

**HANDBOOK ADMINISTRATION (NO 29) INSTRUMENT 2013****Powers exercised by the Board of the Financial Conduct Authority**

- A. The Financial Conduct Authority makes this instrument in the exercise of the powers and related provisions listed in Schedule 4 (Powers exercised) to the General Provisions of the Handbook.
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Financial Services and Markets Act 2000.

**Commencement**

- C. This instrument comes into force on 1 May 2013.

**Amendments to the Handbook**

- D. The modules of the FSA's 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
Conduct of Business sourcebook (COBS)	Annex B
Insurance: Conduct of Business sourcebook (ICOBS)	Annex C
Mortgages and Home Finance: Conduct of Business sourcebook (MCOB)	Annex D
Banking: Conduct of Business sourcebook (BCOBS)	Annex E
Client Assets sourcebook (CASS)	Annex F
Supervision manual (SUP)	Annex G
Consumer Redress Schemes sourcebook (CONRED)	Annex H
Listing Rules sourcebook (LR)	Annex I

**Amendments to the material outside the Handbook**

- E. The Perimeter Guidance manual (PERG) is amended in accordance with Annex J to this instrument.

**Citation**

- F. This instrument may be cited as the Handbook Administration (No 29) Instrument 2013.

By order of the Board of the Financial Conduct Authority  
25 April 2013

## Annex A

### Amendments to the Glossary of definitions

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

*regulated activity*      **(A) in the PRA Handbook:**

(in accordance with section 22 of the *Act* (Regulated activities)) any of the following activities specified in Part II of the *Regulated Activities Order* (Specified Activities):

...

**(B) in the FCA Handbook:**

as in (A) with the addition of:

(ta) *providing information in relation to a specified benchmark;*

(tb) *administering a specified benchmark;*

which is carried on by way of business and, except for (ta) and (tb), relates to a *specified investment* applicable to that activity or, in the case of (l), (m), (n) and (o), is carried on in relation to property of any kind.

## Annex B

### Amendments to the Conduct of Business sourcebook (COBS)

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

#### 5.2 E-Commerce

...

Information about the firm and its products or services

5.2.2 R A *firm* must make at least the following information easily, directly and permanently accessible to the recipients of the *information society services* it provides:

...

- (4) an appropriate statutory status disclosure statement (*GEN 4 Annex 1R* or *GEN 4 Annex 1AR* as appropriate), together with a statement which explains that it is on the *Financial Services Register* and includes its ~~*Financial Services Register number*~~ Firm Reference Number;

...

...

#### 7.2 Information to be provided by the insurance intermediary

7.2.1 R (1) Prior to the conclusion of any initial *life policy* and, if necessary, on amendment or renewal, a *firm* must provide a *client* with at least the following information:

...

- (b) the fact that it is registered on the *Financial Services Register* and its ~~*Financial Services Register number*~~ Firm Reference Number ...

...

...

## Annex C

### Amendments to the Insurance: Conduct of Business sourcebook (ICOBS)

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

#### 3.2 E-Commerce

...

Information about the firm and its products or services

- 3.2.2 R A *firm* must make at least the following information easily, directly and permanently accessible to the recipients of the *information society services* it provides:

...

- (4) an appropriate statutory status disclosure statement (*GEN 4 Annex 1R*), together with a statement which explains that it is on the *Financial Services Register* and includes its ~~*Financial Services Register number*~~ Firm Reference Number;

...

## Annex D

**Amendments to the Mortgages and Home Finance: Conduct of Business sourcebook  
(MCOB)**

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

**2.7A E-Commerce**

...

Information about the firm and its products or services

2.7A.2 R A *firm* must make at least the following information easily, directly and permanently accessible to the recipients of the *information society services* it provides:

...

- (4) an appropriate statutory status disclosure statement (*GEN 4 Annex 1R*), together with a statement which explains that it is on the *Financial Services Register* and includes its ~~*Financial Services Register number*~~ Firm Reference Number;

...

...

**6.5 Mortgages: information to be provided in the offer document or separately**

...

Distance contracts with retail customers

6.5.6 R If a *firm* makes an offer to a *consumer* with a view to *entering into a regulated mortgage contract* ~~a~~ which is a *distance contract*, it must provide the *consumer* with the following information with the *offer document*:

...

- (4) if not provided previously:

...

(b) ...

- (ii) the mortgage lender's ~~*Financial Services Register number*~~ Firm Reference Number; and

...

**Annex E**

**Amendments to the Banking: Conduct of Business sourcebook (BCOBS)**

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

**3.2 E-Commerce**

...

Information about the firm and its products or services

3.2.2 R A *firm* must make at least the following information easily, directly and permanently accessible to the recipients of the *information society services* it provides:

...

- (4) an appropriate statutory status disclosure statement (*GEN 4 Annex 1R*), together with a statement which explains that it is on the *Financial Services Register* and includes ~~the *FCA* registration number~~ its Firm Reference Number;

...

...

**3 Annex 1R Distance marketing information**

...

<b>Information about the firm</b>	
...	
(4)	The particulars of the public register in which the <i>firm</i> is entered, its registration number in that register and the particulars of the relevant supervisory authority, including an appropriate statutory status disclosure statement ( <i>GEN 4</i> ), a statement that the <i>firm</i> is on the <i>Financial Services Register</i> and its <del><i>FCA</i> registration number</del> <u>Firm Reference Number</u> .
...	

**Annex F****Amendments to the Client Assets sourcebook (CASS)**

In this Annex, underlining indicates new text.

