Powers exercised

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


Amendments to the Handbook

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

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Glossary of definitions</td>
<td>Annex A</td>
</tr>
<tr>
<td>Training and Competence sourcebook (TC)</td>
<td>Annex B</td>
</tr>
<tr>
<td>General Provisions (GEN)</td>
<td>Annex C</td>
</tr>
<tr>
<td>Interim Prudential sourcebook for Investment Businesses (IPRU(INV))</td>
<td>Annex D</td>
</tr>
<tr>
<td>Conduct of Business sourcebook (COBS)</td>
<td>Annex E</td>
</tr>
<tr>
<td>Mortgages and Home Finance: Conduct of Business sourcebook (MCOB)</td>
<td>Annex F</td>
</tr>
<tr>
<td>Supervision manual (SUP)</td>
<td>Annex G</td>
</tr>
<tr>
<td>Credit Unions sourcebook (CREDS)</td>
<td>Annex H</td>
</tr>
<tr>
<td>Listing Rules sourcebook (LR)</td>
<td>Annex I</td>
</tr>
</tbody>
</table>

Amendments to material outside the Handbook

E. The Enforcement Guide (EG) is amended in accordance with Annex J to this instrument and the Perimeter Guidance (PERG) is amended in accordance with Annex K.

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 44) Instrument 2017.

By order of the Board
25 January 2017
Annex A

Amendments to the Glossary of definitions

Insert the following new definition in the appropriate alphabetical position. The text is not underlined.

**online notification and application system**

the FCA’s and the PRA’s online notification and applications system, by whatever name known.

[Note: before 1 October 2014 this was known as ONA, and from 1 October 2014 it has been known as the CONNECT system (https://connect.fca.org.uk/firms/aupo_sitelogin)]

Amend the following definitions as shown. Underlining indicates new text and striking through indicates deleted text.

**competent employees rule**

(a) for a firm which is not a common platform firm an insurer, a managing agent and the Society, SYSC 3.1.6R;

(b) for a common platform firm, SYSC 5.1.1R; and

(c) for every other firm, SYSC 5.1.1R (where it applies).

**Market Abuse Regulation**


Delete the following definition. The text is not shown struck through.

**ONA**

the appropriate regulator’s online notifications and applications system, by whatever name known.
Annex B

Amendments to Training and Competence sourcebook (TC)

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

App 6 Accredited bodies

App 6.1 Accredited bodies

6.1.1G

<table>
<thead>
<tr>
<th>Carrying out effective verification services</th>
</tr>
</thead>
<tbody>
<tr>
<td>...</td>
</tr>
</tbody>
</table>

| 14. | The FCA will expect an *accredited body* to make it a contractual condition of membership (where a *retail investment adviser* is a member of the *accredited body*) or of using its verification service (where a *retail investment adviser* is not a member of the *accredited body*) that, as a minimum, the *accredited body* will not continue to verify a *retail investment adviser’s* standards. The FCA will also expect an *accredited body* to *and will* withdraw its statement of professional standing if it is provided with:

(a) false information in relation to a *retail investment adviser’s* qualifications or continuing professional development; or

(b) a false declaration in relation to a *retail investment adviser’s* compliance with *APER*; or

(c) for a *relevant authorised person*, compliance with *COCON*.

In this regard, an *accredited body* must have in place appropriate decision-making procedures with a suitable degree of independence and transparency. |
2 Interpreting the Handbook

... 

2.2 Interpreting the Handbook

... 

Application of provisions made by both the FCA and the PRA where there are commensurate PRA provisions

2.2.23 R (1) This rule applies to Handbook provisions made by both the FCA and the PRA, and to Handbook provisions made by the FCA where the PRA have made commensurate provisions in the PRA Rulebook. It may affect their application by the FCA to PRA-authorised persons and PRA approved persons, and may affect their application by the PRA to any authorised person or approved person.

(2) Where a Handbook provision (or part of one) goes beyond the FCA’s or PRA’s powers or regulatory responsibilities, it is to be interpreted as applied by that regulator to the extent of that regulator’s the FCA’s powers and regulatory responsibilities only.

(3) The extent of a Handbook provision is to be interpreted as cut back under GEN 2.2.23R (2) by the minimum degree necessary.

(4) Where a Handbook provision (or part of one) made by the PRA has been superseded by a provision in the PRA Rulebook, the Handbook provision is to be interpreted as a reference to the PRA Rulebook provision, unless the context otherwise requires. [deleted]

... 

