

**CONDUCT OF BUSINESS SOURCEBOOK
(AMENDMENT NO 20) INSTRUMENT 2005**

Powers exercised

- A. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 138 (General rule-making powers);
 - (2) section 145 (Financial promotion rules);
 - (3) section 149 (Evidential provisions); and
 - (4) section 156 (General supplementary powers).
- B. The rule-making powers listed above are specified for the purposes of section 153(2) of the Act (Rule-making instruments).

Commencement

- C. This instrument comes into force on 6 April 2005.

Amendments to the Conduct of Business sourcebook

- D. The Conduct of Business sourcebook is amended in accordance with Annex A to this instrument.

Amendments to the Supervision manual

- E. The Supervision manual is amended in accordance with Annex B to this instrument.

Citation

- F. This instrument may be cited as the Conduct of Business Sourcebook (Amendment No 20) Instrument 2005.

By order of the Board
20 January 2005

Annex A

Amendments to the Conduct of Business sourcebook

In this Annex underlining indicates new text and striking through indicates deleted text.

...

Further information for life policies, schemes, ~~insurance or equity stocks and shares~~ ISAs, PEPs and stakeholder pension schemes

6.5.40 R A *firm* must include the following information in the *key features*, separately or as part of the information required by COB 6.5.2R:

...

(5) for ISAs with a ~~life policy (insurance) or equity (stocks and shares)~~ (equity and insurance) component and PEPs, in addition to (1), (2), (3) or (4):

(a) a description of the nature of the services which will be provided for the *private customer*;

(b) ~~[deleted] for ISAs or ISA components which are stated as satisfying the CAT standards;~~

~~(i) a table comparing the ISA or ISA component with the CAT standards;~~

~~(ii) clarification that satisfying the CAT standards does not mean that the investment is appropriate for the private customer or that there is any guarantee of performance;~~

(c) ~~[deleted] the fact, if applicable, that an ISA does not meet the CAT standards together with any relevant explanation;~~

...

...

6.5.42 R If COB 6.4.13R applies, for a *cash deposit ISA*, the *private customer* must be given the following information (in accordance with COB 6.4.13R) and, in relation to a *distance contract* with a *retail customer*, all the contractual terms and conditions and the information in COB App 1 in place of *key features*:

(1) [deleted]

~~(a) for the cash deposit ISA which is stated as satisfying the CAT~~

~~standards, a comparison with the CAT standards; or~~

- (b) ~~if the cash deposit ISA is not stated as satisfying the CAT standards, a statement making this clear, together with, if desired, any relevant information;~~

(2) ...

...

6.7.16 R Table Notes to cancellable contracts and exceptions - life
This table belongs to COB 6.7.15R

Notes to COB 6.7.15R	
1.	Recurring single <i>premium life policy</i> : Under certain conditions, only the first <i>premium</i> in what might be a series of <i>premiums</i> (for example, in the case of a mini-ISA insurance component) attracts cancellation rights under COB 6.7.7R(1). The conditions are:
	...
...	

Annex B

Amendments to the Supervision manual

In this Annex underlining indicates new text and striking through indicates deleted text.

...

16.8.4 R In this section, and Forms 1R(2) to (4) in *SUP* 16 Annex 6R:

...

(8) [deleted] 'insurance ISA' means the insurance component of an *ISA* (mini or maxi);

...

...

16.8.21 R The *firm* must, if a persistency report reports on;

...

(4) an *income withdrawal* ~~or insurance ISA~~, not include the policy under any other relevant category in Forms 1R(1) and 1R(3).

...

...