

HANDBOOK ADMINISTRATION (NO 14) INSTRUMENT 2009**Powers exercised**

- A. The Financial Services Authority makes this instrument in the exercise of:
- (1) the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
 - (a) section 138 (General rule-making power);
 - (b) section 139 (Miscellaneous ancillary powers);
 - (c) section 156 (General supplementary powers);
 - (d) section 157(1) (Guidance);
 - (e) section 213 (The compensation scheme); and
 - (f) section 214 (General); and
 - (2) the other powers and related provisions listed in Schedule 4 (Powers exercised) to the General Provisions of the Handbook.
- B. DTR 4.1.7R(4) is made under the powers cited in the Disclosure Rules and Transparency Rules Sourcebook (Corporate Governance Rules) Instrument 2008 (FSA 2008/32) and additionally under section 89A (Transparency rules) of the Act.
- C. The rule-making powers referred to above are specified for the purpose of section 153(2) (Rule-making instruments) of the Act.

Commencement

- D. This instrument comes into force as follows:
- (1) Annex E (DISP) comes into force on 1 August 2009; and
 - (2) the remainder of this instrument comes into force on 6 August 2009.

Amendments to the Handbook and related material

- E. The modules of the FSA Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2).

(1)	(2)
Glossary of definitions	Annex A
Senior Management Arrangements, Systems and Controls sourcebook (SYSC)	Annex B
General Provisions (GEN)	Annex C
Supervision manual (SUP)	Annex D
Dispute Resolution: Complaints sourcebook (DISP)	Annex E
Compensation sourcebook (COMP)	Annex F
Collective Investment Schemes sourcebook (COLL)	Annex G
Professional Firms sourcebook (PROF)	Annex H
Listing Rules sourcebook (LR)	Annex I

Notes

- F. In the Annexes to this instrument, the Notes (indicated by “**Note:**”) are included for the convenience of readers but do not form part of the legislative text.

Citation

- G. This instrument may be cited as the Handbook Administration (No 14) Instrument 2009.

By order of the Board
23 July 2009

Annex A

Amendments to the Glossary of definitions

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

close links

...

- (3) (~~except where (1) applies~~, in *SUP* 3 (Auditors) and *SUP* 4 (Actuaries)) (in accordance with section 343(8) (Information given by auditor or actuary to the Authority: persons with close links)) the relationship in ~~(1)~~ (2), disregarding (e) and (f).

scheme

...

- (d) (in ~~COBS 19.5~~ 18.5) in addition to (a), (b) and (c), an *unregulated collective investment scheme*.

Annex B

Amendments to the Senior Management Arrangements, Systems and Controls sourcebook (SYSC)

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

5.1.12 R ...

[**Note:** article ~~5(1)(d)~~ 5(1)(b) of the *MiFID implementing Directive*]

...

6.1.4A R ...

(2) In SYSC 6.1.4AR(1) “compliance” means compliance with the rules in:

...

(b) ... ; ~~and~~

(c) ... ; and

(d) ICOBS (Insurance: Conduct of Business sourcebook).

...

In the following SYSC provisions, the reference to “SYSC 1 Annex 1.3.3R” should in each case be amended to “SYSC 1 Annex 1.3.3G”:

4.1.2AG

4.1.4AG

4.1.7AG

4.1.10AG

4.2.1AG

4.3.2AG

5.1.7AG

5.1.12AG

5.1.15AG

6.1.2AG

6.1.3AG(1)

6.1.6G

6.2.1AG
7.1.2AG
7.1.4AG
7.1.7AG
8.1.1AG
8.1.5AG
8.1.11AG
10.1.4AG
10.1.6AG
10.1.11AG

Annex C**Amendments to the General Provisions (GEN)**

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

4 Annex 1R Statutory status disclosure

...

Note 5 = Any *firm* listed in this table is permitted to add words to the relevant required disclosure statement but only if the *firm* has taken reasonable steps to satisfy itself that the presentation of its statutory status will, as a consequence, ~~remain~~ be fair, clear and not misleading and be likely to be understood by the average member of the group to whom it is directed or by whom it is likely to be received. For example, an *authorised professional firm* may wish to make it clear that it is also regulated by its professional body.

Annex D

Amendments to the Supervision manual (SUP)

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

- 16.12.5 R The applicable *data items* and forms or reports referred to in SUP 16.12.4R are set out according to *firm* type in the table below:

...	
Note 4	... The threshold is exceeded where <i>data element</i> 93A in <i>data item</i> FSA003 is greater than £10 <u>£50</u> million, or its currency equivalent, at the relevant reporting date for the <i>firm</i> .
...	