2.2.25 G Examples An example of rules a rule being interpreted as cut back by GEN 2.2.23R include the following: is SYSC 6.1.1R, which requires a firm to maintain adequate policies and procedures to ensure compliance with its obligations under the regulatory system; SYSC 6.1.1R should be interpreted as applied by the FCA in respect of a PRA-authorised person’s compliance with regulatory obligations that are the responsibility of the FCA (for example, in respect of a bank maintaining policies and procedures to ensure compliance with banking conduct requirements in BCOBS).
(2) SYSC 6.1.1R requires a firm to maintain adequate policies and procedures to ensure compliance with its obligations under the regulatory system; SYSC 6.1.1R should be interpreted: [deleted]

(a) as applied by the FCA in respect of a PRA-authorised person’s compliance with regulatory obligations that are the responsibility of the FCA (for example, in respect of a bank maintaining policies and procedures to ensure compliance with banking conduct requirements in BCOBS); and,

(b) as applied by the PRA in respect of a PRA-authorised person’s compliance with those regulatory obligations that are the responsibility of the PRA (for example, in respect of a bank maintaining policies and procedures to ensure compliance with financial resources requirements in the PRA Rulebook and the EU CRR).

(3) COMP 5.2.1R sets out types of protected claims to be covered by the FSCS. The powers of the FCA to make this type of rule are set out in the order made under section 213(A) of the Act. The rule must be read as applying only to the extent of those powers. For example, the FCA has no power to make COMP 5.2.1R(1) as creating protected claims for a protected deposit. As such, these provisions are to be interpreted as not applied by the FCA. [deleted]

…

6 Insurance against financial penalties

6.1 Payment of financial penalties

Application

6.1.1 R This chapter applies to every firm, but only with respect to business that can be regulated under sections section 137A (The FCA’s general rules) and 137G (The PRA’s general rules) of the Act.

…

Interpretation

6.1.4 R In this chapter ‘financial penalty’ means a financial penalty that the appropriate regulator FCA has imposed, or may impose, under the Act. It does not include a financial penalty imposed by any other body.

Payment of a penalty imposed on an employee

6.1.4A R No firm, except a sole trader, may pay a financial penalty imposed by the appropriate regulator FCA on a present or former employee, director or
partner of the firm or of an affiliated company.

Insurance against financial penalties

...
5 Financial resources

5.1 Application

... Interpretation

5.1.4 G The definitions in the glossary at IPRU(INV) 5 Appendix 1 apply to terms shown in **bold** type this chapter (other than headings and titles). Where the term is italicised, the FCA Handbook Glossary definition applies.

... 12 Financial resources requirements for operators of electronic systems in relation to lending

12.1 Application and purpose

... 12.1.2 G This chapter amplifies the _threshold conditions_ 2D (Appropriate resources) by providing that a _firm_ must meet, on a continuing basis, a basic solvency requirement. This chapter also builds on _Principle 4_ which requires a _firm_ to maintain adequate financial resources _financial resources_ by setting out appropriate requirements for a _firm_ according to what type of _firm_ it is.

... 12.1.4 G More generally, having adequate financial resources _financial resources_ gives the _firm_ a degree of resilience and some indication to consumers of creditworthiness, substance and the commitment of its owners. The _rules_ in this chapter aim to ensure that a _firm_ has financial resources _financial resources_ which can provide cover for operational and compliance failures and pay redress, as well as reducing the possibility of a shortfall in funds and providing a cushion against disruption if the _firm_ ceases to trade.

... Actions for damages
Interpretation

12.1.7 G The definitions in the glossary at IPRU(INV) 12 Appendix 1 apply to terms shown in bold type this chapter. Where the term is italicised, the FCA Handbook Glossary definition applies.

12.2 Financial resources requirements

12.2.2 R A firm must ensure that at all times its financial resources are not less than its financial resources requirement.

Financial resources requirement: firms carrying on other regulated activities

12.2.3 R The financial resources requirement for a firm carrying on one or more regulated activities in addition to operating an electronic system in relation to lending, is the higher of:

(1) the financial resources requirement which is applied by this chapter; and

(2) the financial resources or own funds requirement which is applied by another rule or by directly applicable legislation of the EU to the firm.

Determining the financial resources requirement

12.2.8 G If the firm has 30,000 individuals each lending £100,000, the total value of the firm’s loaned funds outstanding is £3,000,000,000. If the
firm does not carry on any other regulated activity to which another higher financial resources or own funds requirement applies, its financial resources requirement financial resources requirement is £1,900,000. This is calculated as follows:

... Recalculating the financial resources requirement

12.2.9 R If the firm experiences a greater than 25% increase in the total value of loaned funds outstanding compared to the value used in its last financial resources requirement financial resources requirement calculation, it must recalculate its financial resources requirement financial resources requirement using the higher total value of loaned funds outstanding.

