or when reviewing whether to retain a <i>strategic investment</i>	Until the <i>firm</i> ceases to hold the <i>strategic investment</i> in question
COBS 20.3.1 R	<i>PPFMs</i>	Each version of the <i>PPFM</i>	Date on which the <i>PPFM</i> is relevant	5 years
COBS 22.2.6 R	Retail distribution of mutual society shares	Information and evidence demonstrating compliance with the requirements of COBS 22.2	At or near the time of the sale to a <i>retail client</i>	5 years for <i>MiFID or equivalent third country business</i> and 3 years for other business
COBS 22.3.5 R	Retail distribution of contingent convertible instruments and <i>CoCo funds</i>	Information and evidence demonstrating compliance with the restrictions in COBS 22.3	At or near the time of the sale or communication or approval of a promotion to a retail client	5 years for <i>MiFID or equivalent third country business</i> and 3 years for other business
COBS TP 1	<i>Client</i> categorisation transitional	Categorisation or re-categorisation under TP1	Date of categorisation/ re-categorisation	See COBS 3.8.2 R (2)
COBS TP 2	<i>Investment research</i> transitional	Election to comply with COBS 12.2 - COBS 12.3 sooner than 1 May 2008	Date of decision and date from which election is to be effective	5 years
COBS TP 2	Specialist regimes	Election to comply with COBS 18 sooner than 1 May 2008	Date of decision and date from which election is to be effective	5 years

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Schedule 2 Notification requirements

Sch 2.1 G

Handbook reference	Matters to be notified	Contents of notification	Trigger event	Time allowed
COBS 20.2.19AR (1)	Details of a proposed distribution	Written details of the proposed distribution, together with copies of draft notifications it proposes to send to <i>policyholders</i> .	The proposed distribution to <i>policyholders</i> is smaller than the 'pre-notification to <i>policyholder</i> minimum' calculated in accordance with COBS 20.2.19BR (1).	At least two months prior to the proposed distribution
COBS 20.2.19AR (2)	Details of a proposed distribution	Written details of the proposed distribution, together with copies of draft notifications it proposes to send to <i>policyholders</i> .	The distribution to <i>policyholders</i> does not meet the test in COBS 20.2.19AR (1) but is smaller than the 'after the event notification to <i>policyholder</i> minimum' calculated in accordance with COBS 20.2.19BR (2).	At least one month prior to the proposed distribution
COBS 20.2.45 R	Appointment of <i>policyholder advocate</i> .	The terms on which the <i>firm</i> proposes to appoint a <i>policyholder advocate</i> .	Proposal to appoint <i>policyholder advocate</i> .	As soon as reasonably practicable
COBS 21.2.8 R	Breach of COBS 21.3.5 R	Any failure to meet the requirements of COBS 21.3.5 R	Breach of COBS 21.3.5 R	As soon as the <i>firm</i> becomes aware of the failure
COBS 20.5.5R (3)	The decision of a <i>firm's governing body</i> to depart from the advice or recommendation of the <i>with-profits</i>	A description of: (1) the decision of, and reasons given by, the <i>firm's governing body</i> ;	The <i>with-profits committee</i> or advisory arrangement considers that the issue is sufficiently significant	As soon as reasonably practicable

Handbook reference	Matters to be notified	Contents of notification	Trigger event	Time allowed
	<i>committee</i> or advisory arrangement.	(2) the recommendation and advice of the <i>with-profits committee</i> or advisory arrangement; together with a copy of the <i>firm's</i> records of the decision, reasons, advice and recommendations.	ant and requests of the <i>governing body</i> that the <i>FSA</i> be informed.	

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Schedule 3 Fees and other required payments

Sch 3.1 G

There are no requirements for fees or other payments in *COBS*.

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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

Sch 5.1 G

The table below sets out the *rules* in *COBS* 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.

Sch 5.2 G

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 150(2) of the *Act*. If so, a reference to the *rule* in which it is removed is also given.

Sch 5.3 G

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.

Sch 5.4 G

Chapter/ Appendix	Section/ Annex	Paragraph	Right of action under section 138D			
			For private person?	Removed?	For other person?	
All <i>rules</i> in <i>COBS</i> with the status letter "E"			No	No	No	
		Any <i>rule</i> in <i>COBS</i> which prohibits an <i>authorised person</i> from seeking to make provision excluding or restricting any duty or liability	Yes	No	Yes	Any other person
		Any <i>rule</i> in <i>COBS</i> which is directed at ensuring that transactions in <i>designated investments</i> are not effected with the benefit of unpublished information that, if made public, would be likely to affect the price of that designated investment	Yes	No	Yes	Any other person
		The <i>fair, clear and not misleading rule</i>	Yes	In part (Note 1)	No	

All other <i>rules</i> in COBS	Yes	No	No
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Notes

1. COBS 4.2.6R provides that if, in relation to a particular communication or *financial promotion*, a *firm* takes reasonable steps to ensure it complies with the *fair, clear and not misleading rule*, a contravention of that *rule* does not give rise to a right of action under section 138D of the Act.

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Schedule 6 Rules that can be waived

Sch 6.1 G

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.

