

Appendix 1

TC Appendix 1

1.1 Activities and Products/Sectors to which TC applies subject to TC Appendices 2 and 3

App 1.1.1 **R**

Activity	Products/Sectors	Is there an appropriate qualification requirement?
<i>Designated investment business carried on for a retail client</i>		
Providing basic advice	1. <i>Stakeholder products</i> excluding a <i>deposit-based stakeholder product</i>	No
Advising or giving personal recommendations (as relevant)	2. <i>Giving personal recommendations on securities</i> which are not <i>stakeholder pension schemes, personal pension schemes or broker funds</i>	Yes
	3. <i>Giving personal recommendations on derivatives</i>	Yes
	4. <i>Giving personal recommendations on retail investment products</i> which are not <i>broker funds</i>	Yes
	5. <i>Giving personal recommendations on Friendly Society life policies</i> where the employee is not reasonably expected to receive a remuneration of greater than £1000 a year in respect of such sales	No
	6. <i>Giving personal recommendations on Friendly Society tax-exempt policies</i> (other than <i>Holloway sickness policies</i> where the <i>Holloway policy special application conditions</i> are met)	Yes
	7. <i>Giving personal recommendations on long-term care insurance contracts</i>	Yes
	8. <i>Giving personal recommendations on investments</i> in the course of <i>corporate finance business</i>	Yes
	9. <i>Advising on syndicate participation at Lloyd's</i>	Yes

Activity	Products/Sectors	Is there an appropriate qualification requirement?
Undertaking the activity in column 2	9A. <i>Advising on P2P agreements</i>	Yes
	10. <i>Broker fund adviser</i>	Yes
	11. <i>Pension transfer specialist</i>	Yes
Giving personal recommendations and dealing	12. <i>Giving personal recommendations on and dealing in securities which are not stakeholder pension schemes, personal pension schemes or broker funds</i>	Yes
	13. <i>Giving personal recommendations on and dealing in derivatives</i>	Yes
Dealing	13A. <i>Securities which are not stakeholder pension schemes, personal pension schemes or broker funds</i>	No
	13B. <i>Derivatives</i>	No
<i>MiFID business bidding</i>	13C. <i>emissions auction products</i>	No
Managing	14. <i>Investments</i>	Yes
Overseeing on a day-to-day basis	15. <i>Operating a collective investment scheme or undertaking the activities of a trustee or depositary of a collective investment scheme</i>	Yes
	16. <i>Safeguarding and administering investments or holding client money</i>	Yes
	17. <i>Administrative functions in relation to managing investments</i>	Yes
	18. <i>Administrative functions in relation to effecting or carrying out contracts of insurance which are life policies</i>	Yes
	19. <i>Administrative functions in relation to the operation of stakeholder pension schemes</i>	Yes
<i>Mortgage Activity and reversion activity carried on for a customer</i>		
Advising; arranging (bringing about) an execution-only sale, excluding variations to an existing home finance transaction except where the effect is to change all or part of the home finance transaction from one inter	20. <i>Regulated mortgage contracts for a non-business purpose</i>	Yes
	20A. <i>Regulated mortgage contracts for a business purpose</i>	No
	21. <i>Equity release transactions</i>	Yes

Activity	Products/Sectors	Is there an appropriate qualification requirement?
est rate to another.		
See Note 3, which for the avoidance of doubt forms part of this rule.		
Designing scripted questions for execution-only sales	21A <i>Regulated mortgage contracts for a non-business purpose</i> 21B <i>Regulated mortgage contracts for a business purpose</i>	Yes No
Overseeing execution-only sales on a day-to-day basis	22 <i>Equity release transactions</i> 23. <i>Equity release transactions</i>	Yes Yes
<i>MCD credit agreement activities carried on for consumers</i>		
manufacturing	23A <i>an MCD credit agreement</i>	No
entering into a regulated mortgage contract or entering into a regulated credit agreement as lender	23B <i>an MCD credit agreement</i>	No
arranging (bringing about) regulated mortgage contracts or acting as an MCD credit broker	23C <i>an MCD credit agreement</i>	No
advising on a regulated mortgage contract or advising on a regulated credit agreement for the acquisition of land	23D <i>an MCD credit agreement</i>	No
directly managing or supervising employees who carry on any of the MCD credit agree-	23E <i>an MCD credit agreement</i>	No

