Chapter 3A

Financial promotions and communications with customers

3A

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 themself 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.