

## Chapter 3A

# Financial promotions and communications with customers

## 3A.4 Qualifying credit financial promotions

### Real time qualifying credit promotions

3A.4.1

**R**

A *firm* must ensure that an individual who makes a real time financial promotion of *qualifying credit* on the *firm's* behalf:

- (1) makes the purpose(s) of the *financial promotion* clear at the initial point of communication, and identifies themselves and the *firm* which they represent;
- (2) if the time and method of *communication* were not previously agreed by the recipient:
  - (a) checks that the recipient wishes them to proceed;
  - (b) terminates the *communication* if the recipient does not wish them to proceed (but may ask for another appointment);
  - (c) recognises and respects, promptly, the right of the recipient to:
    - (i) end the *communication* at any time;
    - (ii) refuse any request for another appointment;
- (3) gives any *person* with whom they arrange an appointment a contact point;
- (4) does not *communicate* with a *person*:
  - (a) at an unsocial hour, unless the *person* has previously agreed to such a *communication*;
  - (b) on an unlisted telephone number, unless the *person* has previously agreed to such calls on that number.

3A.4.2

**G**

In **MCOB 3A.4.1R (4)(a)** an unsocial hour usually means on a Sunday or before 9am or after 9pm on any other *day*. It could also mean other *days* of the week or other times if the *firm* knows that a particular *customer* would not wish to be called on that *day* or at that time for reasons of, for example, religious faith or night shift working.

3A.4.3

**G**

The requirements of **MCOB 3A.4.1 R** and **MCOB 3A.4.2 G** do not prevent, for example, a telephone call centre which has received a call from a *customer* at an hour generally regarded as unsocial, either responding to that call or asking during the call if the *customer* would like details of other *qualifying credit*.

**Approval of qualifying credit promotions**

**3A.4.4** **G** Most of the *rules* in this chapter apply when a *firm approves a financial promotion of qualifying credit* in the same way as when a *firm communicates a financial promotion of qualifying credit* itself. Therefore, a *firm* has a similar responsibility for a *financial promotion of qualifying credit* that it *approves*, as for one that it *communicates*.

**No approval of real time qualifying credit promotions**

**3A.4.5** **R** A *firm* must not *approve a financial promotion of qualifying credit* made in the course of a personal visit, telephone conversation or other interactive dialogue.

**Approval of qualifying credit promotions when not all the rules apply**

**3A.4.6** **R** If a *firm approves a financial promotion of qualifying credit* in circumstances in which one or more of the *rules* in this chapter are expressly disapplied, the *approval* must be given on terms that it is limited to those circumstances.

**3A.4.7** **G** If an *approval* is limited under **■ MCOB 3A.4.6 R**, and an *unauthorised person communicates the financial promotion* to persons not covered by the *approval*, the *unauthorised person* may commit an offence under section 21(1) of the *Act* (Restrictions on financial promotion). A *firm* giving a limited *approval* may wish to advise the *unauthorised person* accordingly.

**Financial promotions for the business of overseas persons**

**3A.4.8** **R** A *firm* must not *communicate or approve a financial promotion* which relates to *qualifying credit* provided by an *overseas person*, unless:

- (1) the *financial promotion of qualifying credit* makes clear which *firm* has *approved or communicated* it and, where relevant, explains:
  - (a) that the *rules* made under the *Act* for the protection of *customers* do not apply;
  - (b) the extent and level to which the *compensation scheme* will be available or, if the scheme will not be available, a statement to that effect; and
  - (c) if the communicator wishes, the protection or compensation available under another system of regulation; and
- (2) the *firm* has taken reasonable steps to satisfy itself that the *overseas person* will deal with *customers* in the *United Kingdom* in an honest and reliable way.