Exchanges, clearing houses, intermediary brokers or OTC counterparties

7.8.2 R ...

- (2) If the exchange, *clearing house, intermediate broker* or *OTC* counterparty does not provide the required acknowledgement within 20 *business days* of the dispatch of the notice and instruction, the *firm* must cease using the *client transaction account* with that exchange, *clearing house, intermediate broker* or *OTC* counterparty and arrange as soon as possible for the transfer or liquidation of any open positions and the repayment of any *money*.

**Annex G**

**Amendments to the Supervision manual (SUP)**

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

**16 Annex 18AR Retail Mediation Activities Return ('RMAR')**

...

**SECTION K: Adviser charges**

...

4	<del>No of lump sum payments</del> <u>Aggregate of initial adviser charges invoiced as lump sum payments</u>	...
5	<del>Regular instalments as proportion of the total due</del> <u>Aggregate of initial adviser charges invoiced as regular payments</u>	...
6	<del>TOTAL</del> <u>Aggregate of initial adviser charges (invoiced as either a lump sum or regular payment)</u>	...

...

**16 Annex 18BG Notes for Completion of the Retail Mediation Activities Return ('RMAR')**

...

**Section K: guide for completion of individual fields**

<b>Adviser charge revenue</b>	
...	
<i>Adviser charges</i> invoiced via <i>platform service providers</i> (column C, data elements 1C to 6C)	...
<b>TOTAL</b> (row 3)	<u>Row 3 equals row 1 plus row 2.</u>
<b>Payments of initial adviser charges</b> (See above three rows for an explanation of the different payment mechanisms.)	
<del>Number of lump sum</del>	This is the <del>number</del> <u>sum</u> of initial <i>adviser charge charges</i>



<p><u>payments Aggregate of initial adviser charges invoiced as lump sum payments (row 4)</u></p>	<p>payments invoiced as a lump sum during the reporting period, i.e. the <i>client</i> pays the entire initial <i>adviser charge</i> in one payment.</p> <p>If an initial charge is not paid in full, we expect it to be recorded under row 5 of Section K as <del>‘Regular instalments as proportion of the total due’</del> the <u>‘Aggregate of initial adviser charges invoiced as regular payments’</u>.</p>
<p><del>Regular instalments as the proportion of the total due</del> <u>Aggregate of initial adviser charges invoiced as regular payments (row 5)</u></p>	<p>An initial <i>adviser charge</i> may be structured to be payable over a period of time when it relates to a <i>retail investment product</i> for which an instruction from the <i>retail client</i> for regular payments is in place and the <i>firm</i> has disclosed that no ongoing <i>personal recommendations</i> or service will be provided (<i>COBS</i> 6.1A.22R(2)). Each instalment should be captured by the <i>firm</i> <del>as a fraction</del>, to two decimal places, representing the amount <del>paid off</del> <u>invoiced</u> as a proportion of the amount owed <u>for each <i>retail client</i> this applies to</u>. The <del>sum</del> <u>aggregation</u> of these <del>fractions</del> <u>sums</u> should be reported in the appropriate data field in row 5 to two decimal places.</p> <p>This could be calculated either using (1) the length of the repayment period, if these instalments are of equal value, or (2) the amount paid. These two methods are outlined below (both methods should arrive at the same answer).</p> <p>(1) For each <i>retail client</i> calculate the number of <i>months</i> in the reporting period in which equal instalments <del>are made</del> <u>divided are being invoiced and then divide it</u> by the total number of <i>months</i> in which payments are due to be made. Sum up <del>fractions</del> <u>these individual calculations for each <i>retail client</i> this applies to</u> based on payment mechanism and type of advice and report in the appropriate field.</p> <p>(2) For each <del>instalment</del> <i>retail client</i> calculate the amount <del>paid divided</del> <u>of adviser charge in the reporting period being invoiced and then divide it</u> by the total amount due. Sum up <del>fractions</del> <u>these individual calculations for each retail client this applies to</u> based on payment mechanism and type of advice and report in the appropriate field.</p>
<p><u>Aggregate of initial adviser charges (invoiced as either a lump sum or regular payment) (row 6)</u></p>	<p><u>Row 6 equals row 4 plus row 5.</u></p>
<p>...</p>	

## Annex H

### Amendments to the Consumer Redress Schemes sourcebook (CONRED)

In this Annex, striking through indicates deleted text.

#### 2 Annex 11R Redress determination letter for scheme cases

...

*[In all cases:]*

##### **What you can do next**

If you are dissatisfied with this outcome you may refer this determination to the Financial Ombudsman Service (FOS) within six months of the date of this letter.

~~The FOS will decide whether we have applied the rules of the consumer redress scheme correctly in our decision to exclude you.~~

...

## Annex I

### Amendments to the Listing Rules sourcebook (LR)

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

#### Appendix 1 Relevant definitions

Amend the following definition as shown.

*sponsor service* a service relating to a matter referred to in *LR 8.2* that a *sponsor* provides or is requested or appointed to provide ~~and that is for the purpose of the *sponsor* complying with *LR 8.3.1R* or *LR 8.4*.~~ This definition includes, including preparatory work that a *sponsor* may undertake before a decision is taken as to whether or not it will act as *sponsor* for a *listed company* or in relation to a particular transaction, and including all the *sponsor's* communications with the *FSA* in connection with the service. But nothing in this definition is to be taken as requiring a *sponsor* when requested to agree to act as a *sponsor* for a *company* or in relation to a transaction.

**Annex J****Amendments to the Perimeter Guidance manual (PERG)**

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

- 4.5.11 G ...  
(1) ... by visiting the ~~FCA's register~~ Financial Services Register at ...  
...  
...
- 8.14.24 G ... In the ~~FSA's~~ FCA's view ...  
...
- 8.22.3 G ... The ~~FSA's~~ FCA's view ...