12.2.10 R A firm must notify the FCA of any change, or any likely change, in its financial resources requirement financial resources requirement within 14 days of that change, or it becoming aware that the change is likely, whichever is the earlier.

12.3 Calculation of financial resources

12.3.1 R (1) A firm must at all times have available the amount and type of financial resources financial resources required by this chapter (see IPRU(INV) 12.3.2R).

(2) In arriving at its calculation of its financial resources financial resources, a firm must deduct certain items (see IPRU(INV) 12.3.3R).

12.3.2 R Table: Items which are eligible to contribute to the financial resources of a firm

<table>
<thead>
<tr>
<th>Item</th>
<th>Additional explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>2. ... ... ... (1) ...</td>
<td></td>
</tr>
</tbody>
</table>
| (2) current accounts according to the most recent financial statement. | For the purpose of the calculation of financial resources financial resources, in respect of a defined benefit occupational pension scheme:
3. ... ...  

For the purposes of calculating **financial resources** **financial resources**, a **firm** must make the following adjustments to its reserves, where appropriate:

...  

4. Interim net profits (Note 1)  

If a **firm** seeks to include interim net profits in the calculation of its **financial resources** **financial resources**, the profits have, subject to Note 1, to be verified by the **firm’s** external auditor, net of tax, anticipated dividends or proprietors’ drawings and other appropriations.

...  

6. Subordinated loans/debt  

Subordinated loans/debt must be included in **financial resources** **financial resources** on the basis of the provisions in this chapter that apply to subordinated loans/debt.

...  

Subordinated loans/debt

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>12.3.4 R</td>
<td>A subordinated loan/debt must not form part of the <strong>financial resources</strong> <strong>financial resources</strong> of the <strong>firm</strong> unless it meets the following conditions:</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>12.3.5 R</td>
<td>When calculating its <strong>financial resources</strong> <strong>financial resources</strong>, the <strong>firm</strong> must exclude any amount by which the aggregated amount of its subordinated loans/debts exceeds the amount calculated as follows:</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>a =</td>
<td>Items 1 - 5 in the table of items which are eligible to contribute to a <strong>firm’s</strong> <strong>financial resources</strong> <strong>financial resources</strong> (see IPRU-INV 12.3.3R)</td>
</tr>
<tr>
<td>b =</td>
<td>Items 1 - 5 in the table of items which must be deducted from a <strong>firm’s</strong> <strong>financial resources</strong> <strong>financial resources</strong> (see IPRU-INV 12.3.3R)</td>
</tr>
</tbody>
</table>
12.3.6  

(4)

As subordinated loans/debts (£10,000) are less than the total of share capital + reserves – intangible assets (£40,000) the firm need not exclude any of its subordinated loans/debts pursuant to *IPRU-INV 12.3.5R*. Therefore, total financial resources financial resources will be £50,000.

As subordinated loans/debts (£60,000) exceed the total of share capital + reserves – intangible assets (£40,000) by £20,000, the firm should exclude £20,000 of its subordinated loans/debts when calculating its financial resources financial resources. Therefore, total financial resources financial resources will be £80,000.

### 12.4 Notification requirements

<table>
<thead>
<tr>
<th>12.4.1</th>
<th>G</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Handbook reference</strong></td>
<td><strong>Matter to be notified</strong></td>
</tr>
<tr>
<td><em>IPRU-INV 12.2.10R</em></td>
<td>A change or likely change, in a firm’s financial resources requirement: financial resources requirement</td>
</tr>
</tbody>
</table>

### 12 Terms

Appendix 1
12 App 1.1G If a defined term does not appear in the IPRU(INV) glossary below, the
definition appearing in the main Handbook Glossary applies.

<table>
<thead>
<tr>
<th>financial resources</th>
<th>a firm’s financial resources as calculated in accordance with IPRU(INV) 12.3 (Calculation of financial resources).</th>
</tr>
</thead>
<tbody>
<tr>
<td>financial resources requirement</td>
<td>an amount of financial resources that a firm must hold as set out in IPRU(INV) 12.2 (Financial resources requirements)</td>
</tr>
</tbody>
</table>

13 Financial Resource Requirements for Personal Investment Firms

13.1 Application, General Requirements and Professional Indemnity Insurance Requirements

... GENERAL CAPITAL RESOURCES AND SOLVENCY REQUIREMENTS General capital resources and solvency requirements

13.1.4 R ... CAPITAL RESOURCES: GENERAL ACCOUNTING PRINCIPLES Capital resources: general accounting principles

13.1.4A R ... Requirement to Hold Professional Indemnity Insurance hold professional indemnity insurance

