

## Chapter 14

# Guidance on home reversion and home purchase activities

## 14.7 Exemptions

### Q40. Am I an exempt person in relation to home finance activities?

Yes, if you are:

- a *person* who is specifically exempt under the Financial Services and Markets Act 2000 (Exemption) Order 2001, such as a registered social landlord; or
- an *appointed representative* whose agreement with his principal permits him to carry on the activities in question; or
- an *exempt professional firm*.

### Q41. What home finance activities can I carry on as an appointed representative?

You will be able to carry on any of the following *regulated activities*:

- *arranging (bringing about) a home reversion plan or arranging (bringing about) a home purchase plan*; or
- *making arrangements with a view to home reversion plans or making arrangements with a view to home purchase plans*; or
- *advising on a home reversion plan or advising on a home purchase plan*; or
- agreeing to do any of the above.

You will not be able to carry on any of the following regulated activities:

- *entering into a home reversion plan, entering into a home purchase plan or entering into a regulated sale and rent back agreement*; or
- *administering a home reversion plan, administering a home purchase plan or administering a regulated sale and rent back agreement*; or
- *arranging (bringing about) a regulated sale and rent back agreement*; or
- *making arrangements with a view to a regulated sale and rent back agreement*; or
- *advising on a regulated sale and rent back agreement*; or
- agreeing to do any of the above.

### Q42. I am an exempt professional firm. Will I be able to carry on any of the regulated activities relating to home reversion plans, home purchase plans and regulated sale and rent back agreements without needing FCA authorisation?

This depends on the activity in question. Subject to your being able to satisfy the general requirements of Part XX of the Financial Services and Markets Act 2000 you will be able:

- to carry on the *regulated activities* of:
  - *entering into a home reversion plan*; or
  - *entering into a home purchase plan*; or
  - *entering into a regulated sale and rent back agreement*; or
  - *administering a home reversion plan*; or

- administering a home purchase plan; or
  - administering a regulated sale and rent back agreement; or
  - agreeing to do any of these things,
- but only where you are acting as a trustee or personal representative and the *reversion occupier, home purchaser or SRB agreement seller* is a beneficiary under the trust, will or intestacy;
- to carry on the *regulated activities* of:
    - arranging (bringing about) a home reversion plan; or
    - arranging (bringing about) a home purchase plan; or
    - arranging (bringing about) a regulated sale and rent back agreement; or
    - making arrangements with a view to home reversion plans; or
    - making arrangements with a view to home purchase plans; or
    - making arrangements with a view to regulated sale and rent back agreements; or
  - agreeing to do any of these things,
- without any further restriction; and
- to carry on the *regulated activities* of:
    - advising on a home reversion plan; or
    - advising on a home purchase plan; or
    - advising on a regulated sale and rent back agreement; or
  - agreeing to do any of these things,
- but only provided that:
- the advice is given to a trustee or a reversion provider or agreement purchaser who, in either case, is not an individual; or
  - the advice is given to an individual but does not amount to a recommendation to enter into a plan as reversion provider, *reversion occupier, home purchaser* or agreement seller; or
  - the advice is given to an individual and does amount to a recommendation to enter into a plan as reversion provider, *reversion occupier, agreement seller, agreement provider or home purchaser* with a reversion provider, agreement provider or a *home purchase provider* but only if the advice endorses a corresponding recommendation that has been given to the individual by a suitably authorised or exempt person.