Activity	Products/Sectors	Is there an appropriate qualification requirement?
<i>ment activities</i> 23A to 23D		
[Note: article 9(1) of the MCD]		
Non-investment <i>insurance business</i> carried on for a consumer		
Giving personal recommendations	24. Giving <i>personal recommendations on non-investment insurance contracts</i>	No
Regulated sale and rent back activity carried on for a customer		
Advising	25. <i>Regulated sale and rent back agreements</i>	No
Overseeing an execution-only sale on a day-to-day basis	26. <i>Regulated sale and rent back agreements</i>	No
Regulated funeral plan activity carried on for a customer		
Dealing in investments as agent	27 <i>Funeral plan contracts</i>	No
Arranging (bringing about) deals in investments	28 <i>Funeral plan contracts</i>	No
Making arrangements with a view to transactions in investments	29 <i>Funeral plan contracts</i>	No
Managing investments	30 <i>Funeral plan contracts</i>	No
Safeguarding and administering investments	31 <i>Funeral plan contracts</i>	No
Sending dematerialised instructions	32 <i>Funeral plan contracts</i>	No
Causing dematerialised instructions to be sent	33 <i>Funeral plan contracts</i>	No
Advising on investments	34 <i>Funeral plan contracts</i>	No
Entering as provider into a funeral plan contract	35 <i>Funeral plan contracts</i>	No
Carrying out a funeral plan	36 <i>Funeral plan contracts</i>	No

Activity	Products/Sectors	Is there an appropriate qualification requirement?
<p><i>contract as provider</i></p> <p><i>Agreeing to carry on a regulated activity</i></p> <p>Notes:</p>	<p>37 <i>Funeral plan contracts</i></p>	<p>No</p>
<p>1.</p> <p>2.</p> <p>2A.</p> <p>3.</p> <p>(a)</p> <p>(b)</p> <p>4.</p>	<p>In the Appendix the heading and types of business specified in the headings are to be read in conjunction with the paragraphs appearing beneath them.</p> <p>Thus, for example, paragraph 24, consistent with the heading above it, refers only to <i>personal recommendations</i> given in relation to <i>non-investment insurance contracts</i> given to a <i>consumer</i>.</p> <p>In relation to activity number 9A, see TC 2.1.5HR and TC 2.1.6R(2). There is no qualification for this activity in the list of qualifications set out in TC Appendix 4E. However, the effect of TC 2.1.5HR is that an <i>employee advising on P2P agreements</i> must be qualified to the same standard as if that <i>employee</i> were providing investment advice to <i>retail clients on retail investment products</i>.</p> <p>For the purpose of product numbers 20, 20A and 21 the activity of arranging (bringing about) referred to in the activity column:</p> <p>(a) includes activity which would be arranging (bringing about) but for the exclusion in article 28A of the <i>Regulated Activities Order</i>; and</p> <p>(b) does not include activities which taken on their own would not fall within the definition of that activity. For these purposes no account should be taken of the fact that for an activity to be a regulated activity it must be carried on by way of business (see PERG 4.3).</p> <p>In this Appendix, paragraphs 23A, 23B, 23C, 23D and 23E relate to the implementation of article 9(1) of the <i>MCD</i>. The specified activities do not, in and of themselves, attract a qualification requirement. However, where those activities overlap with those specified under the heading "<i>mortgage activity and reversion activity carried on for a customer</i>", qualification requirements may apply.</p>	