13.1.5 R ... Comparable Guarantee guarantee

13.1.7 R ... Policy Terms terms

13.1.9 R ... Limits of Indemnity indemnity

...
Note: Article 67(3) of MiFID and article 31(1) of the CRD (see also rule IPRU(INV) 13.1A.3R)]

13.1.12 R …

[Note: Article 67(3) of MiFID and article 31(2) of the CRD (see also rule IPRU(INV) 13.1A.4R)]

… Policies Providing providing for more than one Firm firm

13.1.18 R …

Limits of Indemnity – Additional Requirements indemnity – additional requirements

13.1.19 R …

…

Additional Capital Resources – Exclusions capital resources - exclusions

13.1.23 R …

…

Excess Level level

13.1.25 R …

…

Additional Capital Resources – Excess capital resources - excess

13.1.27 R …

Notification Requirements requirements

…

13.1A Financial Capital resources and professional indemnity insurance requirements for an exempt CAD firm

…

Requirement to hold initial capital and professional indemnity insurance

…
13.1A.3 R (1) …

(b) professional indemnity insurance at least equal to the requirements of *IPRU(INV)* 13.1.11R and *IPRU(INV)* 13.1.15R to *IPRU(INV)* 13.1.27R; or

…

[Note: Article 67(3) of *MiFID* and article 31(1) of the *CRD* (see also rule *IPRU(INV)* 13.1.11R)]

…

13.1A.4 R (1) A firm that is also an *IMD insurance intermediary* must have professional indemnity insurance at least equal to the limits set out in *IPRU(INV)* 13.1.10R and in addition must have:

(a) …

(b) professional indemnity insurance at least equal to the requirements of *IPRU(INV)* 13.1.12R and *IPRU(INV)* 13.1.15R to *IPRU(INV)* 13.1.27R; or

(c) …

[Note: Article 67(3) of *MiFID* and article 31(2) of the *CRD* (see also rule *IPRU(INV)* 13.1.12R)]

…

…
Annex E

Amendments to the Conduct of Business sourcebook (COBS)

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

Part 1: Coming into force on 26 January 2017

3 Client categorisation

...  

3.6 Eligible counterparties

...  

Per se eligible counterparties

3.6.2 R Each of the following is a per se eligible counterparty (including an entity that is not from an EEA state that is equivalent to any of the following) unless and to the extent it is given a different categorisation under this chapter:

...  

14 Providing product information to clients

...  

14.2 Providing product information to clients

...  

Provision of a generic key features illustration

14.2.1B R When the rules in this chapter require the offer or provision of a key features illustration, a firm may provide a generic key features illustration if that generic key features illustration has been prepared in accordance with COBS 13.4.2R.

Provision of information: other requirements

14.2.1C R A firm that arranges to start the facilitation of, or an increase in, an adviser charge or consultancy charge from an in-force packaged product, must provide to the retail client sufficient information for the retail client to be able to understand the likely effect of that facilitation.
22 Providing product information to clients

22.1 Temporary restrictions on contingent convertible instruments [expired]

22.1.1 [expired]

