

**MORTGAGE MARKET REVIEW (TRAINING AND COMPETENCE)  
INSTRUMENT 2013**

**Powers exercised**

- A. The Financial Conduct 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 137A (The FCA’s general rules);
  - (2) section 137T (General supplementary powers); and
  - (3) section 138C (Evidential provisions).
- B. The rule-making powers listed above are specified for the purpose of section 138G (Rule-making instruments) of the Act.

**Commencement**

- C. This instrument comes into force on 26 April 2014.

**Amendments to the Handbook**

- D. The Training and Competence sourcebook (TC) is amended in accordance with the Annex to this instrument.

**Citation**

- E. This instrument may be cited as the Mortgage Market Review (Training and Competence) Instrument 2013.

By order of the Board of the Financial Conduct Authority  
26 September 2013

## Annex

## Amendments to the Training and Competence sourcebook (TC)

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

Appendix 1.1 Activities and Products/Sectors to which TC applies subject to TC Appendices 2 and 3					
App	R	Activity	Products/Sectors		Is there an appropriate qualification requirement?
1.1.1			...	...	...
		<del>Regulated mortgage activity</del> <u>Mortgage activity</u> and <u>reversion activity</u> carried on for a <i>customer</i>			
		<del>Advising; arranging (bringing about) or (for a mortgage lender or home reversion provider) an activity which would be arranging (bringing about) but for the exclusion in article 28A</del> <u>Regulated Activities Order (Arranging contracts to which the arranger is a party) an <i>execution-only sale</i>, excluding variations to an existing <i>home finance transaction</i> except where the effect is to change all or part of the <i>home finance transaction</i> from one interest rate to another.</u> <u>See Note 3, which</u>	20	<del>Regulated mortgage contracts</del> for a non-business purpose	Yes
			20A	<del>Regulated mortgage contracts</del> for a business purpose	No
			21	<u>Equity release transactions</u>	Yes

		<u>for the avoidance of doubt forms part of this rule.</u>			
		...			
		Overseeing <del>non-</del> <u>advised sales an execution-only sale</u> on a day-to-day basis	26	<i>Regulated sale and rent back agreements</i>	No
		...			
		<b>Notes:</b>			
		...			
		<u>3.</u>	<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><u>(a) includes activity which would be arranging (bringing about) but for the exclusion in article 28A of the Regulated Activities Order; and</u></p> <p><u>(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).</u></p>		

...

<b>Appendix 4.1 Appropriate Qualification tables</b>					
App 4.1.1E	<b>Part 1: Activities</b>				
	Note: The activity numbers in this table relate to the <del>Regulated Activities</del> <u>activities</u> in TC App 1.1.1R. These tables do not cover activities 1, 5, 13A, 13B, 13C, <u>20A, 21B</u> , 24, 25 or 26 as these activities do not have a qualification requirement.				
		<b>Activity number</b>	<b>Activity</b>	<b>Key - extent to which qualification meets qualification requirement</b>	
		...	...		
		...	...	1 or (2 + 3) or	Meets full qualification requirement
		20	Advising on a <i>regulated mortgage contract</i> for a		

			<p>non-business purpose; or</p> <p><u>Arranging (bringing about) an execution-only sale of a regulated mortgage contract for a non-business purpose, excluding variations to an existing regulated mortgage contract, except where the effect is to change all or part of the regulated mortgage contract from one interest rate to another</u></p>	(4 + 5 + 6)	
		21	<p>Advising on <i>equity release transactions</i>; or</p> <p><u>Arranging (bringing about) an execution-only sale of an equity release transaction, excluding variations to an existing equity release transaction, except where the effect is to change all or part of the equity release transaction from one interest rate to another</u></p>		
		<u>21A</u>	<p><u>Designing scripted questions for an execution-only sale of a regulated mortgage contract for a non-business purpose</u></p>		
		22	<p>Designing scripted questions for <del>non-</del>advised sales <u>an execution-only sale of an equity release transactions transaction</u></p>		
		...			