- 16.12.6 R The applicable reporting frequencies for submission of *data items* and periods referred to in SUP 16.12.5R are set out in the table below according to *firm* type. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise.

<u><i>Data item</i></u>	Unconsolidated <i>UK banks and building societies</i>	Solo consolidated <i>UK banks and building societies</i>	Report on a <i>UK consolidation group</i> basis by <i>UK banks and building societies</i>	Other members of <i>RAG 1</i>
...				

...

- 16.12.11 R The applicable *data items* referred to in SUP 16.12.4R are set out according to *firm* type in the table below:

...	
Note 3	... The threshold is exceeded where <i>data element</i> 77A in <i>data item</i> FSA003 is greater than £10 million, or its currency equivalent, at the relevant reporting date <u>for the <i>firm</i></u> .
...	

Annex E**Amendments to the Dispute Resolution: Complaints sourcebook (DISP)**

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

1.10 Complaints reporting rules

...

~~Joint reports~~ Forwarded complaints

1.10.1A R ...

1.10.1B G ...

Joint reports

1.10.1C R ...

1.10.1D G ...

Information requirements

1.10.2 R ...

Annex F

Amendments to the Compensation sourcebook (COMP)

In this Annex, underlining indicates new text.

INTRO 1 Foreword

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The Sourcebook is divided into 44 16 Chapters covering all aspects of the scheme:

...

Chapter 15 Deposit payout

This chapter provides for the FSCS to have powers to accelerate the payment of compensation for protected deposits, providing that certain conditions are met. These powers include the ability to make payments without having first received an application form from claimants, the power to pay compensation directly into a claimant’s account with another authorised person, and the power to pay compensation on behalf of another compensation scheme or government and to recover the sums paid.

Chapter 16 Disclosure requirements for firms that accept deposits

This chapter sets out the format, frequency and method of communication that deposit-taking firms must use in informing eligible customers that their deposits are covered by the FSCS. It also requires deposit-taking firms to inform their customers if their deposits are not covered by the FSCS.

...

Sch 1 Record-keeping requirements

...

1.2

G

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
...				
<u>COMP 10.2.11R</u>	<u>Potential claimants for whom the separate limit under COMP 10.2.11R(2) applies</u>	<u>Sufficient details to enable the identification of claimants for whom the separate limit under COMP</u>	<u>As implicit from the rules in COMP</u>	<u>As implicit from the rules in COMP</u>

		<u>10.2.11R(2)</u> applies		
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Annex G

Amendments to the Collective Investment Schemes sourcebook (COLL)

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

6.9.9 R A UCITS management company must not engage in any activities other than:

...

(4) *managing investments* where the relevant portfolio includes one or more ~~ISD instruments~~ financial instruments;

(5) *advising on investments* where:

(a) the *firm* has a *permission* for the activity in (4); and

(b) each of the instruments are ~~ISD instruments~~ financial instruments; and

...

...

8 Annex 1R ~~This Annex belongs to COLL 8.1.3R (Qualified Investor Schemes: eligible investors)~~

Qualified investor schemes: eligible investors This Annex belongs to COLL 8.1.3R

...

Annex H

Amendments to the Professional Firms sourcebook (PROF)

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

- 5.3.8 G ~~MCOB 1.2.4G~~ 1.2.10R provides that *MCOB* does not apply to an *authorised professional firm* with respect to its *non-mainstream regulated activities* except for *MCOB* 2.2 (Clear, fair and not misleading communication), *MCOB* 3 (Financial promotion) and to a limited extent *MCOB* 4.4 (Initial disclosure requirements).

Annex I

Amendments to the Listing Rules sourcebook (LR)

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

3.2.3 G Before submitting the documents referred to in LR 3.2.2R(1), an *applicant* should contact the FSA to agree the date on which the ~~FSA~~ FSA will consider the application.

...

3.3.6 R An *applicant* must keep copies of the following for six years after the ~~admission to listing~~ admission to listing:

...

Appendix 1.1 Relevant Definitions

Insert the following definition in the appropriate alphabetical position.

<u>trading plan</u>	<p>a written plan between a restricted person and an independent third party which sets out a strategy for the acquisition and/or disposal of <u>securities</u> by a specified person and:</p> <p>(a) <u>specifies the amount of securities to be dealt in and the price at which and the date on which the securities are to be dealt in; or</u></p> <p>(b) <u>gives discretion to that independent third party to make trading decisions about the amount of securities to be dealt in and the price at which and the date on which the securities are to be dealt in; or</u></p> <p>(c) <u>includes a written formula or algorithm, or computer program, for determining the amount of securities to be dealt in and the price at which and the date on which the securities are to be dealt in.</u></p>
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