Exemptions

<table>
<thead>
<tr>
<th>Title</th>
<th>Type of retail-client</th>
<th>Additional conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certified high net worth investors</td>
<td>An individual who meets the requirements set out in COBS 4.12.6R, or a person (or persons) legally empowered to make investment decisions on behalf of such individual.</td>
<td>The firm must consider the contingent convertible instrument is likely to be suitable for that individual, based on a preliminary assessment of that individual’s profile and objectives. (See COBS 4.12.5G(2).)</td>
</tr>
<tr>
<td>Exempt persons</td>
<td>An exempt person (other than a person exempted only by section 39 of the Act (Exemption of appointed representative)) if the activity relates to a regulated activity in respect of which the person is exempt from the general prohibition.</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>Certified sophisticated investors</td>
<td>An individual who meets the requirements set out in COBS 4.12.7R, including an individual who is legally empowered (solely or jointly with others) to make investment decisions on behalf of another person who is the firm’s client.</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>Self-certified sophisticated investors</td>
<td>An individual who meets the requirements set out in COBS 4.12.7R, including an individual who is</td>
<td>Not applicable.</td>
</tr>
<tr>
<td><strong>Self-certified sophisticated investors</strong></td>
<td>An individual who meets the requirements set out in COBS 4.12.8R, including an individual who is legally empowered (solely or jointly with others) to make investment decisions on behalf of another person who is the firm’s client.</td>
<td>The firm must consider the contingent convertible instrument is likely to be suitable for that individual, based on a preliminary assessment of that individual’s profile and objectives. (See COBS 4.12.5G(2).)</td>
</tr>
</tbody>
</table>
| **Solicited-advice** | Any retail client. | The prohibition does not apply provided all of the following requirements are met:  
(a) there is no financial promotion other than a personal recommendation on the contingent convertible instrument;  
(b) the personal recommendation is made following a specific request by that client for advice on the merits of investing in the contingent convertible instrument; and  
(c) the client has not previously received a financial promotion or any other communication from the firm (or from a person connected to the firm) which is intended to influence the client in relation to investment in contingent convertible |
<table>
<thead>
<tr>
<th><strong>MiFID or equivalent third country business other than financial promotions</strong></th>
<th><strong>Any retail client</strong></th>
<th>If the prohibited activities amount to MiFID or equivalent third country business, that rule only applies to the extent that the prohibited activity is the communication or approval of a financial promotion.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Prospectus</strong></td>
<td><strong>Any retail client</strong></td>
<td>The prohibition does not apply to the distribution of a prospectus required under the Prospectus Directive.</td>
</tr>
<tr>
<td><strong>Issuers</strong></td>
<td><strong>Any retail client</strong></td>
<td>To the extent that the firm is acting as issuer of a contingent convertible instrument, the prohibition only applies to the original issuance of the contingent convertible instrument and not to subsequent trading in the secondary market.</td>
</tr>
<tr>
<td><strong>Clearing, custodial and processing services</strong></td>
<td><strong>Any retail client</strong></td>
<td>The prohibition does not apply to the extent that the firm’s activities relate to clearing, registration or settlement of transactions in contingent convertible instruments (or rights to or interests in such instruments), any back office processing or reporting of such transactions, or custody of contingent convertible instruments.</td>
</tr>
<tr>
<td>Indirect investment</td>
<td>Any retail client</td>
<td>The prohibition does not apply in relation to a beneficial interest in a contingent convertible instrument held from participation in a regulated collective investment scheme, investment in a non-mainstream pooled investment, or membership of an occupational pension scheme.</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>

**Note 1**
A person is connected with a firm if it acts as an introducer or appointed representative for that firm or, if it any other person, regardless of authorisation status, who has a relevant business relationship with the firm.

**Note 2**
See COBS 2.4 for rules and guidance on agent as client and reliance on others.

22.1.3 **R**

(1) For the purposes of compliance with this section and with any assessments or certifications required by the exemptions set out in COBS 22.1.2R, any references in COBS 4.12 provisions to non-mainstream pooled investments must be read as though they are references to contingent convertible instruments.

(2) If the firm is relying on the high net worth investor exemption, the sophisticated investor exemption of the self-certified sophisticated exemption for the purposes of compliance with COBS 22.1.1R, the statement the investor must sign should have references to non-mainstream pooled investments replaced with references to contingent convertible instruments.

(3) The firm must give the retail client a written copy of any statements that individual has been asked to sign as part of certification as a high net worth, sophisticated or self-certified sophisticated investor for the purposes of compliance with COBS 22.1.1R.

22.1.4 **R**

If a firm communicates or approves an invitation or inducement to acquire or underwrite a contingent convertible instrument or rights to interests in that instrument) which is addressed to, or disseminated in such a way that it is likely to be received by, a retail client, it must comply with the record-keeping requirements in COBS 4.11.1R, adapted as follows:

(1) references to non-mainstream pooled investments should be read as references to contingent convertible instruments; and
(2) references to \textit{COBS} 4.12.3R should be read as references to \textit{COBS} 22.1.1R.

\section*{TP 2 \quad Other Transitional Provisions}

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Material to which the transitional provision applies</td>
<td>Transitional provision</td>
<td>Transitional provision: dates in force</td>
<td>Handbook provisions: coming into force</td>
<td></td>
</tr>
<tr>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
</tbody>
</table>

\begin{itemize}
  \item \textbf{2.2A} \textit{COBS} 6.1E \quad \text{R} \quad \textit{A platform service provider may continue to accept remuneration in relation to a retail investment product transaction which was executed on or before 5 April 2014: [expired]}
  \end{itemize}

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1) if, after 5 April 2014, no change is made to that product or the investment held in that product; or</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td></td>
<td>(2) where there is such a change on or after 6 April 2014, only in relation to the unchanged part of that product.</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
</tbody>
</table>

\begin{itemize}
  \item \textbf{2.2AA} \textit{COBS} 6.1E \quad \text{G} \quad \textit{The platform service provider may be remunerated by way of a platform change for the changed part of that product: [expired]}
  \end{itemize}

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>From 6 April 2014 to 5 April 2016</td>
<td>From 6 April 2014 to 5 April 2016</td>
<td>From 6 April 2014 to 5 April 2016</td>
<td>From 6 April 2014 to 5 April 2016</td>
<td>From 6 April 2014 to 5 April 2016</td>
</tr>
</tbody>
</table>

\begin{itemize}
  \item \textbf{2.2AB} \textit{COBS} 6.1E \quad \text{G} \quad \textit{The following examples do not entail changes to the retail investment product: [expired]}
  \end{itemize}
(1) regular contributions to or a reinvestment of dividends from a retail investment product following instructions given on or before 5 April 2014;

(2) a rebalancing of the retail investment product following instructions given on or before 5 April 2014.

2.2AC  COBS 6.1E  G  Examples of changes to the retail investment product are: [expired]  From 6 April 2014 to 5 April 2016  From 6 April 2014 to 5 April 2016

(1) the retail client’s investment in, or regular contribution to the relevant retail investment product is increased following instructions given on or after 6 April 2014. The platform service provider can continue to receive remuneration in relation to the amounts invested by the retail client following instructions given on or before 5 April 2014 but not in relation to any additional amounts invested by the retail client following instructions given on or after 6 April 2014.

(2) the retail client’s investment is switched between retail investment products held by the platform service provider following instructions given on or after 6 April 2014.
April 2014. This includes switching between funds within a retail investment product such as a SIPP or a retail investment product wrapper such as an ISA.

(3) the re-registration of the retail client’s retail investment product to another platform service provider following instructions given on or after 6 April 2014.

<table>
<thead>
<tr>
<th>2.8F</th>
<th>COBS 19.4.3R</th>
<th>R</th>
<th>(1) Where a firm has provided the retail client with an open market option statement in accordance with COBS 19.4.2R but has not provided a six-week reminder before 6 April 2015, the rules in COBS 19.4.3R do not apply. [expired]</th>
<th>From 6 April 2015 to 5 August 2016</th>
<th>6-April-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(2) Where (1) applies, the firm must: (a) tell the client what sum of money will be available to exercise open market options; and (b) provide the client with the fact sheet “Your pension: it’s time to choose” available on <a href="http://www.moneyadvice.org.uk">www.moneyadvice.org.uk</a> or a statement in a durable medium that gives materially the same information; (c) provide the client</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

...
with a clear-and prominent statement about the availability of the pensions guidance including:

(i) how to access the pensions guidance and its contact details;

(ii) that the pensions guidance can be provided on the internet, telephone, or face-to-face;

(iii) that the pensions guidance is a free impartial service to help consumers to understand their options at retirement; and

(iv) a recommendation that the client seeks appropriate guidance or advice to understand their options at retirement at least six weeks before the client’s intended retirement date.

(3) If a firm has provided the retail client with a version of the fact sheet “Your pension: it’s time to choose” available on www.moneyadviceservice.org.uk dated June 2014 or later, or a statement in a durable medium that gives materially the same information, the requirement in (2)(b) does not apply.

...
Part 2: Coming into force on 27 March 2017

6 Information about the firm and compensation information

...  

6.2A Describing advice services

...  

Firms holding themselves out as independent

6.2A.3  

R   ...  

(2) Paragraph (1) does not apply to group personal pension schemes if a firm discloses information to a client in accordance with the rule on group personal pension schemes (COBS 6.3.24R COBS 6.1C.20AR).

...  

18 Specialist Regimes

...  

18.1 Trustee Firms

...  

Application of COBS to trustee firms

18.1.2  

R   The provisions of COBS in the table do not apply to a trustee firm to which this section applies:

<table>
<thead>
<tr>
<th>COBS</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>...</td>
<td></td>
</tr>
<tr>
<td>6.3</td>
<td>Disclosing information about services, fees and commission—packaged products</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>...</td>
<td></td>
</tr>
</tbody>
</table>

...  

18.2 Energy market activity and oil market activity – MiFID business

Energy market activity and oil market activity – MiFID business

18.2.1  

R   The provisions of COBS in the table do not apply to any energy market
activity or oil market activity carried on by a firm which is MiFID or equivalent third country business:

<table>
<thead>
<tr>
<th>COBS</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>6.3</td>
<td>Disclosing information about services, fees and commission—packaged products</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

... 18.3 Corporate finance business

Corporate finance business – MiFID business

18.3.1  R The provisions of COBS in the table do not apply in respect of any corporate finance business carried on by a firm which is MiFID or equivalent third country business:

<table>
<thead>
<tr>
<th>COBS</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>6.3</td>
<td>Disclosing information about services, fees and commission—packaged products</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

... 18.4 Stock lending activity

18.4.1  R The provisions of COBS in the table do not apply to any stock lending activity carried on by a firm which is MiFID or equivalent third country business:

<table>
<thead>
<tr>
<th>COBS</th>
<th>Subject</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>6.3</td>
<td>Disclosing information about services, fees and commission—packaged products</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

...
3A  Financial promotions and communications with customers

3A.5  MCD financial promotions

3A.5.1  R  (1) When communicating or approving a financial promotion concerning an MCD regulated mortgage contract which indicates an interest rate or any figures relating to the cost of the credit to the consumer, a firm must ensure that the financial promotion includes standard information which specifies in a clear, concise and prominent way:

(a) the identity of the MCD creditor or, where applicable, the credit intermediary or appointed representative;

...
Annex G

Amendments to the Supervision manual (SUP)

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

6 Applications to vary and cancel Part 4A permission and to impose, vary or cancel requirements

6.3 Applications for variation of permission and/or imposition, variation or cancellation of requirements

The application for variation of permission and/or imposition, variation or cancellation of requirements

6.3.15 D (1) Subject to (1A), a firm other than a credit union wishing to make an application under SUP 6 must apply online using the form specified on the ONA online notification and application system.

(4) Where a firm is obliged to submit any form, notice or application online under (1), if the ONA online notification and application system information technology systems fail and online submission is unavailable for 24 hours or more, until such time as facilities for online submission are restored a firm must submit any form, notice or application by using the form in SUP 6 Ann 5D and submitting it in the way set out in SUP 15.7.4R to SUP 15.7.9G (Form and method of notification).

6.3.15A G (1) If the ONA systems fail online notification and application system fails and online submission is unavailable for 24 hours or more, the relevant regulator will endeavour to publish a notice on its website that online submission is unavailable and that the alternative methods of submission set out in SUP 6.3.15D(4) and SUP 15.7.4R to SUP 15.7.9G (Form and method of notification) should be used.

6.4 Applications for cancellation of permissions
The application for cancellation of permission

6.4.5 D (1) Subject to (1A), a firm other than a credit union wishing to cancel its Part 4A permission, must apply online at the appropriate regulator website using the form specified on the ONA system.

…

(5) Where a firm is obliged to submit any form, notice or application online under (1), if the ONA system fails and online submission is unavailable for 24 hours or more, until such time as facilities for online submission are restored a firm must submit any form, notice or application by using the form in SUP 6 Annex 6D and submitting it in the way set out in SUP 15.7.4R to SUP 15.7.9G (Form and method of notification).

6.4.5A G (1) If the ONA system fails and online submission is unavailable for 24 hours or more, the relevant regulator will endeavour to publish a notice on its website confirming that online submission is unavailable and that the alternative methods of submission set out in SUP 6.4.5D(5) and SUP 15.7.4R to SUP 15.7.9G (Form and method of notification) should be used.

…

10A FCA Approved Persons

…

10A.12 Procedures relating to FCA-approved persons

…

10A.12.2 G Table: FCA-approved persons forms

<table>
<thead>
<tr>
<th>Form</th>
<th>Purpose</th>
<th>Handbook requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>the relevant Form A</td>
<td>The relevant online form on the FCA and PRA’s ONA system or the online notification and application system</td>
<td>Application to perform controlled functions under the approved persons regime</td>
</tr>
</tbody>
</table>
10A.16 How to apply for approval and give notifications

10A.16.1 D (1) …
(2) Subject to (2A), an application by a firm other than a credit union must be made by submitting the Form online at fca.org.uk using the form specified on the FCA’s and PRA’s ONA system online notification and application system.

12 Appointed representatives

12.7 Notification requirements

12.7.8A R (1) Subject to (2A), a firm other than a credit union must submit the form as set out in SUP 12 Annex 4R online at http://www/fca.org.uk using the FCA’s ONA system online notification and application system.
12.8 Termination of a relationship with an appointed representative or EEA tied agent

...  

12.8.1A R (1) Subject to (2A), a firm other than a credit union must submit any notification under SUP 12.8.1R(1) in the form set out in SUP 12 Annex 5R, online at www.fca.org.uk using the FCA’s ONA system online notification and application system.

...  

13 Exercise of passport rights by UK firms

...  

13.5 Notices of intention

...  

Method of submission of notices

13.5.3 R (1) A UK firm, other than a credit union, must submit any notice under SUP 13.5.1R(1), SUP 13.5.1AR or SUP 13.5.2R online at www.fca.org.uk using the ONA system online notification and application system.

...  

13.8 Changes of details: provisions of notices to the appropriate UK regulator

...  

13.8.1A G The effect of SUP 13.8.1R(1) is that a firm should submit any form, notice or application under SUP 13.8.1R(1) in the following ways:

(1) A UK firm, other than a credit union, should submit it online at www.fca.org.uk using the ONA system online notification and application system.

...  

15 Notifications to the FCA

...
15.4 Notified persons

... 

15.4.3 G (1) A firm other than a credit union must submit the form in SUP 15 Ann 2R online using the FCA’s ONA system online notification and application system.

... 

16 Reporting requirements

... 

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

... 

NOTES FOR COMPLETION OF THE RMAR

... 

Section D Regulatory Capital

... 

<table>
<thead>
<tr>
<th>Home finance and non-investment insurance mediation</th>
</tr>
</thead>
<tbody>
<tr>
<td>...</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional capital resources requirements for PII (if applicable)</th>
<th>If the firm has any increased excesses on its PII policies, the total of the additional capital requirements required by the tables in MIPRU 3.2.13R or MIPRU 3.2.14R should be recorded here. See also section E of the RMAR.</th>
</tr>
</thead>
<tbody>
<tr>
<td>...</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Personal investment firm (retail investment activities only) – IPRU(INV) 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>...</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital resources requirement</th>
<th>The capital resources requirement should be calculated in accordance with IPRU-INV 13.13.2R to IPRU-INV 13.13.4G 13.13.4G.</th>
</tr>
</thead>
</table>
Section E  Professional indemnity insurance

Part 2

| Amount of additional capital required for increased excess(es) (where applicable, total amount for all PII policies) | This should be calculated using the tables in IPRU(INV) 13.1.19R or MIPRU 3.2.14R to 3.2.16R as applicable. The total of additional capital (i.e. in relation to all of the firm's PII policies) should have been reported under 'additional capital requirements for PII' and/or 'additional own funds for PII' in Section D. |

16 Annex 33BG  Guidance notes for data items in SUP 16 Annex 33AR

(3) Reference year of data collected and currency conversion

(a) See SUP 16.17.3R(5) which provides that firms must report in euros. To convert into euros, firms must use the rates published by the European Commission for financial programming and budget for December of the reported year. The table is published on the European Commission’s website:

http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm

The table contains monthly exchange rates. A list sorted by country name can be generated using the ‘access by list of countries’ function. Institutions should use the exchange rate applicable for the month in which the financial year ended.

Figures should be reported in full amounts.

...
Annex H

Amendments to the Credit Unions sourcebook (CREDS)

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

3A Shares, deposits and borrowing

3A.5 Requirements on the retail distribution and financial promotion of capital instruments

... Application of exemptions in COBS 22.2.4R

3A.5.8 R (1) Where a firm applies any exemption set out in COBS 22.2.4R under CREDS 3A.5.1R(3)(a) CREDS 3A.5.1R(3), any reference in COBS 22.2.4R to mutual society share must be read as though it includes a deferred share or credit union subordinated debt, as applicable.

(2) For the purposes of any assessments or certifications required by the exemptions in COBS 22.2.4R, as applied for the purposes of this section under CREDS 3A.5.1R(3)(a) CREDS 3A.5.1R(3), any reference in COBS 4.12 provisions to non-mainstream pooled investments must be read as though it is a reference to deferred shares or credit union subordinated debt, as applicable.

...
## Annex I

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

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

### App 1 Relevant definitions

#### App 1.1 Relevant definitions

<table>
<thead>
<tr>
<th>App 1.1.1</th>
<th>…</th>
</tr>
</thead>
</table>
Annex J

Amendments to the Enforcement Guide (EG)

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

19 Non-FSMA powers

…

19.5 Regulation of Investigatory Powers Act 2000 (RIPA)

…

Home Office Codes of Practice

19.5.6 In exercising powers under RIPA the FCA has regard to the relevant RIPA codes of practice. The Codes are available on the Home Office website: security.homeoffice.gov.uk/ripa/publication-search/ripa-cop/

…
Annex K

Amendments to the Perimeter Guidance manual (PERG)

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

4 Guidance on regulated activities connected with mortgages

...

4.10B Regulation of buy to let lending

...

What does buy-to-let credit agreement mean?

4.10B.5 G (1) A buy-to-let credit agreement means either:

(a) a contract that at the time it is entered into has the following characteristics:

(i) a lender providers credit to an individual or trustees (the ‘borrower’);

(ii) the contract provides for the obligation of the borrower to repay to be secured by a mortgage on land in the EEA;

(iii) at least 40% of that land is used, or is intended to be used, as or in connection with a dwelling by the borrower (or, where trustees are the borrower, by an individual who is a beneficiary of the trust) or by a related person; and

(iv) provides that the land secured by the mortgage is subject to the requirements in (2); or

...